

## NEWS RELEASE

### ARIZONA MINING’S UPDATED METALLURGICAL TEST WORK FOR HERMOSA-TAYLOR SULFIDES SHOWS INCREASED RECOVERIES FOR ZINC, LEAD AND SILVER

**Vancouver, B.C., March 29, 2017 – Arizona Mining Inc. (TSX: AZ)** (“Arizona Mining” or the “Company”) is pleased to announce the results of extensive metallurgical test work on the Taylor zinc-lead-silver sulfide mineralization from its 100%-owned Hermosa Project in Santa Cruz County, Arizona. The metallurgical test program was completed by SGS Lakefield’s metallurgical laboratory in Ontario, Canada, using separate lead and zinc flotation circuits.

In summary, the locked cycle tests returned significantly improved zinc and lead recoveries of 92.7% and 95.4%, respectively, compared to 85.5% and 92.9% previously. In addition, the testing achieved a silver recovery of 92.4% compared to 91% previously, with 69.3% reporting to the lead concentrate and 23.2% reporting to the zinc concentrate, and expected to be payable in both concentrates. The achieved grade for the zinc concentrate was 56.1% and contained approximately 331 grams per tonne (“g/t”) silver. Grade for the lead concentrate was 69.7%, and contained approximately 1,072 g/t silver.

CEO Jim Gowans commented: “The metallurgical testing program has successfully improved our recoveries for all target metals and has established the process flow sheet. Going forward, we will continue to look for improvements with continued testing, which may include a full pilot test later in the year. Based on recent preliminary discussions with several of the top buyers in the industry, we continue to have strong interest from concentrate buyers.”

The objective of the test program was to finalize a flowsheet for the Hermosa-Taylor sulfide mineralization, which is composed of a lead and zinc flotation circuit. While all mineralized zones were tested, the final results focused on the Epitaph Zone, which hosts approximately 50% of the resource, to develop the optimized flowsheet and scheme of reagents. The following table and comments relate to the average final grades and recoveries of the last three (out of six) locked cycle flotation tests, which utilized the most effective reagents for the recovery of both lead and zinc:

<b>Table 1 Metallurgical Summary For The Last Three (D-F) Locked Cycle Flotation Tests on Epitaph Composites</b>								
Products	Weight		Assays			% Recovery		
	g	%	Pb (%)	Zn (%)	Ag (g/t)	Pb	Zn	Ag
<b>Pb 3<sup>rd</sup> Cleaner Concentrate</b>	349	6.1	<b>69.67</b>	3.40	<b>1,072</b>	<b>95.37</b>	5.18	<b>69.25</b>
<b>Zn 2<sup>nd</sup> Cleaner Concentrate</b>	378	6.7	1.03	<b>56.10</b>	331	1.52	<b>92.70</b>	<b>23.17</b>
Zinc Rougher Tails	4,953	87.2	0.16	0.10	8.27	3.11	2.12	7.58
Head Grade (Calculated)	5,679	100.0	4.49	4.03	95.0	100.0	100.0	100.0
Head Grade (Assay)			4.36	3.97	93.1			

- The final Pb 3<sup>rd</sup> Cleaner Concentrate grade of 69.7% Pb and 1,072 g/t Ag achieved lead and silver recoveries of 95.4% and 69.3% respectively.
- The final Zn 2<sup>nd</sup> Cleaner Concentrate grade of 56.1% Zn and 331 g/t Ag achieved zinc and silver recoveries of 92.7% and 23.2% respectively.
- An overall silver recovery of 92.4% was obtained in the final lead and zinc concentrates.
- The projected manganese (“Mn”) content of the final zinc concentrate is 1.32%, in line with the preliminary metallurgical test work.
- Iron, cadmium and mercury levels are in line with or lower than averages for marketed concentrates.

Based on indicated grades, the zinc concentrates are suitable for most zinc smelters, however relatively elevated levels of manganese may result in the imposition of minor penalties in the range of what was previously reported (refer to December 12, 2016 news release).

Based on the concentrate analysis, the concentrates can be considered ‘clean’ and high grade, with valuable levels of payable silver in both concentrates and no significant deleterious elements which might affect their marketability.

The Company expects to release the results of its Preliminary Economic Assessment and a resource update the week of April 3<sup>rd</sup>, 2017. An updated technical report on the Hermosa-Taylor project will be filed within 45 days of this date.

### **Qualified Person**

The results of the metallurgical tests have been reviewed, verified and compiled by Qinghua Jin, MSc., P.E., Senior Process Engineer for SGS North America Inc., a qualified person as defined by National Instrument 43-101 (NI 43-101). Mr. Jin has more than 26 years of mineral processing experience and is a member of the Association of Arizona State Board of Technical Registration (License #53463), and a registered member of the Society for Mining, Metallurgy & Exploration (04138753).

### **About Arizona Mining**

Arizona Mining Inc. (an Augustagroup company) is a Canadian mineral exploration and development company focused on the exploration and development of its 100%-owned Hermosa Project located in Santa Cruz County, Arizona. The Taylor Deposit, a zinc-lead-silver carbonate replacement deposit, has a resource of 31.1 million tons in the Indicated Mineral Resource category grading 4.7% zinc, 4.4% lead and 1.8 ounces per ton (“opt”) silver, and 82.7 million tons in the Inferred Mineral Resource category grading 4.2% zinc, 4.7% lead and 2.2 opt silver, both utilizing a 4% ZnEq cut-off grade calculated in accordance with NI 43-101 guidelines (refer to the Company’s news release dated October 31, 2016). The Taylor Deposit remains open to the north, west and south over land controlled by the Company and will be aggressively drilled to test the limits of the resource. The Company’s other project on the Hermosa property is the Central Deposit, a silver-manganese manto oxide project.

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***Cautionary Note Regarding Forward-Looking Information***

Certain information contained in this press release constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements including statements with respect to the Company's intentions for its Hermosa Project in Arizona, including, without limitation, completing an update to the resource estimate and a Preliminary Economic Assessment and performing additional metallurgical test work. Forward-looking statements are often, but not always, identified by the use of words such as may, will, seek, anticipate, believe, plan, estimate, budget, schedule, forecast, project, expect, intend, or similar expressions.

The forward-looking statements are based on a number of assumptions which, while considered reasonable by Arizona Mining, are subject to risks and uncertainties. In addition to the assumptions herein, these assumptions include the assumptions described in Arizona Mining's management's discussion and analysis for the year ended December 31, 2015 ("MD&A"). Arizona Mining cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements and forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of zinc, lead, silver and other minerals; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business; and the factors discussed in the section entitled "Risks and Uncertainties" in the MD&A.

Although Arizona Mining has attempted to identify important risks, uncertainties and other factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those expressed in or implied by the forward-looking information, there may be other risks, uncertainties and other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof and Arizona Mining disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law.