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ALTIUS OPTIONS TALLY POND

Three prospects on property southwest of Duck Pond

Altius Minerals (ALS-V) has acquired an option to earn a 100% interest in the South Tally Pond property in central Newfoundland from Noranda (NOR-T).

The 47.5-sq.-km property covers the southern quarter of the Tally Pond volcanic belt. The Duck Pond and Boundary deposits lie in the north-central part of the belt, where partners Thundering Resources (THR-T) and Queenstown Mining (QMI-T) have tabled preliminary results from an ongoing feasibility study. Resources in the Upper Duck and Sleeper lenses and Boundary deposit are pegged at 5.4 million tonnes grading 3.5% copper, 6.4% zinc and 1% lead, plus 65 grams silver and 0.9 gram gold per tonne.

The South Tally Pond property contains at least three little-explored VMS alteration zones: Spencer's Pond, Lemarchant zone was highlighted by a 0.6-metre intersection grading 7.4% zinc, 6.3% lead and 0.6% copper, plus 11.4 grams gold and 1,515 grams silver per tonne. The Spencer's Pond alteration zone has been traced for more than 4km and is geologically similar to Lemarchant. The zone contains several coincident soil geochemical and geophysical anomalies. The zone has yet to be drilled.

The Rogerson lake alteration zone is up to 700 metres wide and coincident with several untested soil geochemical and geophysical anomalies. Previous drilling cut up to 0.5 metre of semi-massive sulphide mineralization.

Geochemical surveying by Noranda at Tally Pond returned geochemical signatures similar to those at the Boundary deposits.

To earn its 100% interest in the property, Altius must spend \$500,000 over four years. Noranda will contribute \$38,000 toward the initial exploration costs. The property is subject to a 2% net smelter return royalty, payable to Noranda. Upon commercial production, Noranda will receive either 1 million Altius shares or \$2 million.

Altius will begin a drilling program from January. The company has also applied to Newfoundland and Labrador's Junior Company Exploration Assistance Program, which would contribute up to half of eligible drilling-related costs.