



Blue Moon Cuts 30.3% Zinc, 1.7% Copper Plus Precious Metals Over 30 Feet at Blue Moon Deposit (true width ~55%)

January 18, 2019 – Blue Moon Zinc Corp. (TSXV: MOON; OTC: BMOOF) (“Blue Moon” or the “Company”) is pleased to announce the discovery of high-grade zinc-copper-rich massive sulphides with precious metal values at its 100%-owned Blue Moon VMS deposit in Mariposa County, California.

Given the significance of the results, the first drilling at Blue Moon in nearly 30 years, a Phase 2 follow-up drill program is planned to commence shortly in an attempt to expand the highest-grade zone ever encountered at the deposit.

Highlights:

- Drill hole BMZ-78 cut **30 feet (9.35 metres)** of massive sulphide mineralization grading **30.3%** zinc, **1.7%** copper, **1.67 g/t** gold and **71 g/t** silver for a zinc equivalent of **36.8%** within a broader interval of **120.7 feet (36.5 m)** that returned **9.45%** zinc, **0.58%** copper, **1.1 g/t** gold and **42.9 g/t** silver for a zinc equivalent of **12.61%**;
- BMZ-78 was drilled into a previously untested area (200 feet x 500 feet) within the West and Main Zones at a vertical depth of approximately 1,200 feet (374 m);
- Blue Moon’s 2018 drill program demonstrates that the massive sulphide lenses are now traceable for approximately 3,000 feet (900 metres) along plunge and remain open to surface and depth.

The Blue Moon NI-43-101 Inferred mineral resource announced on November 20, 2018, had a zinc equivalent (“ZnEq”) of 8.07% at a ZnEq cut-off grade of 4.0%.

Patrick McGrath, Blue Moon CEO, commented: “Drill hole BMZ-78 is a major breakthrough at this zinc-rich VMS deposit, supporting the continuity of the system while also demonstrating the presence of a very high-grade zinc core with impressive copper and precious metal content. Gold values of 4.98 g/t and 5.00 g/t, respectively, over five feet and silver values of 130 g/t over three feet are present within the massive sulphides.”

“Our crews are eagerly preparing for the next round of drilling to further build on the grade and the footprint of this deposit,” McGrath continued. “Meanwhile, we look forward to carrying out studies in 2019 to verify the clean metallurgical profile of the Blue Moon mineralization as reported through historical work documented in our NI-43-101 filed on SEDAR on November 20, 2018.”

Significant Assay Results

Hole ⁽⁴⁾	From (feet)	To (feet)	Length ⁽²⁾ (feet)	Zinc (%)	Gold (g/t)	Silver (g/t)	Lead (%)	Copper (%)	Zinc Equivalent (%) ⁽¹⁾
BMZ78	1425.0	1545.7	120.7	9.45	1.10	42.93	0.15	0.58	12.61
inc	1436.0	1441.0	5.0	1.90	4.98	32.60	0.47	0.11	8.08
inc	1459.0	1464.0	5.0	2.60	5.01	18.50	0.01	0.33	8.77
inc	1468.5	1453.3	15.2	5.98	2.30	15.44	0.03	0.38	9.40
inc	1508.0	1538.0	30.0	30.30	1.67	71.07	0.05	1.70	36.80
inc	1508.0	1511.0	3.0	46.50	3.14	130.00	0.13	2.20	56.51
BMZ75	1022.0	1038.0	16.0	1.2	0.08	0.7	0	0.04	1.4
inc	1027.0	1029.0	2.0	2.9	0.05	1.5	0	0.08	3.2

- (1) Zinc Equivalent calculation below.
- (2) True widths of the reported mineralized intervals are estimated to be 55% of the drilled widths.
- (3) These are uncut assays.
- (4) The dip angle of hole BMZ-78 was -60 degrees and the average azimuth was approximately 257. The dip angle of hole BMZ-75 was -40 degrees and the average azimuth was approximately 260.

A long section is [attached](#) to this news release. The drill program consisted of approximately 4,000 feet of HQ core drilling in 4 holes. BMZ-78 confirms the presence of thick and steeply plunging massive sulphide mineralization within the Main Zone. Step-out hole BMZ-75 demonstrates that mineralization extends an additional 200 feet up plunge and north of historical workings, showing the massive sulphide lenses are now traceable for approximately 3,000 feet along plunge and remain open to surface and depth. Hole BMZ-76 was drilled to a depth of 950 feet and was terminated due to a material deviation of the hole after exiting a fault and would not have reached the intended target zone. Hole BMZ-77 was drilled to a depth of 180 feet and was terminated due to poor drilling conditions and was re-drilled from the same platform and renamed BMZ-78.

Quality Assurance/Quality Control

Drilling completed on the project in 2018 was supervised on-site by Peter A. Herrera, P. Geo, who collected and tracked samples and implemented a full QA/QC program using blanks, standards and duplicates to monitor analytical accuracy and precision. Drill core was logged and sampled in a secure core processing and storage facility located at the Blue Moon site in Mariposa County, California. Core samples from the program were cut in half using a diamond bladed rock saw, sealed onsite, and were delivered directly by Mr. Herrera to Bureau Veritas's (BV) lab facility in Sparks, Nevada, for analysis. BV's quality system complies with global certifications for Quality ISO9001:2008. Pulp samples from the higher-grade samples as well as the duplicate samples were analyzed by ALS laboratories in Reno. Core samples were analyzed using a combination of BV's MA300 process for low level concentrations (ICP-ES 4 acid digestion) and the MA404 process for higher level concentrations of lead (ICP-ES 4 acid digestion). Gold assaying was completed with FA430, a 30-gram fire assay with ICP-AAS finish. Base metal over-limits were finalized with titration GC816 (zinc), GC820 (copper), and a silica wash was used between high-grade samples to ensure no sample carry-over. No material differences were found in any of the quality control samples nor were there any material differences between the results received from BV and those received from ALS. No QA/QC concerns were observed with the results shown in this report.

Zinc Equivalent Calculation (ZnEq)

The ZnEq formula and the underlying parameters used in its formulation are set out below:

Metal	Price (US\$)	Recovery (%)	Factor
Zinc	1.30/lb	95	24.70
Silver	17.00/oz	65	11.05
Copper	3.00/lb	93	55.80
Gold	1,250.00/oz	70	875.00
Lead	1.00/lb	95	19.00

The metal prices and the recoveries selected represent reasonable estimates of long-term metal prices and potential recoveries of metal in concentrate as detailed in the NI-43-101 filed on SEDAR on November 20, 2018. The equation to calculate ZnEq is as follows:

$$\text{ZnEq} = (\text{Zn}\% * 24.70 + \text{Cu}\% * 55.80 + \text{Pb}\% * 19.00 + \text{Ag}(\text{oz/t}) * 11.05 + \text{Au}(\text{oz/t}) * 875.00) / 24.70.$$

About Blue Moon

Blue Moon (TSXV: MOON; OTC: BMOOF) is currently advancing its 100%-controlled Blue Moon zinc deposit which also contains copper, gold and silver. The deposit is open at depth and along strike. The Blue Moon NI-43-101 Mineral Resource includes 7.8 million Inferred tons at 8.07% zinc equivalent, which includes 771 million pounds of 4.95% zinc, 71 million pounds of 0.46% copper, 300,000 ounces of gold at 0.04 oz/t, and 10 million ounces of silver at 1.33 oz/t. The NI-43-101 report was filed on www.sedar.com on November 20, 2018. More information is available on the company's web site (www.bluemoonmining.com). The Company plans to advance the Blue Moon Project through to feasibility, permitting and ultimately production.

Qualified Persons

Peter A. Herrera, P. Geo, is a qualified person as defined by NI-43-101, and has reviewed the scientific and technical information that forms the basis for this news release.

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