Announces that Sib-Lulu drill program has been permitted

TORONTO, ONTARIO--(Marketwired - Oct 17, 2016) - Eskay Mining Corp. ("Eskay" or the "Company") (TSX VENTURE:ESK) is pleased to report on the results of the 2016 exploration program announced in the Company`s August 8, 2016 press release. Eskay holds a very large (55,000 hectares) land position in a key part of the "Golden Triangle" of northwestern British Columbia. Eskay's holdings, part of which are held in a joint venture (80% Eskay) (the "ESK-JV Claims"), consist of three separate blocks of claims (see figure below). The largest block stretches in a broad concave-east arc from the area of the past-producing Eskay Creek Mine on the north, southward down the west side of Seabridge Gold's resource-rich KSM property (nearly 50 million ounces gold, 14 billion pounds Cu, and 250 million ounces Ag in Measured and Indicated Resource categories (0.54 g/t Au, 0.21% Cu, and 2.7 g/t Ag in approx. 2.9 billion tonnes. Source: Seabridge Gold Inc. website)) in the Sulphurets mining camp. The other holdings include the North Mitchell block (1200 hectares), which lies north of Pretivm Resources' Brucejack-Snowfield property (nearly 35 million ounces gold and 120 million ounces silver in the Measured and Indicated Resource categories (Brucejack, VOK: 17.2 g/t Au and 15.0 g/t Ag in 16.4 million tonnes; West zone: 5.85 g/t Au and 267 g/t Ag in 4.9 million tones. Snowfield: 0.59 g/t Au, 0.10% Cu, and 1.72 g/t Ag in approx. 1.37 billion tones. Source: Pretivm Resources Inc. website)) and immediately east of Seabridge's Fe Cap Au-Cu deposit (see figure). The mineralization and resources hosted on the above properties are not necessarily indicative of the mineralization, if any, hosted on the Company's properties. The final piece of Eskay's land-holdings, the New Eskay tenure (570 hectares), lies to the west of the northern end of the main property.

Proposed Drill Program Permitted

Eskay is pleased to announce that a plan is in place to systematically drill-test the highly prospective stratigraphy on its SIB Project, which lies immediately south-southwest along trend from the past-producing and very high value Eskay Creek mine (see figure below). Permits are now in place for this proposed program, which would involve systematic deep drilling to target the southerly part of the Eskay trend, where stratiform-style high-grade Au-Ag mineralization was intersected in previous drilling.

Highlights of Fieldwork

On the southernmost part of the Corey Property, the 2016 fieldwork and sampling strongly suggests that rocks similar in age, lithology, and alteration to those hosting the Eskay Creek deposit not only underlie parts of Eskay's 100% owned Corey block on the southwestern part of the property, as was previously known, but also underlie most of the area to the east and southeast of there, toward the Frank Mackie icefield, which has been regarded previously as being underlain by older rocks. Very encouraging results were returned by preliminary soil and rock geochemical sampling in that area, east of Ted Morris glacier, including two strings of soil geochemical samples across 400 to 500 meters which all yield anomalous precious metals values, along with very strongly anomalous "pathfinder" elements such as As, Sb, Cu, Pb, Mo and Zn, which are characteristic of "Eskay-style" mineralization.

The North Mitchell block of Eskay's ESK-JV Claims was mapped in 2016 and a number of rock and soil geochemical samples were also collected from this area. The block, which abuts the northern end of Pretivm's Brucejack-Snowfield property and which lies immediately east of Seabridge Gold Inc.'s Fe Cap deposit, lies along a highly altered and very well-mineralized trend that links the Treaty Creek area on the northweast with the Kerr deposit on the southwest (see figure). In addition to Kerr, this trend encompasses Seabridge's Sulphurets, Mitchell and Fe Cap deposits, and Pretivm's Snowfield deposit. At Treaty Creek, Tudor Gold Corp. recently announced results documenting impressively broad gold intersections in drilling. Stratified rocks on the North Mitchell block are also very similar to those on the Brucejack property. The style and intensity of quartz-sericite-pyrite alteration affecting latite flows and fragmental rocks outcropping at lower elevations along the margin of the Mitchell glacier on the south part of the block is similar to that associated with mineral deposits throughout the Sulphurets camp. With the knowledge that this part of the stratigraphy plays a role in localizing alteration and mineralization on the Brucejack property, with the proximity of this block to the Fe Cap and Snowfield deposits, and with the fact that sampling of the altered rocks returned elevated gold values (up to 295 ppb Au), Eskay Mining is greatly encouraged by the results, observations, and interpretations in its field program.

Another focus for fieldwork was the Big Red area near the south end of the Eskay holdings, west of Ted Morris Creek. There, approximately 25 grab samples from very common quartz veins hosted in biotite-hornfelsed and variably quartz-sericite-pyrite altered volcaniclastic rocks consistently yielded very highly anomalous copper, molybdenum and tungsten values, with locally anomalous silver and gold. The geochemical signature, the extent of alteration and the density of veining all suggest that the area warrants follow-up exploration.

Future Plans

Permitting has been completed for a large-scale deep drilling program at the SIB, and Eskay plans to raise the money to drill this exploration target in 2017. The other areas discussed above will also be the focus for work aimed at developing drill targets. On the North Mitchell block, the focus will be on an MT or deep-looking 3D Induced Polarization survey to help target mineralizing systems on Eskay's North Mitchell block, north of Brucejack and east of Fe Cap. On the southernmost Eskay tenures, north to the latitude of Sulphurets Creek and including much of the Corey property, further late-season reconnaissance prospecting, geochemical surveys, and mapping will be undertaken to better evaluate the potential for Eskay Creek-style mineralization in the Middle Jurassic felsic submarine volcanic stratigraphy; at the same time, vein-type mineralization in the Big Red area will be further assessed for its depth potential.

Eskay Mining Corp. maintains strict QA/QC protocols for all aspects of its exploration programs. This includes the systematic insertion of blanks and standards into each sample batch. Rock and soil samples were collected in individually labeled plastic and kraft paper bags respectively, and were shipped by transport and/or Greyhound bus in sealed woven plastic bags (rice bags) to ALS Minerals laboratory facilities in either Terrace or North Vancouver for processing. Analyses were performed in the ALS Minerals laboratory in Vancouver. All samples reported in this release were assayed using certified and industry-standard assay techniques for gold, and multi-element geochemical packages for other elements and for over-limits. Au was analyzed by 30 to 50 gram fire assay with an atomic absorption finish, and other elements were analyzed by multi-element ICP, following multi-acid digestion.

Charles J. Greig, P. Geo., a member of the Company's Advisory Team, is a Qualified Person under the definition of National Instrument 43-101. Mr. Greig has reviewed and approved the technical information in this press release.

About Eskay Mining Corp:

Eskay Mining Corp. (TSX VENTURE:ESK) is a TSX Venture Exchange listed company, headquartered in Toronto, Ontario. Eskay is an exploration company focused on the exploration and development of precious and base metals in British Columbia in a highly prolific, poly metallic area known as the Eskay Rift Belt located in the "Golden Triangle", 70km northwest of Stewart, BC. The Company currently holds mineral tenures in this area comprised of 177 claims (130,000 acres).

All material information on the Company may be found on its website at www.eskaymining.com and on SEDAR at www.sedar.com.

A map is available at the following address: http://media3.marketwire.com/docs/161017_ESK_map.pdf

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