Crazy Horse Resources Updates Taysan Mineral Resource Estimate

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KELOWNA, Jan 10, 2017 - Crazy Horse Resources Inc. (TSX VENTURE:CZH) (the "Company", "Crazy Horse") has completed and filed an Independent Technical Report dated 30 November 2016, updating the April 2012 mineral resource estimate for the Taysan Project ("Taysan", or "the Project"), owned 100% by Crazy Horse Resources. No additional drilling has been undertaken on the Project since 2011, a conceptual pit design was used to constrain reported resources.

Taysan is located approximately 120 km south of Manila in Batangas Province on Luzon Island, Philippines. The Project is comprised of a single exploration permit (EP-IVA- 005) which is currently under renewal and conversion to a Financial and Technical Assistance Agreement (FTAA) The Taysan copper-gold porphyry deposit is wholly contained within EP-IVA-005, which covers an area of approximately 4,086 hectares.

The company commissioned Mining Associates ("MA") to prepare the related Independent Technical Report for the Taysan Project to comply with Canada's National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI43-101") based on the mineral resource estimate using all data at Taysan to December 2011. The January 2012 mineral resource is carried forward with minor modifications to reporting, additional information on the current tenement status, confirmation of assumptions used to determine reasonable prospects for economic extraction for the estimate and that the mineral resource classifications meet the updated 2014 CIM Definition Standards, culminating in an effective date of 30th November 2016 for the Mineral Resource.

Mining Associates updated mineral resource estimate has defined a measured category resource of 156 Mt at an average grade of 0.31 % copper, 0.12 g/t gold, 1.2 g/t silver and 3.3 % magnetite for 1,077 Mlb of contained copper, 0.61 Moz contained gold, 5.8 Moz contained silver and 5.2 Mt contained magnetite. The estimate also defined an indicated category resource of 301 Mt at an average grade of 0.23 % copper, 0.09 g/t gold, 0.7 g/t silver and 3.2 % magnetite for 1,494 Mlb of contained copper,.84 Moz contained gold, 6.5 Moz contained silver and 9.62 Mt of contained magnetite. In addition, the estimate defined an inferred category resource of 300 Mt at an average grade of 0.19 % copper, 0.08 g/t gold, 0.5 g/t silver and 2.8 % magnetite for 1,239 Mlb of contained copper, 0.72 Moz contained gold, 4.85 Moz contained silver and 8.44 Mt contained magnetite. A cut-off grade of 0.1% copper was applied to all reported resource blocks within a conceptual pit design.

Table 1: Mineral Resource Estimate reported November 2016

Resource (0.1% Copper Cut off)	M tonnes	Cu %	M lbs Cu	Au g/t	Ag g/t	Magnetite %	M oz Au	M oz Ag	Mt Magnetite
Measured	156	0.31	1,077	0.12	1.2	3.3	0.61	5.80	5.20
Indicated	301	0.23	1,493	0.09	0.7	3.2	0.84	6.50	9.62
M + I	456	0.26	2,570	0.10	0.8	3.2	1.45	12.30	14.82
Inferred	300	0.19	1,239	0.08	0.5	2.8	0.72	4.85	8.44

* Pit constrained mineral resources are reported in relation to a conceptual Whittle pit shell. Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Mt: millions of tonnes; Mlb: millions of pounds; Moz: millions of ounces.

** Capped copper gold, silver and magnetite composite samples were used to interpolate grades by ordinary kriging within geologically constrained copper grade shell boundaries.

The Taysan Project hosts a large and only partly explored copper-gold porphyry deposit similar to other copper-gold porphyry deposits previously mined in the Philippines. The Project is located in southern Luzon, Philippines in the well-developed mining province of Batangas and readily accessible by road located 20 km east of the provincial capital and deep-water commercial port of Batangas City.

Geology and Mineralization

The project area contains two known deposits; the major Taysan copper-gold deposit which is a porphyry style deposit; one of a number of porphyry deposits which have developed along the spine of the Philippine island system and the smaller Antipolo epithermal gold prospect. The Taysan copper-gold gold mineralization is hosted in potassically altered hornblende diorite and hornblende quartz diorite porphyries. The mineralization occurs as disseminated chalcopyrite and bornite in the altered porphyry and as stockwork hosted mineralization within quartz veins and breccias. The deposit outcrops as a small hill with the majority of the mineralization covered by 10 to 55 metres of recent volcanic ash. The deposit occurs in gently undulating topography in what is largely cleared farmland and is of a geometry that is readily amenable to conventional open cut mining methods.

Past Work

Mineralization at Taysan was first discovered in 1968 from ground reconnaissance work. Several companies were involved in the Property from 1968 up to its acquisition by Crazy Horse in 2010. Past work included geochemistry, geophysics, drilling and resource estimation. Historical work and previous resource estimates are described in the NI43-101 Report "Update of the Mineral Resource Estimate, Preliminary Economic Assessment for the Taysan Project, Batangas Province, Philippines" dated 10 October 2011" ("October 2011 NI43-101 Report").

Exploration

CZH undertook a ten drill hole programme (5,812.7m) between October and December 2010, to confirm the tenor of the historic drilling. The description of this program and the results are included in the March 2011 NI43-101 Report. Subsequent to this work, CZH continued exploration and validation drilling at Taysan, completing an additional 35 holes by June 2011 which was reported in the October 2011 NI43-101 Report. Since June 2011, an additional 48 holes have been drilled (for an additional 15,912.9m of drilling), the results for which are reiterated in this report.

Sample protocols, including sample methodology, preparation, analyses and data verification have been conducted in accordance with industry standards. The level of quality control described in the October 2011 NI43-101 Report has continued with the subsequent drilling and sampling. Mining Associates' review of the results of the July to October 2011 drilling indicates that there are no significant issues regarding accuracy, precision or bias of the assay results.

The CZH drilling program conducted during 2010-2011 at the Taysan Project has confirmed that a significant copper-gold deposit exists within the Taysan Project. The results of this drilling led to the definition of a significant zone of copper-gold mineralisation which remains open down dip and along strike to the south.

Mineral Resource Estimate Update

The Mineral Resource has been re‐stated, as above, for the present report using relevant metal price assumptions for pit optimization.

CZH work to date has defined a significant porphyry copper deposit within the Taysan Project. The drilling has confirmed that copper grades decrease at depth and that the deposit remains open down dip. This update has incorporated information gained from exploration and metallurgical test work conducted since June 2011

Low grade gold mineralisation at Taysan is broadly associated with copper mineralisation. The CZH drilling indicates two distinct gold mineralising events; the initial syngenetic mineralisation associated with the porphyry copper mineralisation and subsequent epigenetic gold mineralisation associated with the quartz-magnetite alteration. Within the quartz-magnetite alteration evidence of retrograde alteration (chlorite / kaolinite) is often associated with elevated gold grades. Silver mineralisation is spatially correlated to gold mineralisation.

During 2012 a conceptual pit was produced as part of a prefeasibility study. Input parameters for the conceptual pit were reviewed and considered relevant as at November 2016. The conceptual pit was used to assess the potential of the resources at depth to ensure there were 'reasonable prospects for eventual economic extraction' and has been used to constrain reported mineral resources.

The CZH drilling programme conducted during 2010-2011 at the Taysan Project has enhanced the knowledge of the significant copper deposit that exists within the Taysan Project. The CZH drill programme has focused on the central portion of the mineralisation, to develop confidence in a suitably large copper resource amenable to open pit mining.

Mining Associates revised the copper mineral resource estimate (April 2012 NI43-101 Report), using all historic and recent CZH drill data. The gold resource is based on all recent CZH drilling, Chase and Kumakata historic data. The silver resource is based on recent CZH drill data and Kumakata drill data, only recent CZH drilling has magnetite data. The Mineral Resource has been re‐stated for the current report using relevant metal price assumptions and a conceptual pit shell.

The approach to the resource model consisted of analysis of all drill data, wireframing in section; confirmation and review in flitch slices; grouping the wireframes into sub-domains of similar orientation and grade ranges; tagging and statistical analysis of the drill intercepts by domain; variography; analysing associated metals within the copper domains; estimation using Ordinary Kriging of copper, gold, silver and magnetite into a block model; density assigned based on oxidation state, analysis and validation guided by geology and alteration, informing data, statistical measures and check reporting.

In order to move the project forward, CZH will need to pursue the renewal and conversion of EP-IVA-005 to a Financial and Technical Assistance Agreement (FTAA) as required by the Mines and Geoscience Bureau (MGB).

The current mineral resource estimate was completed by MA, under the direction of Ian Taylor MAusIMM (CP), an independent Qualified Person as defined by NI 43-101. The QP visited the Taysan property and supervised the geological modelling input to the current study. CIMM definitions and guidelines were followed for Mineral Resource estimation based on the parameters outlined above. Readers are reminded that Mineral Resources do not have demonstrated economic viability. Mr. Taylor has reviewed this news release and consented to the inclusion of extracts from, or a summary of, the technical information prepared under his direction and supervision. The technical report providing details of the Mineral Resource estimate is available on SEDAR (www.sedar.com).

ON BEHALF OF THE BOARD OF DIRECTORS OF CRAZY HORSE RESOURCES INC.

Dev Randhawa
Chairman, CEO

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