

Editors note - There is a map associated with this press release.

[Eskay Mining Corp.](#) ("Eskay" or the "Company") (TSX VENTURE:ESK) is pleased to announce that, further to its Press Release dated February 13, 2017, it has signed an option agreement (the "Agreement") with [Silver Standard Resources Inc.](#) (NASDAQ:SSRI) (TSX:SSO) ("Silver Standard") pursuant to which Silver Standard may acquire up to a 60% undivided interest in part of Eskay's SIB Property, located in northwest British Columbia, Canada (hereinafter the "SIB project").

Highlights:

- Underexplored, high grade gold-silver base metal target in a prolific district.
- Numerous gold-silver occurrences over 4 kilometers, within the same volcanic rocks that host the precious metal enriched volcanogenic massive sulphide ("PME-VMS") deposits mined at the Eskay Creek mine.
 - Historic drill results at the Lulu zone on the SIB project include 14.3 meters at a grade of 14.4 g/t gold and 1060 g/t silver, and 24.8 meters at a grade of 10.8 g/t gold and 766 g/t silver.^{1, 2}
- Potential at depth for PME-VMS deposits below a regional, gently easterly-dipping fault confirmed by previous drilling, which intersected prospective volcanic rocks with encouraging gold-silver grades.
 - Historic drill results from a footwall setting include 25.4 meters at a grade of 2.12 g/t gold, 4.0 g/t silver, 0.17% zinc and 0.13% lead at 488 meters depth, 30 meters below the fault.³
- Silver Standard has an in-house technical expertise to optimize Mineral Resources discovery potential.

Carl Edmunds, Chief Geologist at Silver Standard said, "The SIB project is a very exciting exploration target in Northern Canada due to its higher grade drill results, the fact that these types of PME-VMS deposits often occur in clusters and this property is 4 kilometers along strike from the prolific Eskay Creek mine, which produced over 3 million ounces of gold and nearly 160 million ounces of silver between 1994 and 2008.⁴ Previous work from the 1990's discovered PME-VMS at the Lulu zone, on SIB, near surface, and later attempts for further exploration were hindered by the presence of a fault potentially displacing the extension to mineralization. Subsequent work by Eskay Mining discovered the extension of the Lulu and Eskay Creek host felsic volcanic rocks below this fault, opening a large area for exploration by drilling. At Silver Standard, we remain disciplined with our greenfields exploration activities and this agreement demonstrates we are ready to act when an extraordinary opportunity arises."

Summary Terms of the Agreement

The SIB project comprises a land package of approximately 4,400 hectares land package containing 30 mining claims. The project forms a small part of Eskay's property, which is jointly controlled by Eskay Mining and [St Andrew Goldfields Ltd.](#) ("St Andrew"), a wholly-owned subsidiary of [Kirkland Lake Gold Ltd.](#), who hold an 80% and 20% undivided interest, respectively. Under the terms of the Agreement, Silver Standard will explore the SIB project during a three-year option period. To earn a 51% undivided interest in the SIB project from Eskay Mining, Silver Standard is required to complete a \$300,000 private placement (the "Private Placement") in the Company, and spend an aggregate of \$11.7 million in exploration expenditures over the three years, including \$3.7 million in the first year and \$4 million in each of the following two years of the option period, subject to certain gold price thresholds in each option year. Once a 51% undivided interest is earned, Silver Standard can either proceed to form a joint venture with Eskay Mining and St Andrew to advance the project, or exercise a second option to earn a further 9% undivided interest for an aggregate of 60% undivided interest by either delivering a preliminary economic assessment or completing 23,000 meters of diamond drilling (including any drilling completed in order to exercise the first option) on the SIB project. The details of the option were announced by the Company in its news release dated February 13, 2017. After completing the private placement and spending a minimum of \$3.7 million, Silver Standard can terminate the Agreement at any time.

The Private Placement has been completed with the issuance of 1,290,322 common shares of the Company at a price of \$0.2325 per share. The securities issued are subject to a hold period expiring on August 26, 2017.

About the SIB Project

The SIB project is located 4 kilometers south-southwest from [Barrick Gold Corp.](#)'s ("Barrick") past-producing Eskay Creek mine, which was one of Canada's richest precious metals mines, with total production of 3.3 million ounces of gold and 159 million ounces of silver from 2.18 million tonnes of ore between 1994 and 2008, as previously reported by Barrick.⁴ The mineralization and resources previously reported for the Eskay Creek Mine are not necessarily indicative of the mineralization, if any, hosted on the Company's property. The gold-silver deposits at Eskay Creek occur either in rhyolite or within overlying sedimentary mudstone rocks. Hydrothermal fluids related to the rhyolite are integral in the formation of the deposits. The only other occurrence of VMS in the district is at the Lulu zone on the SIB project, and that mineralization has characteristics similar to Eskay Creek. At the Lulu zone, which is part of the SIB project, mudstone hosts a small PME-VMS deposit occurring within a rhyolite flow that is displaced by the Coulter Creek fault 100 meters down dip. As reported by the Company, a number of drillholes completed in 2002, 2008 and 2010, over an area of 350 meters by 200 meters, explored below this structure for the extension of the package and confirmed that felsic volcanic rocks, similar to those that host the Lulu and Eskay Creek deposits, are present between 400 meters and 500 meters below surface. Encouragingly, the volcanic rocks are mineralized with

polymetallic stockwork veining returning in one drillhole 25.2 meters at a grade of 2.13 g/t gold, 4.0 g/t silver, 0.174% zinc and 0.124% lead. ³

The SIB project was extensively explored to shallow depths during the 1990's. While the fault offset nature of the Lulu mineralization was recognized at that time, it was the Company's drilling programs in 2002, 2008 and 2010 that defined the potential for a deposit similar to Eskay Creek, located somewhere below the fault. ³ Silver Standard plans to systematically explore the prospective volcanic package beneath the fault by drilling widely-spaced, deeper holes from surface. This work will be supported by down-hole geophysics to detect proximal PME-VMS and by litho-geochemistry to map the distinctive alteration patterns common to volcanogenic massive sulphide deposits.

Next Steps

Eskay Mining has completed the permitting process allowing helicopter-supported diamond drilling. Silver Standard has budgeted \$3.7 million in 2017 for a drill program to complete 6,000 meters to 9,000 meters of drilling with two drill rigs. Silver Standard expects to begin mobilization in early June 2017 or as soon as weather conditions permit.

Qualified Person

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.

For further information regarding the SIB Property, see the companies press releases of October 17, 2016, August 8, 2016, May 9, 2016 and January 23, 2013.

Footnotes:

1. McGuigan, P. J. (2002) *Technical Report on the Eskay Properties of Heritage Explorations Ltd. And Glenfred Holdings Inc.*
2. Rebagliati, C. M. et al (1991) *Diamond Drill Report on the Sib 1-16, 20-39 and Polo 1-13 Claims.*
3. McKinley, S. D. (2008) *2008 Exploration on the Eskay Property.*
4. BC Geological Survey MINFILE Database (<http://minfile.gov.bc.ca/Summary.aspx?minfilno=104B++008>).

SOURCE: [Silver Standard Resources Inc.](#)

About Eskay Mining Corp:

[Eskay Mining Corp.](#) (TSX-V: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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements: This Press Release contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors discussed in filings made by us with the Canadian securities regulatory authorities. Should one or more of these risks and uncertainties, such as actual results of current exploration programs, the general risks associated with the mining industry, the price of gold and other metals, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements, except as required by law. Shareholders are cautioned not to put undue reliance on such forward-looking statements.

To view the map associated with this release, please visit the following link:
<http://www.marketwire.com/library/20170426-ss0426.jpg>

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