Toronto, Ontario (FSCwire) - Eskay Mining Corp. (“Eskay” or the “Company”) (TSX-V:ESK) is pleased to provide an update of the ongoing diamond drill program on its 4,400-hectare SIB property in northwestern British Columbia. SSR Mining Inc. (formerly Silver Standard Resources Inc.) (“SSR Mining”) has the option to earn up to a 60% undivided interest in the property by spending an aggregate of $11.7 million in exploration expenditures over three years (See April 26th, 2017 news release) targeting precious metal enriched massive sulphide deposits. SSR Mining has committed to spend $3.7 million in this, the first year of the option, by drilling between 6,000 and 9,000 meters.

Carl Edmunds, Chief Geologist at SSR Mining said, “We are encouraged by the results of our drilling on the SIB project. Many of the key lithologic and alteration elements present at the Eskay Creek mine are present in our initial three test holes beneath the Coulter Creek Thrust Fault. While we have yet to realize a massive sulphide intercept, we look forward to completing the remaining holes and receiving the geochemical and borehole geophysical results to take aim on a new high grade discovery.”

The SIB property lies along trend, approximately 4 km south-southwest, of Barrick Gold’s former producing Eskay Creek Mine, which was North America’s highest grade gold producer between 1994 and 2008, producing over 3 million ounces of gold and nearly 160 million ounces of silver from 2.2 million tonnes of ore. [1] 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 SIB property surface geology shows the same mafic and felsic volcanic rock assemblages that host Eskay Creek and include similar mineralization such as the Lulu Zone which has had its downward extension displaced by post-mineral faulting. Drilling at the SIB property is targeting a virtually unexplored part of the property beneath this fault, known as the Coulter Creek Thrust Fault (“CCFT”). The program’s objectives are to locate the favorable host volcanic rocks beneath the CCFT, determine their lateral and vertical extent, and test for the presence of classic massive sulphide alteration and precious metal mineralization.

To date, three holes have been completed on 200-400m centers along the projected strike of the sub-CCFT targeted volcanic stratigraphy for approximately 1 kilometer and 350m below surface. All three holes have intersected the complete volcanic rock assemblage that is present at the Eskay Creek Mine which hosts the deposits. Lithologies encountered over an approximate 400m thickness are submarine basalt flows, fine carbonaceous interflow mudstone, brecciated rhyolite flows, subvolcanic felsic intrusions, and dacite ignimbrite. Importantly, several sections of the rhyolite have been encountered in two of the holes that show pervasive chlorite-sericite alteration over 27m and is characteristic of proximal footwall alteration in rhyolite at the Eskay Creek Mine.

In summary, diamond drilling this season has successfully identified the target Eskay Creek assemblage stratigraphy beneath the CCTF for over 1 km in strike length, and our exploration work has demonstrated the presence of alteration associated with footwall zones to massive sulphide deposits. The current scout drilling program will continue to test the extensive and relatively unexplored area beneath the CCTF for precious metals-enriched VMS mineralization and will utilize whole rock and pathfinder element geochemistry, along with borehole geophysics, to vector toward discovery. Geochemical samples have been submitted to ALS Canada Ltd. (Minerals), which is independent from the Company, with sample preparation carried out at the ALS facility in Terrace, BC, and assays at the North Vancouver laboratory; results for the first three holes are expected in the third quarter of 2017.

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 Company’s Press Releases of October 17, 2016, August 8, 2016, May 9, 2016 and January 23, 2013.

Footnotes:

1. *BC Geological Survey MINFILE Database (http://minfile.gov.bc.ca/Summary.aspx?minfilno=104B++008).*

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.

For further information, please contact:

Mac Balkam T: 416 907 4020

President & Chief Executive Officer E: macbalkam@aol.com

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