Kerr Mines Drills 7.3 Meters @ 102.7 g/t Gold and Extends Copperstone Zone Along Strike and Depth

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TORONTO, Feb. 21, 2018 (GLOBE NEWSWIRE) -- Kerr Mines Inc. (TSX:KER) (OTC:KERMF) (FRA:7AZ1) (“Kerr” or the “Company”) is pleased to announce final results of its Phase I underground drilling program. KER-17U-50 further extends the Copperstone Zone by returning a 7.3 meter drill hole interval with 102.7 g/t gold (Au). This conclusion of Phase I of the underground program confirms significant gold mineralization and increases the potential in expanding the resource at the Company’s Copperstone Project in Arizona.

Highlights

• New intervals from underground drilling the Copperstone Zone include:

- 3.5 meters @ 20.3 g/t Au and 0.38 % Cu (KER-17U-21B)
- 7.3 meters @ 102.7 g/t Au and 0.08 % Cu (KER-17U-50)
- 5.0 meters @ 8.1 g/t Au and 0.74 % Cu (KER-17U-51)
- 3.2 meters @ 7.8 g/t Au and 0.08 % Cu (KER-17U-52)
- 3.4 meters @ 9.5 g/t Au and 4.01 % Cu (KER-17U-53)
- 2.8 meters @ 7.6 g/t Au and 0.15 % Cu (KER-17U-57)
- 3.9 meters @ 7.4 g/t Au and 0.34 % Cu (KER-17U-58)
- 3.5 meters @ 6.2 g/t Au and 0.03 % Cu (KER-17U-68)

• Established continuity between previously mineralized zones
• Open for further expansion along strike and dip with future drilling.

Martin Kostuik, President, stated, “these results conclude the very successful Phase I underground program which was designed to upgrade the resource and will be the cornerstone to the forthcoming Copperstone Project resource statement. We are progressing well on all fronts to fully realise the numerous accretive aspects of the project to complete the Copperstone Project pre-feasibility study by the end of this quarter.”

The Copperstone Zone detachment fault system historically produced over 500,000 ounces of gold from an open pit. Continuing below the open pit, the down-dip extension of the Copperstone Zone is being further enhanced by the Phase I drilling program. The Phase I 8,000 meter surface and underground drilling program is complete. The Phase I program tested mineralization along strike and up/down-dip in the D and C portions of the Copperstone Zone and in the newly announced parallel Footwall Zone (see press release dated January 17, 2018).

KER-17U-21B was drilled to test the up-dip mineralized extension potential within the western portion of the Copperstone Zone. This hole was drilled toward the northwest at a downward inclination of 70 degrees, in a mineralized interval associated with limestone containing silicic alteration, resulted in 3.5 meters @ 20.3 g/t gold (Au) and 0.38% copper (Cu). Combining gold and gold equivalent copper grades results in a total of 21.0 g/t Au equivalent (AuEq) for the interval.

KER-17U-26 was designed to upgrade resources and demonstrate continuity within the northwestern extension of the Copperstone Zone. KER-17U-26 was drilled towards the southeast at an upward inclination of 78 degrees. Gold mineralization is associated with limestone and skarn with silicic alteration and resulted in 1.7 meters @ 5.4 g/t Au and 0.86% Cu for a 6.8 g/t AuEq.

KER-17U-34 was drilled to test the up-dip continuity within western extents of the Copperstone Zone. KER-17U-34 was collared in footwall extending upward through the Copperstone Zone into the hanging wall and at an upward inclination of 58 degrees. The resulting mineralization is associated with limestone containing ferric and silicic alteration and resulted in 2.4 meters @ 4.7 g/t Au and 0.82% Cu for a 6.0 g/t AuEq.

KER-17U-50 tested the down-dip continuity in the Copperstone Zone. KER-17U-50 was drilled toward the footwall at a downward inclination of 19 degrees and is collared in hanging wall mineralization. Gold mineralization found within KER-17U-50 is associated with limestone containing ferric and silicic alteration and resulted in 7.3 meters @ 102.7 g/t Au and 0.08% Cu for a 102.8 g/t AuEq.

KER-17U-51 tested the down-dip continuity in the Copperstone Zone. KER-17U-51 was drilled from the hanging wall toward the southwest at a downward inclination of 32 degrees. Gold mineralization found within KER-17U-51 is associated with limestone containing ferric and silicic alteration and resulted in 5.0 meters @ 8.1 g/t Au and 0.74% Cu for a 9.3 g/t AuEq.

KER-17U-52 tested the down-dip continuity in the Copperstone Zone. KER-17U-52 was drilled from the hanging wall toward the southwest at a downward inclination of 40 degrees. Gold mineralization found within KER-17U-52 is associated with limestone containing ferric, silicic and chloritic alteration and resulted in 3.2 meters @ 7.8 g/t Au and 0.08% Cu for a 7.9 g/t AuEq.

KER-17U-53 tested the down-dip continuity in the Copperstone Zone. KER-17U-53 was drilled from the hanging wall toward the southwest at a downward inclination of 52 degrees. Gold mineralization found within KER-17U-53 is associated with limestone and skarn with silicic, hematitic and magnetic alteration. The resulting mineralization is 6.1 meters @ 5.3 g/t Au and 2.21% Cu for a 9.0 g/t AuEq. Significant gold and copper mineralization, found within the same interval, contained 3.4 meters @ 9.5 g/t Au and 4.01% Cu for a 16.1 g/t AuEq.

KER-17U-57 tested the down-dip extension of the Copperstone Zone. KER-17U-57 was drilled from the hanging wall toward the west at a downward inclination of 17 degrees. Gold mineralization occurs in limestone and skarn with silicic, hematitic and magnetic alteration and resulted in 2.8 meters @ 7.6 g/t Au and 0.15% Cu for a 7.9 g/t AuEq.

KER-17U-58 tested the down-dip continuity in the Copperstone Zone. KER-17U-58 was drilled from the hanging wall toward the west at a downward inclination of 35 degrees. Gold mineralization was found within units of skarn with magnetitic alteration. The mineralized interval extended into the footwall phyllite material and resulted in two intervals of 3.9 meters @ 7.4 g/t Au and 0.34% Cu for a 8.0 g/t AuEq and 3.0 meters @ 6.0 g/t Au and 0.15% Cu for a 6.2 g/t AuEq.

KER-17U-59 tested the down-dip extension in the Copperstone Zone. KER-17U-59 was drilled from the hanging wall toward the west at a downward inclination of 12 degrees. Gold mineralization was found in limestone and skarn with silicic, hematitic and magnetitic alteration. The mineralized interval extended through the limestone into the footwall phyllite and resulted in 3.4 meters @ 5.6 g/t Au and 0.97% Cu for a 7.2 g/t AuEq.

KER-17U-65 tested the down-dip extension in the Copperstone Zone. KER-17U-65 was drilled from the hanging wall toward the northwest at a downward inclination of 50 degrees. Gold mineralization was found within quartz latite porphyry with sericitic and argillitic alteration. The mineralized interval resulted in 3.6 meters @ 3.8 g/t Au and 2.83% Cu for a 8.5 g/t AuEq.

KER-17U-66 tested the down-dip extension in the Copperstone Zone. KER-17U-66 was drilled from the hanging wall toward the west at a downward inclination of 15 degrees. Gold mineralization was found within quartz latite porphyry containing argillitic alteration. The mineralized interval resulted in 4.6 meters @ 3.9 g/t Au and 0.30% Cu for a 4.4 g/t AuEq.

KER-17U-68 tested the down-dip extension in the Copperstone Zone. KER-17U-68 was drilled from the hanging wall toward the southwest at a downward inclination of 55 degrees. Gold mineralization was found within the footwall phyllite containing argillitic and hematitic alteration. The mineralized interval resulted in 3.5

meters @ 6.2 g/t Au.

KER-17U-74 tested the down-dip extension in the Copperstone Zone. KER-17U-74 was drilled from the hanging wall at a downward inclination of 90 degrees. Gold mineralization was found within shear zone containing hematite altered limestone. The mineralized interval resulted in 3.0 meters @ 5.5 g/t Au and 0.63% Cu for a 6.6 g/t AuEq.

Table 1. Selected Drill Results

Hole ID	Zone	From	To	Interval*	Interval*	Au	Cu	AuEq
		m	m	m	ft	g/tonne	%	g/tonne
KER-17U-21B	D	12.8	16.3	3.5	11.5	20.3	0.38	21.0
KER-17U-26	D	34.4	36.1	1.7	5.6	5.4	0.86	6.8
KER-17U-34	C	46.0	48.5	2.4	8.0	4.7	0.82	6.0
KER-17U-50	D	21.0	28.3	7.3	24.0	102.7	0.08	102.8
includes		25.6	28.3	2.7	9.0	6.6	1.06	8.4
KER-17U-51	D	17.1	24.4	7.3	23.9	5.7	1.05	7.5
includes		17.1	22.1	5.0	16.5	8.1	0.74	9.3
KER-17U-52	D	16.5	21.3	4.9	16.0	5.2	0.21	5.5
includes		16.5	19.7	3.2	10.5	7.8	0.08	7.9
KER-17U-53	D	15.8	21.9	6.1	20.0	5.3	2.21	9.0
and		18.6	21.9	3.4	11.0	9.5	4.01	16.1
includes		20.7	21.3	0.6	2.0	37.1	6.32	47.5
KER-17U-57	D	28.4	39.0	10.6	34.7	4.7	0.51	5.5
includes		31.1	33.8	2.8	9.1	7.6	0.15	7.9
KER-17U-58	D	15.5	22.1	6.5	21.4	4.5	0.25	4.9
includes		17.4	21.2	3.9	12.7	7.4	0.34	8.0
and		35.4	38.4	3.0	10.0	6.0	0.15	6.2
KER-17U-59	D	27.6	34.0	6.4	21.0	3.1	0.59	4.0
includes		27.6	31.0	3.4	11.2	5.6	0.97	7.2
KER-17U-65	D	12.3	16.7	4.4	14.3	3.1	2.36	7.0
includes		13.1	16.7	3.6	11.8	3.8	2.83	8.5
KER-17U-66	D	18.0	22.6	4.6	15.0	3.9	0.30	4.4
KER-17U-68	D	21.5	25.0	3.5	11.5	6.2	0.03	6.2
KER-17U-74	D	34.1	37.2	3.0	10.0	5.5	0.63	6.6
includes		34.1	36.4	2.3	7.5	7.3	0.70	8.5

* not true width

The technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in NI 43-101 and reviewed and approved by Michael R. Smith, Registered Geologist., who is a “Qualified Person” as defined by NI 43-101 for this project.

About Kerr Mines Inc.
Kerr Mines is a North American gold development and exploration company currently advancing the 100% owned, fully permitted past-producing Copperstone Mine project. Copperstone is a high-grade gold project located along a detachment fault mineral belt in mining-friendly Arizona. The project demonstrates significant upside exploration potential within a 4,775 hectare (11,800 acres) land package that includes a production history of over 500,000 ounces of gold. The Company’s current focus is on maximizing Copperstone’s potential by defining and expanding current resources and strengthening the mine’s economics leading to a production decision.

Quality Assurance and Quality Control Statement
Procedures have been implemented to assure Quality Assurance Quality Control (QAQC) of drill hole assaying being done at American Assay Laboratories (American), which is ISO Accredited. All portions of drill holes are being assayed and samples are securely stored for shipment to American, with chain of

custody documentation through delivery. Mineralized commercial reference standards and coarse blank standards are inserted every 20th sample in sequence and results are graphed to assure acceptable results, resulting in high confidence of the drill hole assay results. When laboratory assays are received, the QAQC results are immediately evaluated and graphed to analyze dependability of the drill hole assays. As the Copperstone Project advances, additional QAQC measures will be implemented including 1) selected duplicate assaying being done at a second accredited assay laboratory, 2) duplicate assaying of selected intervals of core (quarter splits) and reverse circulation drilling samples of selected remaining laboratory rejects. All results will be analyzed for consistency.

Metallurgical test work continues by Resource Development Incorporated of Denver to enhance previously established recoveries for gold and copper.

Gold equivalent values for contained metal were calculated using $US 1,250/ oz Au and $3.00 /lb Cu.

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Cautionary Note Regarding Forward Looking Statements

This news release contains forward-looking statements, including current expectations on the timing of the commencement of production and the rate of production, if commenced. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, the strength of the Canadian economy; the price of gold; operational, funding, and liquidity risks; the degree to which mineral resource estimates are reflective of actual mineral resources; and the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with underground operations. Risks and uncertainties about Kerr Mines’ business are more fully discussed in the Company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Kerr Mines assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law.

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