Eskay Mining Discovers Two New Large VMS Systems at Its Consolidated Eskay Project

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TORONTO, September 16, 2021 - Eskay Mining Corp. ("Eskay" or the "Company") (TSXV:ESK)(OTCQX:ESKYF)(FSE:KN7)(WKN:A0YDPM) is pleased to announce that its exploration team has discovered two new potentially large volcanogenic massive sulphide ("VMS") systems on its 100% owned Consolidated Eskay precious metal project in the Golden Triangle, British Columbia. The Company is also pleased to announce that its 2021 diamond drill program is steadily advancing with approximately 19,000 m of a minimum 30,000 m planned program now complete. Assay turn around is expected to continue to be protracted due to an extremely active drill season in the region as well as a chronic shortage of available labor, especially at sample preparation facilities.

Summary:

- Recent field reconnaissance of SkyTEM and stream sediment ("BLEG") anomalies has led to the discovery of two new large VMS systems, New York and Vermilion, by Eskay Mining's geologic team led by Dr. John DeDecker, with technical advice provided by a research team at Colorado School of Mines led by Dr. Thomas Monecke.
- The newly discovered New York VMS system is situated at the north end of the Eastern Anticline approximately 7 km east of the Eskay Creek mine (Figure 1). BLEG samples collected here in 2020 are strongly anomalous in gold and arsenic and moderately anomalous in silver and antimony. A SkyTEM survey conducted in 2021 identified a notable conductive anomaly directly coincident with this geochemical anomaly. Recent ground truthing has led to discovery of a 2.5 km long zone of stratigraphically controlled sulphide mineralization of clear VMS affinity. Mineralization is hosted by rhyolite breccias and mudstone, andesite is also present. Although older geologic maps have incorrectly identified rock units on the Eastern anticline, Eskay's team sees compelling evidence that Eastern anticline stratigraphy is strikingly similar to that of the Eskay Creek deposit therefore making this a very high priority target. Eskay plans to undertake prospecting, mapping and soil sampling over this area to better define drill targets.
- Vermilion is a newly discovered outcropping VMS deposit situated about 2 km east of Eskay's C10 target and 1 km southwest of the Spearhead VMS deposit. Although rocks in this area display thermal metamorphism, probably associated with late intrusives in the region, Eskay's team is confident that host rocks of Vermilion and Spearhead belong to the Hazelton Group and share similarities to stratigraphy at Eskay Creek. Results from the 2020 BLEG survey show that the drainage basins that host these VMS systems display strongly anomalous gold, silver, and pathfinder elements. Massive sulphide observed at Vermilion displays chalcopyrite, sphalerite and galena suggesting the origin of this VMS system may be from higher temperature fluids. Because this area falls within the C10 drill permit, and because of the compelling nature of this target, Eskay Mining is drilling a few holes to test the Vermilion target.
- To date, approximately 19,000 m of diamond drilling, in approximately 86 holes, has been completed representing 63% of the minimum 30,000 planned meters. Eskay believes it will be able to complete over 30,000 meters of drilling this year.

- To date, drilling has focused on the TV, Jeff and C10 precious metal rich VMS targets. Drilling over the next few weeks will target SkyTEM anomalies suspected to be new occurrences and extensions of sulphide mineralization proximal to these three targets. A summary of observations from drilling to date include:
  - The vast majority of holes completed at both TV and Jeff display intervals of mineralization visually similar to mineralized intercepts encountered in drill holes completed in 2020.
  - Recent holes completed at TV have encountered long intervals of sulphide stockwork (Figure 2) along the southern part of this system indicating it remains open to the south and downdip to the east.
  - Eskay's team takes a strong view that sulphide mineralization at TV and Jeff formed during a somewhat earlier period of seafloor volcanic quiescence than that which formed higher in the section at Eskay Creek.
  - Holes drilled upsection at Jeff display indications of alteration and sulphide mineralization suggesting the VMS system continues into the uppermost Hazelton Group rocks.
  - Several holes recently completed at C10 have encountered significant sulphide mineralization (Figure 3). Eskay's team is confident that host rocks at C10 are the same units hosting TV and Jeff some 8 km further north. In short, precious metal mineralization at C10 formed at the same time as that at TV and Jeff. Considering the extensive amount of gold anomalism in BLEG samples from this region, this opens up the possibility that this "seafloor break" has considerable exploration opportunity remaining.
- Eskay has delivered nearly 200 batches of core samples to the laboratory. Assay turn around is expected to continue to be protracted due to an extremely active drill season in the region as well as a chronic shortage of available labor, especially at sample preparation facilities.

"Discovery of the new large New York and Vermilion VMS systems illustrates the strong potential of the Consolidated Eskay property to deliver further VMS discoveries," commented Quinton Hennigh, director and technical advisor to the Company. "New York, just seven km east of Eskay Creek, appears to be a geologic analogue to that famous deposit displaying similar stratigraphy and styles of mineralization. It will be exciting to see results from recently initiated surface sampling and mapping being conducted over this target. Vermilion is an outcropping VMS deposit, and we are already preparing to drill multiple holes into this new discovery. Our 2021 drill program is progressing well with approximately 19,000 m of our minimum 30,000 m drill program now complete. We are seeing very promising sulphide mineralization in core from most drill holes thus far. Both the TV and Jeff deposits have increased in size and C10 is now delivering similar intervals of mineralization in what appears to be the same host rocks as TV and Jeff some 8 km to the north. The remainder of the drill season will be dedicated to aggressive testing of new drill targets. In the meantime, we patiently await assays."

Dr. Quinton Hennigh, P. Geo., a Director of the Company and its technical adviser, a qualified person as defined by National Instrument 43-101, has reviewed and approved the technical contents of this news release.

About Eskay Mining Corp:

Eskay Mining Corp. (TSXV: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 along the Eskay rift in a highly prolific region of northwest British Columbia known as the "Golden Triangle," approximately 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.

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(Figure 1: Plan maps showing the locations of newly discovered New York and Vermilion VMS targets on Eskay's 100% controlled Consolidated Eskay precious metal-rich VMS project. The property-wide SkyTEM survey map is on the left and the 2020 BLEG survey map is on the right.)

(Figure 2: Examples of sulfide stockwork mineralization recently encountered in diamond drill holes completed at the TV target. Such mineralization forms within 200 meters of the seafloor indicating that TV is situated at a quiescent stratigraphic break, one in which VMS deposits would be expected to occur.)

(Figure 3: Examples of sulfide mineralization recently encountered in diamond drill holes completed at the C10 target. Although rocks in this area display thermal metamorphism, Eskay's team believes this is effectively the same style of mineralization occurring at TV and Jeff some 8 km to the north.)

SOURCE: Eskay Mining Corp.

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