

ExGen: Report Confirms Significant Potential at the Red Star Silver Deposit

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VANCOUVER, Nov. 02, 2021 - [ExGen Resources Inc.](#) (TSX.V: EXG; OTC: BXXRF) ("ExGen", the "Company") is pleased to provide an update in respect of Phoenix Copper Ltd.'s ("Phoenix") exploration and development activities at the Empire Mine Project in Idaho, USA. Further to previous ExGen news releases, ExGen owns 20% and Phoenix owns 80% of Konnex Resources, Inc. ("Konnex"), which holds the leases and claims to the Empire Mine Project. ExGen further owns 1,330,000 common shares of Phoenix.

ExGen is pleased to report that Phoenix, (the operator of the Empire Mine Project), has provided results from a recently completed ground magnetics survey at the Red Star project which is a part of the Empire Mine Project. Red Star is located 330 metres northwest along strike from the present northern limits of the proposed Empire Mine open pit and appears to be part of the same mineralised system. Three holes drilled in 2018 generated a maiden resource of 1.6 million silver equivalent ounces, with silver grades as high as 1,100 g/tonne ("g/t") and lead grades above 21% (NI 43-101 Technical Report: Updated Mineral Resource Estimate for the Empire Mine Project, Custer County Idaho USA, prepared by Hard Rock Consulting LLC, dated May 30, 2020). An additional 10 holes were drilled in 2020 to confirm the orientation and continuation of the high-grade silver and lead system, both down-dip and to the south of the discovery outcrop. As previously reported (News Release of October 1, 2020) the results from core holes RSD20-01 and RSD20-03, are noteworthy. Significant results are presented on Table 1. Holes RSD20-07 through RSD20-10 (no significant results) were primarily drilled to give an indication of the limits of the mineralization, both geologically into the granite and at the limits of the patented claims to the north. Following drilling Phoenix commissioned a ground-based magnetics geophysical survey to better understand the nature and orientation of potential mineralisation and to inform the location and direction of a further drilling program.

Highlights

- Approximately 3,000 meters of new drilling has been budgeted at Red Star and Horseshoe
- Four high-amplitude magnetic anomalies have been identified, including the discovery outcrop that was drilled in 2018 and 2020;
- The size and amplitude of the three new areas of interest appear to be significantly greater than that of the discovery outcrop, which generated a maiden resource in 2018;
- Further north-northeast magnetic anomalies trending from the Red Star discovery outcrop also identified;
- The survey results will be used to guide the location and direction of the upcoming drill programme at Red Star;
- Further survey results are awaited for the Horseshoe-White Knob area to the north, and the Navarre Creek gold project.

The size and amplitude of the three new magnetic anomalies are significantly greater than that of the discovery outcrop which generated the initial maiden resource for Red Star. These new discoveries exhibit a dynamic range of magnetic response as high as 26,412 nanoteslas ("nT") of magnetic relief. This magnetic response suggests strong magnetite / magnetic mineralisation. Understanding these three new anomalies better is now a priority and will be the focus of additional drilling.

The survey also identified a trend of lesser magnetic anomalies which roughly parallels the patented claim boundary, trending off the patented claims to the northeast. This is the same trend that was targeted in 2020 using float and sub-crop geochemistry, and will also be the subject of future drill targeting.

The upcoming Red Star drilling program is planned to expand the NI 43-101 compliant 2018 maiden

resource of 103,500 tonnes, which resulted from the 2018 drilling. The maiden resource contains 1.6 million silver equivalent ounces, with silver grades as high as 1,100 g/t (32 ounces / tonne) and lead grades above 21% (NI 43-101 Technical Report: Updated Mineral Resource Estimate for the Empire Mine Project, Custer County Idaho USA, prepared by Hard Rock Consulting LLC, dated May 30, 2020). Approximately 3,000 meters of new drilling has been budgeted at Red Star and Horseshoe and is currently being targeted using the recent magnetics data, as well as existing geological and geochemical information.

The ground magnetics survey in the Red Star area also included the magnetics surveying of the Horseshoe-White Knob area to the north, as well as the Navarre Creek gold project. The final reports for Horseshoe-White Knob and Navarre Creek are still in process and have not yet been received by the Company. The Horseshoe-White-Knob report will be important as we believe that area is similar in geology and geochemistry to the Red Star area. ExGen will announce the Red Star and Horseshoe-White Knob Magnetics Survey Report to as soon as the Horseshoe-White Knob portion of the report is received from Phoenix.

In addition to the magnetics survey, the Phoenix team continues engineering for the feasibility study of the Empire Open-Pit Copper Oxide deposit, including final slope stability, metallurgical recovery and design, general arrangement layout, and hydrological characterization in the leach pad area. Assay results from drilling completed thus far in 2021 are awaited.

Whilst the Phoenix team remains healthy and productive and the overall plans remain on track, Covid-19 related delays in the shipping of parts and materials, as well as the contact tracing quarantine requirements, have delayed contractors, vendors and suppliers.

Table 1

Hole #	From m	To m	Interval*	Au g/t	Ag g/t	Pb %	Cu %	Zn %
RSD20-01	33.8	44.5	10.7	0.06	117	1.17	0.51	0.8
including	33.8	35.4	1.5	0.07	172	2.27	0.32	0.75
including	38.4	39.9	1.5	0.16	160	1.47	0.73	0.91
including	39.9	41.5	1.5	0.08	204	2.31	1.09	1.05
including	41.5	43	1.5	0.01	115	0.89	0.38	0.84
RSD20-02	NSV							
RSD20-03	19.8	27.4	7.6	0.07	122.7	2.43	0.3	1.1
including	19.8	21.3	1.5	0.13	360	7.79	0.46	0.79
RSD20-04	13.4	14.9	1.5	0.09	154	1.72	0.83	2.63
RSD20-05	NSV							
RSD20-06	57.6	59.1	1.5	0.07	118	2.05	0.1	0.29

*Downhole lengths

Red Star and Horseshoe-White Knob Projects

Phoenix drilled three holes at Red Star in 2018 and an additional 10 holes in 2020. The results of both drilling programs were promising. The 2018 program resulted in a NI 43-101 compliant maiden resource of 1.6 million silver equivalent ounces, with silver grades as high as 1,100 g/t (32 oz/t) and lead grades above 21%. The geological and mineralogical complexity of the project area, coupled with the lack of discernible outcrop, created challenges for effectively targeting additional core holes. As a result, Dr. David W. Rodgers, a Ph.D. structural geologist and Idaho State University geology professor, was hired to complete high-resolution mapping of the project area and to assess the mineralogical characteristics of the deposit. His report may be viewed at www.phoenixcopperlimited.com

Following detailed surface mapping of the Red Star project area, which included some work southward toward the Empire Mine and northward toward the historic White Knob and Horseshoe Mines, as well as detailed analysis of the Red Star core and drill cuttings, Dr. Rodgers concluded that higher grade silver and lead mineralisation occurs primarily in the contact region between the Mackay Granite formation and the White Knob limestone formation. This is important in that mineralisation does not occur between these two

formations elsewhere in the main Empire Mine area.

Furthermore, Dr. Rodgers concluded that the higher-grade silver mineralisation was focused in areas within the magnetite-bearing skarn that had been subjected to a superimposed event, possibly highly acidic, wherein the later-stage silver-bearing fluids leached the magnetite skarn. Because the silver mineralisation only occurs in iron-rich portions of the skarn, which are dominated by magnetite, then those areas near the contact of Mackay Granite and White Knob limestone with magnetite development are thought to be favorable targets for higher grade silver.

Due to the lack of discernible outcrop at Red Star, it is difficult to determine the underlying geology, Dr. Rodgers recommended the use of ground magnetic surveying, coupled with geologic mapping, to better define future drilling targets.

The historically mined high grade Horseshoe and White Knob claim blocks produced average grades of 204 g/t silver, 19% lead, 6.5% zinc and 0.73% copper. In 2018, Phoenix collected rock chip and channel samples from the Horseshoe Mine claim block. The results of the sampling program were reported in October 2018 and showed results as high as 9.19% copper, 580 g/t silver, and 20% lead. This clearly opens up another significant prospect within the Empire ore system. During the construction of the Empire open pit copper/gold project Phoenix will continue to actively explore the Red Star and related area.

Qualified Person

Kieran Downes, Ph.D., P. Geo., a Qualified Person as defined by National Instrument 43-101, has reviewed and verified the technical information provided in this release.

ABOUT EXGEN RESOURCES INC.

ExGen, formerly Boxxer Gold Corp, is a project accelerator that seeks to fund exploration and development of our projects through joint ventures and partnership agreements. This approach significantly reduces the technical and financial risks for ExGen, while maintaining the upside exposure to new discoveries and potential cash flow. The company intends to build a diverse portfolio of projects across exploration stages and various commodity groups. ExGen currently has 6 projects in Canada and the US.

For more information on ExGen please contact [ExGen Resources Inc.](#)

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Forward-Looking Information: This news release contains certain forward-looking information. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. In particular, this news release contains forward-looking information in relation to: the Empire Mine Project and the exploration and development of the Empire Mine Project; the earning of the Option by Phoenix and the potential transfer back to ExGen of the Konnex shares; the exploration and development strategy of the Empire Mine Project, including the exploration program, ground magnetics survey results, drilling, mine development, completion of a potential feasibility study in compliance with NI 43-101, and the timing for completion of these events; the timing for the completion of exploration drilling and the receipt of exploration information and drill assays; the potential of the underground sulphide mineralization and the potential of the ground magnetic survey results to assist in the analysis of the potential mineralization at Red Star. The expanded 3.5 km strike length of the Empire Mine property and the potential for an enlarged scale opportunity. The potential for the RedStar Zone and the Horseshoe Block to host copper mineralisation similar to that in the Empire Block. The potential for the RedStar Zone and the Horseshoe Block to host

further mineralization of a lead and silver system. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. There can be no assurance that the development of the Empire Mine Project will be completed, and if development is completed, that such development will result in a producing mine. In the forward looking information contained in this news release, ExGen has made numerous assumptions, based upon practices and methodologies which are consistent with the mineral industry. In addition, ExGen has assumed: the continued market acceptance of its joint venture partnership model; the ability of ExGen and its partners to raise future equity financing, if needed, at prices acceptable to ExGen or its partners; ExGen's current and initial understanding and analysis of the Empire Mine Project; the ability of ExGen or third parties to discover viable exploration targets and the results of exploration on the Empire Mine Project; the ability of Phoenix to explore and develop the Empire Mine Project; the cost of exploration, including sampling, drilling and assaying, on the Empire Mine Project, the costs of developing the Empire Mine Project and the costs and the ability of Phoenix to produce a feasibility study in compliance with NI 43-101; and ExGen's general and administrative costs remaining sustainable. While ExGen considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. Additionally, there are known and unknown risk factors which could cause ExGen's observations, actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: there is no certainty that the Option will result in significant or successful exploration of the Empire Mine Project or development of the Empire Mine Project into a producing mine; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineralization and uncertainty as to the actual results of exploration and development or operational activities; uncertainty as to the availability and terms of future financing; uncertainty as to timely availability of permits and other governmental approvals; ExGen may not be able to comply with its ongoing obligations regarding its properties; the early stage development of ExGen and its projects, and in particular, the Empire Mine Project; general business, economic, competitive, political and social uncertainties; capital market conditions and market prices for securities, junior market securities and mining exploration company securities; commodity prices, in particular copper, gold, silver, and zinc prices; competition; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting ExGen; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. A description of additional assumptions and risk factors used to develop such forward-looking information that may cause actual results to differ materially from forward-looking information can be found in ExGen's disclosure documents on the SEDAR website at www.sedar.com. Although ExGen has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. ExGen does not undertake to update any forward-looking information except in accordance with applicable securities laws.

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