



SKEENA Resources Limited

News Release

**NR: 16-01
January 14, 2016**

Skeena Releases Updated 43-101 Resource Estimate for the GJ Copper-Gold Project

Skeena Resources Limited (TSX.V: **SKE**) (“**Skeena**” or the “**Company**”) has released an updated National Instrument 43-101 independent resource estimate for the Donnelly and North Donnelly copper-gold deposits on the GJ property, in the Golden Triangle of north-western British Columbia. The new resource incorporates drilling completed in 2007 and 2011 to 2013, but not included in the previous resource estimate released in April 2007.

The 38,374 hectare GJ property was acquired in October 2015 and is located adjacent to the Company’s Spectrum gold project where 17,350 m of drilling in 61 holes was completed in 2015. A resource study is also in progress for Spectrum and will be released by the end of Q1 2016.

The Donnelly and North Donnelly deposits host an updated **measured and indicated resource, using a 0.2% copper cut-off, of 133.67 million tonnes grading 0.32% copper and 0.36 grams per tonne gold** for a total of 940.23 million pounds of copper and 1.56 million troy ounces of gold. **In addition, 53.69 million tonnes grading 0.26% copper and 0.33 grams per tonne gold has been estimated in the inferred category**, using a 0.2% copper cut-off, for a total of 312.53 million pounds of copper and 0.57 million troy ounces of gold.

Highlights from the resource update include:

- The overall tonnage of resources in the measured and indicated categories has increased by 9%, at a 0.2% copper cut-off and slightly higher average grade, in comparison with the 2007 resource by Canadian Gold Hunter Corp. (see technical report by D.T. Mehner, G.H. Giroux and G.R. Peatfield, April 30, 2007). A significant proportion of the resource has been upgraded to the measured category. At the same 0.2% copper cut-off, the inferred tonnage has increased by 234%. The measured material is all within the Main Donnelly zone while the increase in indicated resource is a combination of converting inferred to indicated within the Main Donnelly zone and adding the North Donnelly zone, the latter of which was not estimated in 2007.
- Contained pounds of copper and ounces of gold in the measured and indicated categories have increased by 12% each, in comparison to the 2007 estimate. Inferred pounds of copper and ounces of gold have increased by 200% and 280% respectively.

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- The Donnelly and North Donnelly zones have a width of 340 metres, a strike length of 1600 metres and an average depth of 200 metres below surface.
- Good potential exists for resource expansion to the west and at depth on the Donnelly deposits. It is recommended that drill targets be selected following a detailed review of available geological, geophysical and geochemical data.
- The report authors also recommend resource modelling the nearby GJ deposit which is not included in the current resource estimate, and completing a property wide target review to evaluate exploration potential of other porphyry and high-grade vein prospects. The Company has engaged Mr. David Mehner, P.Geo., to complete this target review.

Walter Coles, President and CEO of Skeena commented, “The deposits at GJ in conjunction with the Spectrum deposit, all of which are open for expansion, form the foundation of a district-scale development project, located close to electrical power and roads in a mining friendly jurisdiction.

Although metal prices are not favourable for development of the GJ property at this current time, we view the deposits at GJ as an inexpensive long term call option on copper and gold prices, with very low holding costs. Having said that, it is worth noting that the grade of the current resource at GJ is comparable to the nearby Red Chris mine of Imperial Metals which began operation in February 2015 with a reserve of 301.5 million tonnes grading 0.359% copper and 0.274 grams per tonne gold (Imperial Metals website).

The proximity of the GJ property to our higher-grade, gold-rich Spectrum deposit offers synergy, scale and flexibility for future development. We are excited about the opportunities to expand these deposits, and to renew exploration on other nearby bulk tonnage and high-grade targets on this very large property package.”

The Donnelly and North Donnelly resources are shown below in Tables 1 to 4.

**Table 1:
MAIN DONNELLY ZONE - MEASURED RESOURCE**

Cut-off (Cu %)	Tonnes > Cut-off (tonnes)	Grade > Cut-off		Contained Metal	
		Cu (%)	Au (g/t)	Million lbs Cu	Million ozs Au
0.15	32,760,000	0.33	0.36	234.77	0.375
0.20	27,410,000	0.35	0.39	213.95	0.341
0.25	21,260,000	0.39	0.42	183.76	0.286
0.30	16,100,000	0.43	0.46	152.65	0.236
0.35	11,810,000	0.47	0.50	122.13	0.188
0.40	8,430,000	0.51	0.53	94.24	0.144
0.45	5,510,000	0.55	0.58	67.07	0.103
0.50	3,270,000	0.61	0.66	43.69	0.069

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**Table 2:
MAIN & NORTH DONNELLY ZONES - INDICATED RESOURCE**

Cut-off (Cu %)	Tonnes > Cut-off (tonnes)	Grade > Cut-off		Contained Metal	
		Cu (%)	Au (g/t)	Million lbs Cu	Million ozs Au
0.15	151,210,000	0.27	0.31	900.23	1.527
0.20	106,260,000	0.31	0.36	726.34	1.220
0.25	68,910,000	0.36	0.41	542.45	0.897
0.30	44,580,000	0.40	0.45	396.14	0.644
0.35	27,590,000	0.45	0.50	275.59	0.441
0.40	17,460,000	0.50	0.54	192.50	0.305
0.45	10,630,000	0.55	0.60	128.92	0.204
0.50	6,250,000	0.60	0.66	83.24	0.133

**Table 3:
MAIN & NORTH DONNELLY ZONES - MEASURED PLUS INDICATED RESOURCE**

Cut-off (Cu %)	Tonnes > Cut-off (tonnes)	Grade > Cut-off		Contained Metal	
		Cu (%)	Au (g/t)	Million lbs Cu	Million ozs Au
0.15	183,970,000	0.28	0.32	1135.83	1.899
0.20	133,670,000	0.32	0.36	940.23	1.560
0.25	90,170,000	0.37	0.41	725.71	1.183
0.30	60,690,000	0.41	0.45	548.67	0.880
0.35	39,400,000	0.46	0.50	397.90	0.628
0.40	25,880,000	0.50	0.54	286.47	0.448
0.45	16,150,000	0.55	0.59	195.86	0.307
0.50	9,510,000	0.60	0.66	126.66	0.202

**Table 4:
MAIN & NORTH DONNELLY ZONES - INFERRED RESOURCE**

Cut-off (Cu %)	Tonnes > Cut-off (tonnes)	Grade > Cut-off		Contained Metal	
		Cu (%)	Au (g/t)	Million lbs Cu	Million ozs Au
0.15	100,190,000	0.22	0.28	490.44	0.912
0.20	53,690,000	0.26	0.33	312.54	0.570
0.25	29,510,000	0.30	0.36	193.91	0.344
0.30	11,590,000	0.34	0.41	85.87	0.151
0.35	2,870,000	0.38	0.46	24.24	0.042
0.40	510,000	0.46	0.46	5.17	0.008
0.45	240,000	0.51	0.49	2.69	0.004
0.50	110,000	0.56	0.58	1.35	0.002

Estimation Methods

The Main and North Donnelly Zone resource estimate reported in this release has an effective date of September 9, 2015 and was completed by Mr. Gary H. Giroux, M.A.Sc., P.Eng. of Giroux Consultants Ltd. of Vancouver B.C., Canada, an Independent Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI-43-101") in accordance with Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, as amended.

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Estimation methods are summarized below. Further details of the procedures will be available in a NI 43-101 technical report, to be co-authored by Dr. Giles Peatfield, Ph.D., P. Eng. an Independent Qualified Person as defined by NI 43-101, which will be filed on SEDAR (www.sedar.com) within 45 days of this release.

This resource estimate uses 126 diamond drill holes (34,672 metres) that define the Main Donnelly zone and 46 holes (11,103 metres) from the North Donnelly zone. The majority of holes were drilled by Canadian Gold Hunter Corp. ("CGH") between 2004 and 2007. Three of the holes drilled by Teck Resources Ltd. ("Teck") between 2011 and 2013 intersected the deposits, of which two holes penetrated the Donnelly Main zone while one was drilled through the North Donnelly zone. A total of 8,075 copper assays and 8,049 gold assays tested the Donnelly Main zone. A total of 2,162 copper and gold assays tested the North Donnelly zone.

The grade distributions for copper and gold were evaluated in both the Main Donnelly and North Donnelly zones. Erratic outliers were capped for both copper and gold.

Uniform down-hole composites, 6 m in length, were produced for each drill hole with some proportion inside the Main and North Donnelly solids. Intervals within the mineralized Donnelly zones were provided by CGH geologists. Using these limits and supplied cross-sections, three dimensional solids were created in Gemcom for the Main and North Donnelly zones. A three dimensional block model with blocks 20 by 20 by 12 metres in dimension was created to cover the mineralized solids. A topographic surface was provided by CGH and using this surface, the proportion of each block below topography was recorded. Grades for copper and gold were interpolated into blocks containing some percentage of mineralized solid using ordinary kriging.

Bulk density

During the 2005-06 drill programs a comprehensive program of collecting bulk density data was completed on the GJ Project. The methodology and results were documented by project manager Dave Mehner (Mehner et al., 2007). For the resource estimate each assay interval containing a specific gravity measurement was assigned an X, Y and Z coordinate. A specific gravity value was then interpolated into each mineralized block using inverse distance squared. A search ellipse equal in dimensions and orientation to the one used to estimate copper was employed to estimate specific gravity.

At this stage of the property's development no economic studies have been completed. In the Qualified Person's (Giroux) judgement and experience the resource stated has reasonable prospects of economic extraction. An analogous deposit to Donnelly might be Imperial Metals Corp.'s nearby Red Chris deposit now in production. In their September 2015 statement of resources, Imperial Metals reports an open pit resource at a cut-off of \$1.50 Mill Head Value with grades of 0.32 % Cu and 0.27 g/t Au. (<http://www.imperialmetals.com/our-operations-and-projects/operations/red-chris-mine/reserve-and-resource>). While there is insufficient data at this time to determine a similar Mill Head Value or NSR value for Donnelly the results indicate similar grades to those reported at Red Chris using a 0.20 % Cu cut-off. This cut-off has been highlighted as a possible economic cut-off for open pit extraction.

Cautionary notes

Only a limited amount of metallurgical testwork has been completed on material from the Donnelly Zone (Hawthorn; 2005, 2006). This work included: several flotation tests; mineralogical examination of some of the products (McLeod; 2005, 2006); and a very limited amount of acid-base accounting (“ABA”) work. Summary details of this work were presented in Mehner and Peatfield (2006). No further testwork was undertaken subsequent to that report.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

Quality Assurance and Quality Control

The 2004 to 2007 drill programs and sampling were supervised by qualified person David Mehner, P.Geo., Project Geologist for Canadian Gold Hunter Corp. The CGH drill samples were analyzed for gold by fire assay/atomic absorption and for copper by ICP, and by atomic absorption for those samples over 1%, by ALS Chemex in North Vancouver, B.C., Canada. All assay results were examined by independent engineer Dr. Giles Peatfield, P.Eng. prior to release, in order to verify that QC protocols were honoured. The Teck drill samples were analyzed for gold by fire assay for gold and for copper by ICP at Acme Analytical Labs in Vancouver, B.C. Canada. Appropriate quality control and quality assurance protocols were utilized in both programs. Standard reference samples, blanks and duplicates were inserted in each batch of samples for assay.

The technical information in this news release has been reviewed and approved by Michael S. Cathro, M.Sc., P.Geo., Skeena's vice-president of operations and a qualified person as defined by National Instrument 43-101.

Update on Skeena Financing

The Company has decided to close the previously announced financing without completing the last \$1.3 million tranche. Having raised an initial \$4.8 million of financing in December 2015, the Company is adequately funded to pursue its near term objectives.

About Skeena

Skeena Resources Limited is a junior Canadian mining exploration company involved in the acquisition, exploration and development of prospective base and precious metal properties throughout British Columbia. The Company's primary activities at present are the evaluation of the high-grade Spectrum gold project and adjacent bulk-tonnage GJ copper-gold project, located in the prolific Golden Triangle of northwestern BC. Skeena's management includes a highly experienced team of mine-finders, including Ron Netolitzky, Chairman, who was inducted into the Canadian Mining Hall of Fame in 2015.

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ON BEHALF OF THE BOARD OF DIRECTORS OF
SKEENA RESOURCES LIMITED

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Cautionary Statement Regarding Forward-Looking Information

Certain information in this news release is forward-looking within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. This forward-looking information includes, among other things, information with respect to the results of the Company's exploration and the Company's beliefs, plans, expectations, anticipations, estimates and intentions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this news release describes the Company's expectations as of the date of this news release and accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time.

Neither TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

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