



RESEARCH FLASH September 17, 2018

SKEENA RESOURCES LTD.
(V-SKE) \$0.53

RATING: N/A
(not a covered company)

TARGET: N/A
(not a covered company)

Solid High-Grade Maiden Resource Estimate at Eskay Creek

Event: SKE announced a maiden resource estimate for its Eskay Creek project outlining an open pit and underground resource.

Impact: Positive: The resource is supported by a combination of historical surface and underground drilling totalling 651,332 metres (7,583 drill holes). We view this initial resource as an important first step that demonstrates the economic potential that remains to be exploited at Eskay Creek while providing a better understanding of the geological model and necessary steps required for resource growth.

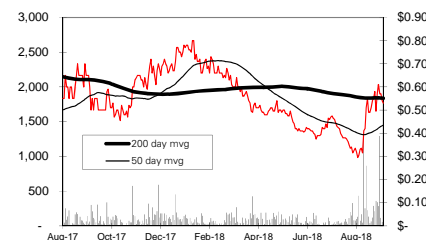
- Pit constrained resource (indicated and inferred) estimated at 796,000 ounces of Au at an average grade of 4.63 g/t AuEQ at a 1.0 g/t AuEQ cut-off grade.
- Underground resource (indicated and inferred) is estimated at 1.1M ounces of Au at an average grade of 10.1 g/t AuEQ at a 5.5 g/t AuEQ cut-off grade.

Details:

- **Open Pit Resource:** This resource is mainly from the 21A and 22 zones where mineralization comes to surface. The strip ratio is estimated at 2.9:1 and modelled with 45 degree pit walls.
- **Underground Resource:** ~75% of the underground resource falls in the indicated resource category and calculated based on resources within 100 metres of existing underground infrastructure allowing relatively simple access. We note that historical drifts have been backfilled and any resources within 3 m of historical workings were excluded from the resource.
- **Current Eskay Drilling:** The 5,000 m surface drill program is focused on targeting zones 21A & 21C to upgrade existing ounces to a higher category of resource definition. A small portion of exploratory drilling is earmarked for the 22 Zone.
- **Resource Estimate Notes:** The resource estimate was calculated using long term metal prices US\$1,275/oz Au (UG) and US\$1,250/oz Au (OP) and US\$17/oz Ag (UG & OP).
- **Catalysts:**
 - Ongoing drill results from Eskay Creek surface drill program
 - Follow-up drill program at Snip Mine – Q318
 - Tabling of maiden resource at Snip – Q119

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Valuation

N/A

A Disclosure fact sheet is available on Pages 3-4 of this report.

Exhibit 1: Eskay Creek Maiden Resource Estimate

Category	Tonnes (000)	Grade			Contained Ounces		
		Au (g/t)	Ag (g/t)	AuEq (g/t)	Au oz (000)	Ag oz (000)	AuEq (000)
OPEN PIT							
Indicated	1,088	4.9	72	5.9	173	2,533	207
Inferred	4,261	3.3	72	4.3	458	9,805	589
UNDERGROUND							
Indicated	2,513	7.2	215	10.1	582	17,340	814
Inferred	812	7.2	214	10	187	5,590	261
Global OP Resource	5,349	3.67	71.74	4.63	631	12,338	796
Global UG Resource	3,325	7.19	214.50	10.06	769	22,930	1075

Source: Skeena Resources & PI Financial Corp.

Disclosure Fact Sheet

Ratings

BUY : recommendation: stock is expected to appreciate from its current price level at least 10-20% in the next 12 months.

NEUTRAL : recommendation: stock is expected to trade in a narrow range from its current price level in the next 12 months.

SELL : recommendation: stock is expected to decline from its current price level at least 10-20% in the next 12 months.

U/R : Under Review

N/R : No Rating

TENDER: Investors are guided to tender to the terms of the takeover offer.

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Price Volatility / Risk

SPECULATIVE : The Company has no established operating revenue, and/or balance sheet or cash flow concerns exist. Typically low public float or lack of liquidity exists. Rated for risk tolerant investors only.

ABOVE AVERAGE : Revenue and earnings predictability may not be established. Balance sheet or cash flow concerns may exist. Stock may exhibit low liquidity.

AVERAGE : Average revenue and earnings predictability has been established; no significant cash flow/balance sheet concerns are foreseeable over the next 12 months. Reasonable liquidity exists. Price Volatility/Risk analysis while broad based includes the risks associated with a company's balance sheet, variability of revenue or earnings, industry or sector risks, and liquidity risk.

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I, Gary Sidhu, hereby certify that all of the views expressed in this report accurately reflect my personal views about the subject securities or issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly related to the specific recommendations or views expressed in this report. I am the research analyst primarily responsible for preparing this report.

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9) Company has partially funded previous analyst visits to its projects.	9) No
10) Additional disclosure:	10) No

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Analyst	Company	Type of Review	Operations / Project	Date
Gary Sidhu	Skeena Resources Ltd.	Corporate Update	Vancouver, BC	12/17
Gary Sidhu	Skeena Resources Ltd.	Corporate Update	Vancouver, BC	03/18
Gary Sidhu	Skeena Resources Ltd.	Site Visit	Snip Mine, BC	07/18
Gary Sidhu	Skeena Resources Ltd.	Corporate Update	Vancouver, BC	09/18

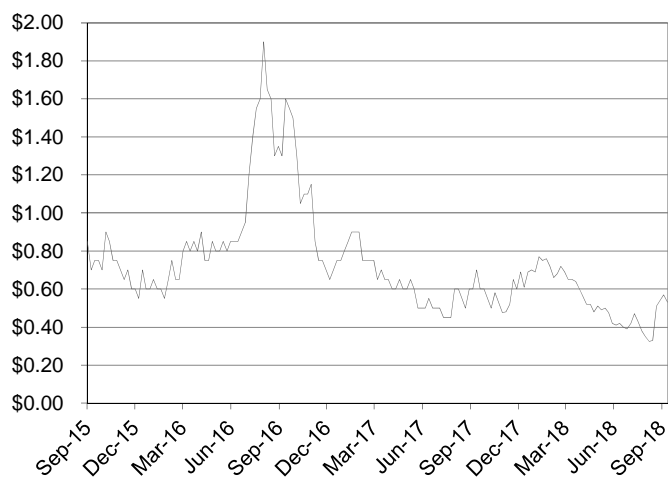
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BUY	64	94.12%
NEUTRAL	3	4.41%
SELL	0	0.00%
TENDER	1	1.47%
U/R	0	0.00%
N/R	0	0.00%
TOTAL	68	

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Date	Rating Change	Target Change	Share Price
Not a covered company			

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