



# SKEENA

## News Release

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## Skeena Secures Option to Acquire Snip Property from Barrick

Skeena Resources Limited (TSX.V: **SKE**) ("**Skeena**" or the "**Company**") is pleased to announce the signing of an agreement with Barrick Gold Inc., ("**Barrick**") granting an option to the Company to acquire a 100% interest in the past-producing, high-grade Snip gold mine in northwest British Columbia. The property consists of one mining lease and four mineral tenures totalling approximately 1,932 hectares in the Liard Mining Division. The Snip mine produced approximately 1 million ounces of gold from 1991 until 1999 at an average gold grade of 25 g/t at a 12 g/t reserve cut-off.

Skeena's President and CEO, Walter Coles commented, "The Snip option agreement is an important step forward in our strategy to consolidate and develop high quality assets in British Columbia. The Snip property strongly complements Skeena's Spectrum and GJ projects, which are also located in the Golden Triangle. We appreciate Barrick's confidence in our team and their willingness to allow us to go back and explore on one of our Chairman, Ron Netolitzky's, earliest successes in the region. We intend to be very aggressive about advancing this asset."

Skeena's Chairman Ron Netolitzky stated, "This acquisition gives us an opportunity to re-examine historic drill intercepts on the Snip property that may indicate mineralization that would be economic with the recent construction of nearby infrastructure and at today's higher gold prices. We are excited to renew exploration for additional mineralized shoots in a large shear structure which already demonstrated the presence of a million ounce high-grade deposit. With our knowledge of the area and historic connection to the site we are confident we have the team to generate and pursue viable new targets."

Under the terms of the option agreement, which is subject to TSX Venture Exchange approval, Skeena may acquire a 100% interest in the Snip Property in consideration for:

- The issuance of up to 3,250,000 common shares of the Company of which 2,000,000 shares will be issued upon receipt of TSX Venture Exchange approval and a further 1,250,000 shares will be issued once all other conditions to the exercise of the option have been completed
- Work commitment by Skeena of \$500,000 within the first 12 months of the agreement
- An additional work commitment of \$1,500,000 within 30 months of the agreement
- 1% NSR royalty interest retained by Barrick on the Snip property
- Subject to exercise of the option and to Skeena delineating in excess of 2 million ounces of gold, Barrick may exercise a back-in right to purchase a 51% interest in the property in return for a payment of three times Skeena's cumulative expenditures, following which the parties will form a joint venture

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The Snip vein mineralization, discovered in 1964 by Cominco geologist Ted Muraro, lay dormant until drilled in 1986 as part of a Cominco joint venture with Netolitzky-led Delaware Resources. Those drill results triggered a massive claim staking rush and exploration boom throughout the Golden Triangle that led to the discovery and development of Barrick's Eskay Creek (past production of 3.27 million ounces of gold at a grade of 49 g/t and 158 million ounces of silver at 2,406 g/t). Other significant projects in the Golden Triangle include Pretium's Brucejack and Valley of the Kings gold deposits, Imperial Metal's Red Chris porphyry copper-gold mine, Teck and Novagold's Galore Creek deposit, Teck's Shaft Creek porphyry copper-gold deposit, Seabridge's porphyry copper-gold Deep Kerr Project, and Ascot's re-activated Premier Project.

The Golden Triangle district has become one of the most important metal regions in Western Canada and is being further enhanced with recent significantly improved infrastructure, including paving of the Stewart-Cassiar highway north from Smithers, ocean port facilities for export of concentrate at Stewart, and completion of BC Hydro's 287 kilovolt Northwest Transmission Line from Terrace to Bob Quinn Lake and north to the Red Chris mine. The hydroelectric facility at McLymont Creek, built 2 years ago, is located approximately 20 kilometres east of Snip. Road access to the McLymont Creek facility is currently within 20 kilometres of the Snip mine along predominantly flat terrain in the Iskut River valley bottom.

All of this activity is located within the traditional territory of the Tahltan First Nation, who have been active participants with a number of the past producers (Snip, Eskay Creek and Golden Bear) and with the most recently commissioned Red Chris mine. The Tahltan Nation Development Corporation has provided heavy civil construction contracting and mine services throughout northwest Canada since 1985.

The Snip deposit is an auriferous southwest-dipping shear vein system, hosted within Upper Triassic Stuhini Group feldspathic meta-sediments that are intruded by Early Jurassic age stocks and plutons. Other major deposits within the Golden Triangle are also related to compositionally similar Early Jurassic intrusions. The Snip deposit occurs within the southeast trending Bronson structural corridor, which also controls the other significant deposits within the Iskut River area. Approximately 60% of the production was obtained from the Twin Zone, a 0.5 to 15 metre wide sheared quartz-carbonate-sulphide vein system that cuts through a massively bedded feldspathic greywacke-siltstone sequence. Other sub parallel structures located in the footwall to the Twin Zone accounted for the rest of the production. A barren, post mineralization dike divides the main vein into two parts for most of its length, hence the name Twin Zone. Gold mineralization occurs in one centimetre to one metre wide alternating bands of massive calcite, disseminated to massive pyrite, biotite-calcite as thin bands or streaks, or in quartz with sulphides in a crackle breccia or pyritic to non-pyritic fault gouge. Total sulphide content seldom exceeds two percent and the mineralized structures characteristically contain minor pyrrhotite, arsenopyrite, sphalerite, chalcopyrite and rare galena.

The Twin Zone occupies an east-southeast striking structure with dips varying from 30 to 90 degrees to the southwest. The zone has been traced by drilling and mining over a strike length of approximately 1,000 metres and over a dip length of 500 metres. The deposit remains partially open along strike, and in some production areas, where the estimated cut-off grade of 23 g/t Au was below the economic limit for mining at the time.

Snip was historically burdened by the high cost of being a stand-alone operation restricted to fly-in servicing via the Bronson airstrip, augmented with support by a hovercraft from Wrangell, Alaska by way of the Iskut River. All of this required high grades to ensure economic viability. Compounding this, mechanized mining shrunk from approximately 82% of mine production during the first production year (1991), to approximately 16% by 1998, which resulted in a near-doubling of the unit mining cost over the mine life at the same time the gold price fell from a high of US\$383 per ounce in 1994 to US\$300 per ounce by 1999.

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The prospects for re-developing the Snip property have improved dramatically, given today's substantially higher gold prices, subsequent improvements in infrastructure and access, the potential for remaining high-grade mineralization and exploration upside. Our Chairman, Ron Netolitzky's, past history and intimate knowledge of the property will greatly enhance our odds for success.

The technical information in this news release has been reviewed and approved by Rupert Allan, P. Geol., Skeena's Vice-President of Exploration and a Qualified Person as defined by Canada's National Instrument 43-101.

### **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.

ON BEHALF OF THE BOARD OF DIRECTORS OF

### **SKEENA RESOURCES LIMITED**

**Walt Coles Jr., President & CEO**

#### ***Cautionary note regarding forward-looking statements***

*Certain statements made and information contained herein may constitute "forward looking information" and "forward looking statements" within the meaning of applicable Canadian and United States securities legislation, including, among other things, information with respect to this presentation. These statements and information are based on facts currently available to the Company and there is no assurance that actual results will meet management's expectations. Forward-looking statements and information may be identified by such terms as "anticipates", "believes", "targets", "estimates", "plans", "expects", "may", "will", "could" or "would". Forward-looking statements and information contained herein are based on certain factors and assumptions regarding, among other things, the estimation of mineral resources and reserves, the realization of resource and reserve estimates, metal prices, taxation, the estimation, timing and amount of future exploration and development, capital and operating costs, the availability of financing, the receipt of regulatory approvals, environmental risks, title disputes and other matters. While the Company considers its assumptions to be reasonable as of the date hereof, forward-looking statements and information are not guarantees of future performance and readers should not place undue importance on such statements as actual events and results may differ materially from those described herein. The Company does not undertake to update any forward-looking statements or information except as may be required by applicable securities laws.*

*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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