

Honey Badger Reports on Recent Acquisition and Discovery Activity in Proximity to its 100% owned Plata Project in the Yukon

Dear Honey Badger Enthusiasts,

As non-executive Chairman of Honey Badger, I am pleased to report on recent acquisition and discovery activity around our 100%-owned Plata Project (“Plata”) in east-central Yukon.

On September 7, 2022, Hecla Mining Company announced completion of the acquisition of Alexco Resource Corp. (“Alexco”) and its Keno Hill Silver Mine Project (“Keno Hill”), in an all-share transaction valued at C\$69 million. Concurrently, Hecla bought out the silver streaming interest held by Silver Wheaton Precious Metals Corp. on Keno Hill for US\$135 million (see Hecla News Release dated September 7, 2022).

Keno Hill is a world-class mining camp, which produced more than 200 million ounces of silver at an average grade of 44 ounces per ton (oz/t) of silver between 1913 and 1989, making it Canada’s second largest primary producer of silver⁽¹⁾. It is located approximately 165 km to the west of Plata.

Importantly, the stratigraphic and structural settings of Plata and the Keno Hill district are remarkably similar, as is the mineralization. Both districts are hosted within Selwyn basin stratigraphy adjacent to Early Cretaceous thrust faults and have large Mayo suite intrusions within 10 km of mineralization. Moreover, the main silver mineralization in both districts occurs in veins hosted in extensional fault systems, with similar pathfinder element signatures. Furthermore, at both districts, faults and associated veins hosting higher-grade silver mineralization crosscut earlier gold-enriched mineralization (see Honey Badger News Release dated December 13, 2021 for more details).

Also, in proximity to Honey Badger’s Plata Project 30 km to the east, is Snowline Gold Corp.’s (“Snowline”) Rogue Project where drilling over the last two field seasons has unveiled a significant gold discovery at the Valley Zone. Wide zones of gold mineralization extending from near-surface have been reported by Snowline at the Valley Zone, the latest being Hole V-22-010: 318.78 metres grading 2.55 g/t gold, from 3.0 metres (October 12, 2022).

The Valley Zone appears to have bulk tonnage potential and falls under the Reduced Intrusion-Related Gold System (“RIRGS”) class of deposits, which include Victoria Gold’s Eagle and Olive Gold Deposits, also in the Yukon, which host combined resources of 5.3 million ounces of gold grading 0.64 g/t gold⁽²⁾. Although the host rocks and geochemical signature at Snowline’s Valley Zone differ from those at Plata, mineralization on both projects may be driven by the Rogue West Stock, a Mayo Suite Intrusion, which lies between the two properties.

We are encouraged to see such a significant discovery being made in close proximity to our Plata project in east-central Yukon, as it further highlights the outstanding mineral potential in this under-explored region. In particular, Hecla’s recent acquisition of Alexco underscores that major mining companies are closely following developments in the Yukon as they recognize its capacity to host world-class deposits.

Chad Williams

Non-Executive Chairman

Notes:

- 1) Cathro, R.C., 2006, Great Mining Camps of Canada 1. The History and Geology of the Keno Hill Silver Camp, Yukon Territory; Geoscience Canada, Vol.33, No.3, pp103-134.
- 2) Technical Report for the Eagle Gold Mine, Prepared by JDS Energy & Mining Inc for Victoria Gold Corp, December 6, 2019