

TSX.V: SKE/OTCQX: SKREF

November 2019



#### 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.

The Qualified Person responsible for the technical information in this presentation is Paul Geddes P. Geo., Vice President of Exploration & Resource Development, who has approved the technical information included herein. Any reference to historical estimates and resources should not be relied upon. These are not current and a Q.P. has not done sufficient work to classify these historical estimate and Skeena Resources Limited is not treating the historical estimate as a current resource estimate.

#### **SKEENA TEAM**

#### **MANAGEMENT:**



Walter Coles Jr., President, CEO & Director: Mr. Coles has been CEO for several TSXV listed companies. Previously he was an analyst with Cadence Investment Partners and before that with UBS Investment Bank. Mr. Coles holds a B.A. in Economics from the University of Richmond.



Andrew MacRitchie, *CPA*, *CA*, *CFO* & Corporate Secretary: Mr. MacRitchie is a Chartered Public Accountant who's held management roles in several TSXV listed mining companies over his 16-year career. Mr. MacRitchie was previously with PricewaterhouseCoopers in the tax accounting group. He is a graduate of University of British Columbia



Paul Geddes, P. Geo. VP, Exploration & Resource Development: Mr. Geddes has more than 20 years of exploration and resource development experience. He was an instrumental member of the Rainy River Resources team prior to the Company's takeover by New Gold in 2013.



Kelly Earle, B. Sc. Geol., CPIR. VP, Communications: Ms. Earle is an Investor Relations professional and a geologist with 9 years of experience working with junior mining companies. She received her B. Sc. Geol. from the University of British Columbia and her CPIR from the Ivey School of Business at Western University.



Justin Himmelright, B. Sc., M. Eng. VP, Sustainability: Mr. Himmelright has over 25 years of experience in environmental management and developing social license for natural resource projects. He is a graduate of University of British Columbia.

#### **DIRECTORS:**



**Craig Parry, Chairman:** Mr. Parry is a geologist and has served as CEO and President for several Australian and TSXV listed mining companies. He is currently the President & CEO of IsoEnergy Ltd., a co-founder and director of NexGen Energy Ltd and a Senior Advisor and founding-shareholder of EMR Capital.



**Don Siemens:** Mr. Siemens is an independent financial advisor with over 30 years of experience as a Chartered Accountant. Mr. Siemens currently serves as Director and Audit Committee Chair for Arizona Mining Inc., Atlantic Gold Corp., Eros Resources Corp. and Hansa Resources Ltd.

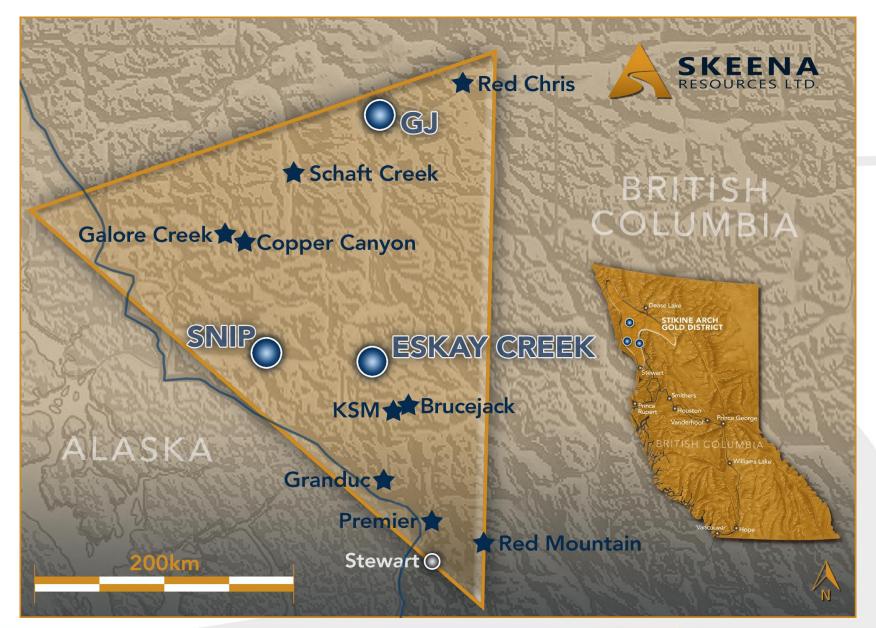


**Borden R. Putnam III:** Mr. Putnam is a professional geologist with over 41 years of mineral industry experience, with a focus on exploration and asset evaluations. During the last 15 years Mr. Putnam has worked primarily as an analyst or advisor to several large investment funds in the US.



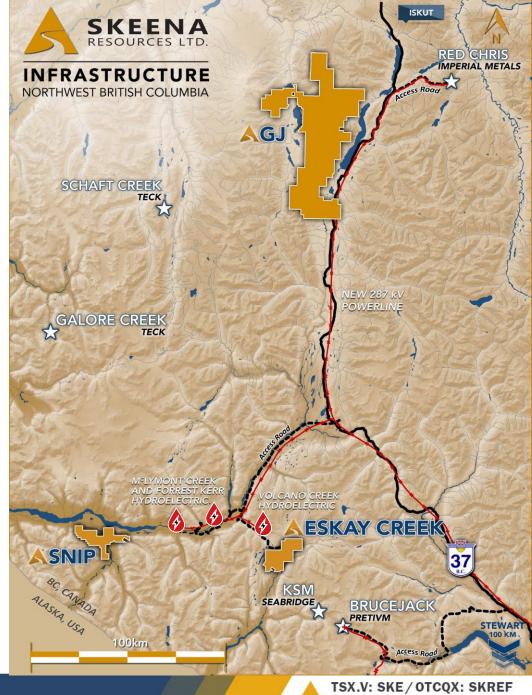
**Isac Burstein:** Mr. Burstein is the Vice President of Exploration & Business Development at Hochschild Mining PLC. Mr. Burstein has served Hochschild in various capacities including Vice President of Business Development, Manager for Project Evaluation, Exploration Manager for Mexico and Exploration Geologist.

## PROPERTY LOCATIONS - BC'S GOLDEN TRIANGLE



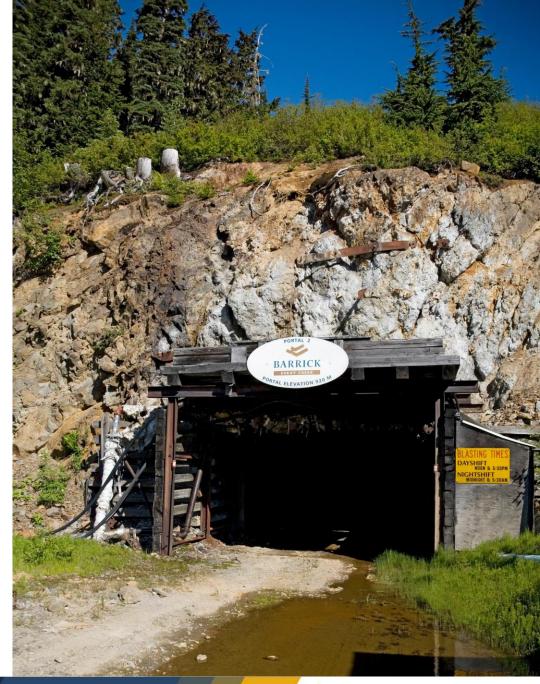
# INFRASTRUCTURE IN THE **GOLDEN TRIANGLE**

- Excellent access to power infrastructure:
  - Highway 37 paved north from **Smithers**
  - New 287 kV power line
  - Forrest Kerr & McLymont Creek Power Station within 17 km of Snip
  - Volcano Creek Power Station within 10 km of Eskay Creek
  - Red Chris mine 25 km east of GJ
  - Opening of year-round ocean port facilities in Stewart
  - Over \$2 billion invested in infrastructure



#### **ESKAY CREEK HISTORY**

- Produced 3.3 million ounces of gold & 160 million ounces of silver at average grades of 45 g/t Au & 2,224 g/t Ag from 1994 to 2008
- 2.2 million tonnes of ore mined with cut-off grades of 15 g/t AuEq for mill ore and 30 g/t AuEq for direct shipping ore
- Historical database containing 7,881 drill holes totaling 706,904 metres (surface & underground)
- Highest grade gold producer in the world when in production



# ESKAY CREEK OPTION TERMS

- Option to Acquire from Barrick secured in December 2017:
  - \$3.5 million exploration spend commitment over 3 years (complete)
  - Purchase price of \$10M plus bond to post (total capped at \$17.7M)
  - Once exercised, Barrick has 12 months to exercise back-in right for 51% by paying Skeena 3x cumulative expenses, refunding \$10M purchase price and 51% of bond



#### PEA HIGHLIGHTS - NOVEMBER 2019

306,000 oz AuEq
Annual Production

**4.17 g/t AuEq**Open-pit Average Grade

51% After-tax IRR

C\$638M After-tax NPV<sub>5%</sub>

US\$757/oz AISC (AuEq)

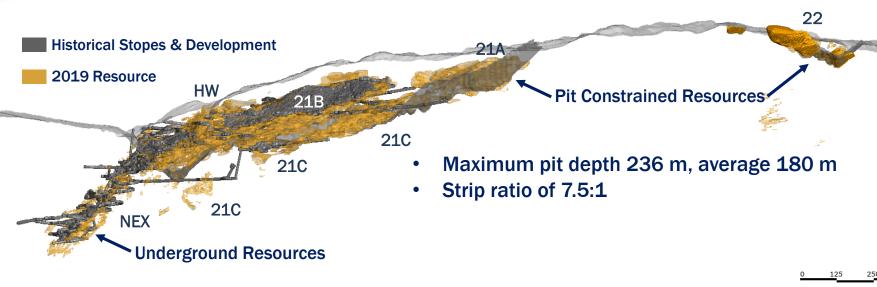
- High-grade open-pit averaging 3.23 g/t Au, 78 g/t Ag (4.17 g/t AuEq) (diluted)
- After-tax NPV $_{5\%}$  of C\$638M (US\$491M) and 51% IRR at US\$1,325/oz Au and US\$16/oz Ag
- After-tax payback period of 1.2 years
- Pre-production capital expenditures (CAPEX) of C\$303M (US\$233M)
- After-tax NPV:CAPEX Ratio of 2.1:1
- Life of mine ("LOM") average annual production of 236,000 oz Au,
   5,812,000 oz Ag (306,000 oz AuEq)
- LOM all-in sustaining costs (AISC) of C\$983/oz (US\$757/oz) AuEq recovered
- LOM cash costs of C\$949/oz (US\$731/oz) AuEq recovered
- 6,850 tonne per day (TPD) mill and flotation plant producing saleable concentrate
  - 1. Exchange Rate (US\$/C\$) of 0.77
  - 2. Cash costs are inclusive of mining costs, processing costs, site G&A, treatment and refining charges and royalties
  - 3. AISC includes cash costs plus estimated corporate G&A, sustaining capital and closure costs
  - 4. Gold Equivalent (AuEq) calculated via the formula: Au (g/t) + [Ag (g/t) / 82.8]

# **ECONOMICS & PRICE SENSITIVITY**

| Project Economics  |       |  |  |
|--|-------|--|--|
| After-Tax NPV (5%)(C\$M)                                 | \$638 |  |  |
| After-Tax IRR  | 51%   |  |  |
| After-Tax Payback Period (Years)                         | 1.2   |  |  |
| After-Tax NPV:CAPEX Ratio                                | 2:1:1 |  |  |
| Pre-Tax NPV (5%)(C\$M)                                   | \$993 |  |  |
| Pre-Tax IRR  | 63%   |  |  |
| Pre-Tax Payback Period (Years)                           | 1.1   |  |  |
| Pre-Tax NPV:CAPEX Ratio                                  | 3:3:1 |  |  |
| Average Annual After-Tax Free Cash Flow (Year 1-9 (C\$M) | \$147 |  |  |
| LOM After-Tax Free Cash Flow (C\$M)                      | \$959 |  |  |

| Consideration to Commodity Drives                         | Lower   | Base    | Higher  |
|---|---------|---------|---------|
| Sensitivities to Commodity Prices                         | Case    | Case    | Case    |
| Gold Price (\$US/oz)                                      | \$1,200 | \$1,325 | \$1,500 |
| Silver Price (\$US/oz)                                    | \$14    | \$16    | \$18    |
| After-Tax NPV (5%)(C\$M)                                  | \$453   | \$638   | \$878   |
| After-Tax IRR (%)   | 40%     | 51%     | 63%     |
| After-Tax Payback (Years)                                 | 1.6     | 1.2     | 0.9     |
| Average Annual After-Tax Free Cash Flow (Years 1-9)(C\$M) | \$117   | \$147   | \$187   |

## **2019 MINERAL RESOURCE ESTIMATE**



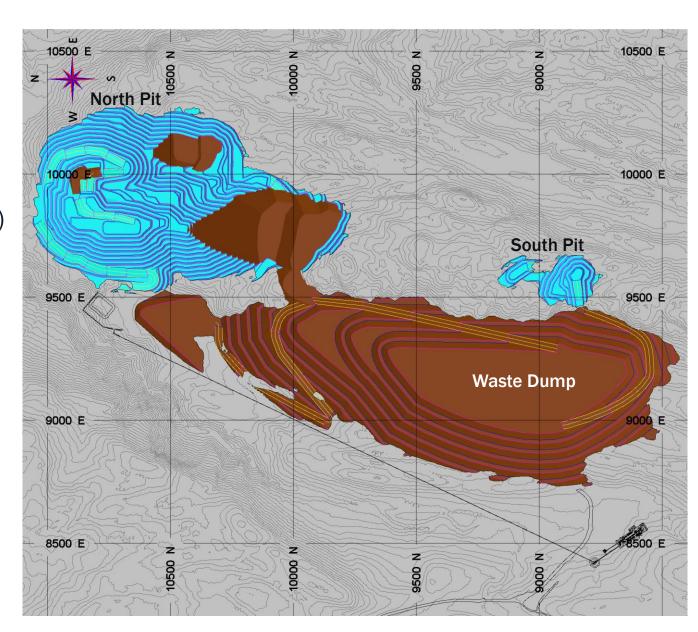
|                             | Grade  |      | Contained Ounces |     |          |          |          |
|-----------------------------|--------|------|------------------|-----|----------|----------|----------|
|                             | Tonnes | AuEq | Au               | Ag  | AuEq     | Au       | Ag       |
|                             | (000)  | g/t  | g/t              | g/t | oz (000) | oz (000) | oz (000) |
| Indicated Mineral Resources |        |      |                  |     |          |          |          |
| Pit Constrained             | 12,711 | 6.0  | 4.5              | 117 | 2,455    | 1,818    | 47,791   |
| Underground                 | 819    | 8.2  | 6.4              | 139 | 218      | 169      | 3,657    |
| Total Indicated             | 13,530 | 6.1  | 4.6              | 118 | 2,673    | 1,987    | 51,448   |
| Inferred Mineral Resources  |        |      |                  |     |          |          |          |
| Pit Constrained             | 13,557 | 2.8  | 2.2              | 42  | 1,230    | 984      | 18,455   |
| Underground                 | 295    | 8.2  | 7.1              | 82  | 78       | 68       | 778      |
| Total Inferred              | 13,852 | 2.9  | 2.3              | 43  | 1,308    | 1,052    | 19,233   |

- Pit constrained resources are quoted at a 0.7 g/t AuEQ cut-off. Underground resources are quoted at a 5.0 g/t AuEQ cut-off.
- AuEQ = Au  $(g/t) + \{Ag(g/t)/75\}$
- Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves.
- Resources are reported in-situ and undiluted for both pit constrained and underground scenarios and are considered to have reasonable prospects for economic
  extraction.
- In accordance with NI 43-101 recommendations, the number of metric tonnes was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects.

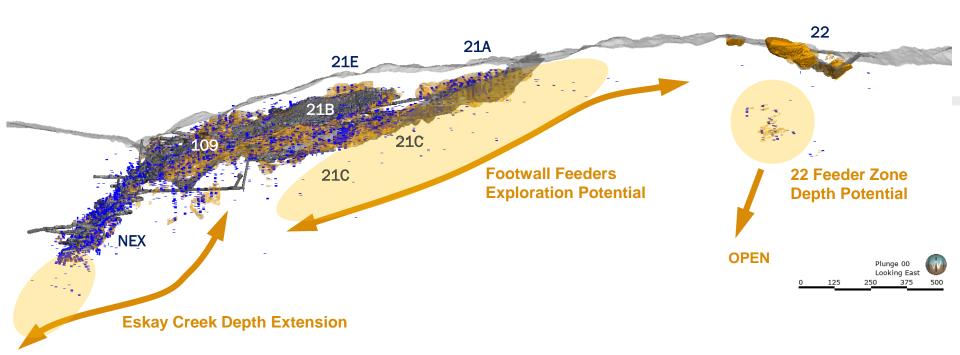


## MINE DESIGN

- Two main pits
  - North pit (21 Zones) with 4 phases
  - South pit (22 Zone)
- Waste dumps
  - One main waste dump
  - Limited backfilling of pit

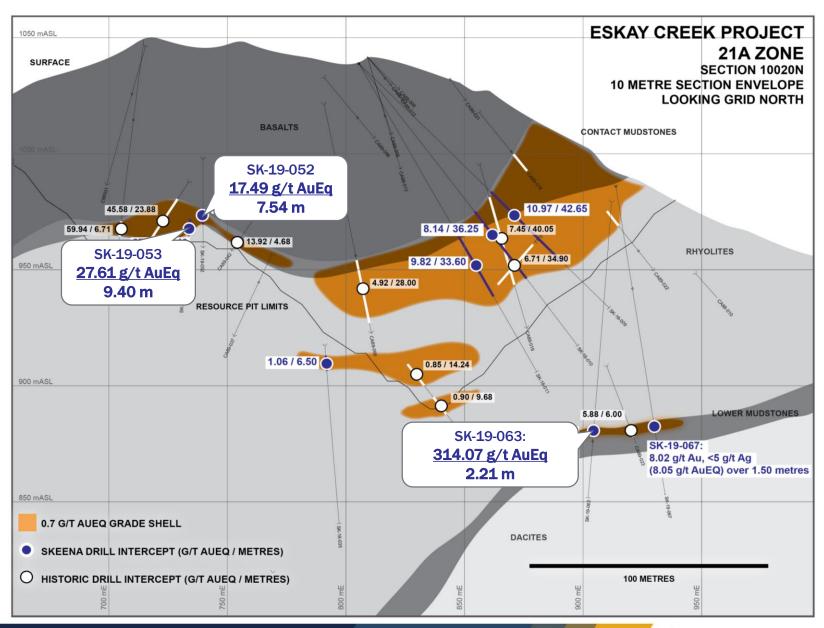


## NEAR MINE UPSIDE POTENTIAL

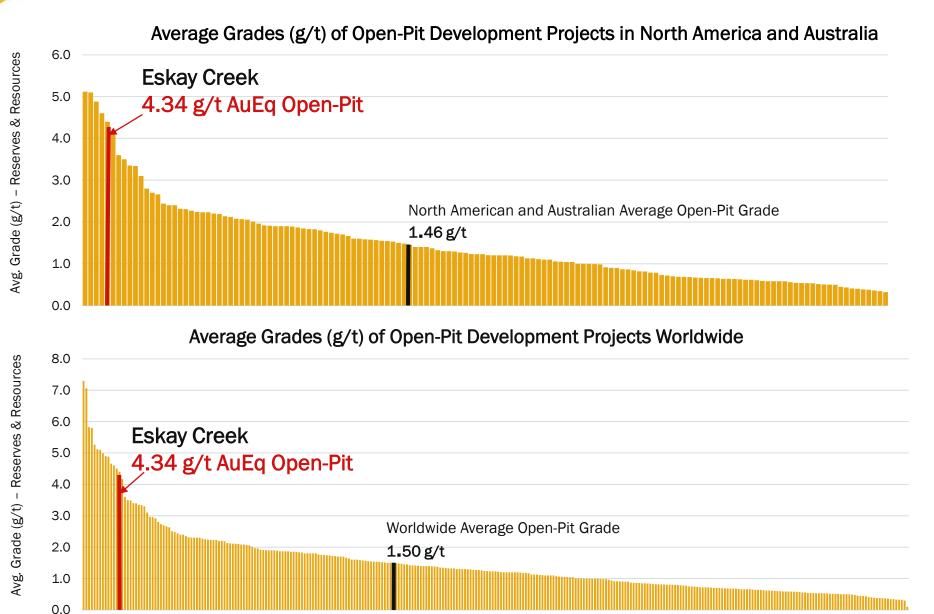


- Drillhole Intersections > 4.0 g/t AuEq >2.0 metres
- 2019 Resources
- Historical Stopes & Development

#### NEAR MINE UPSIDE POTENTIAL

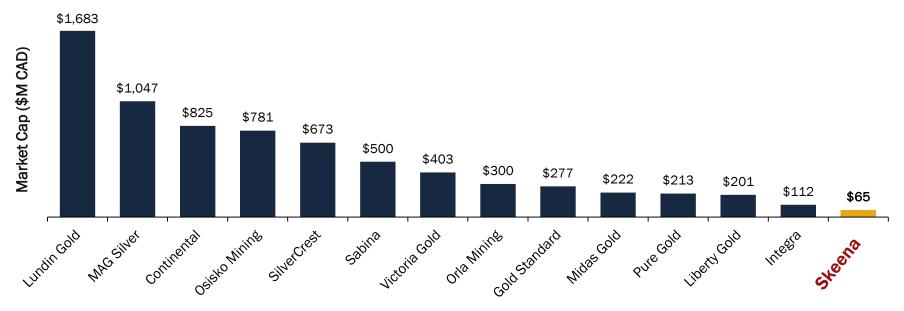


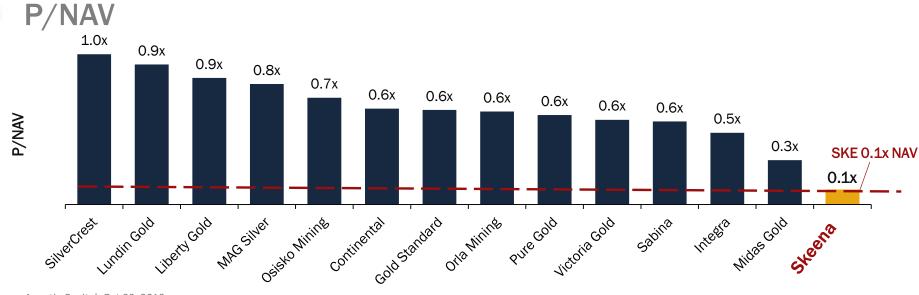
#### **OPEN-PIT COMPARISONS**



Source: S&P Capital IQ

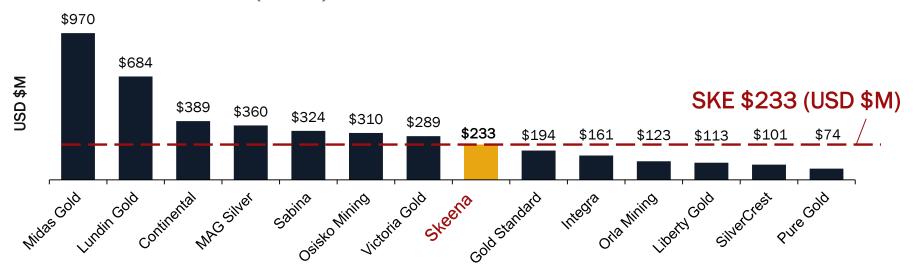
# MARKET CAPITALIZATION (\$M CAD)



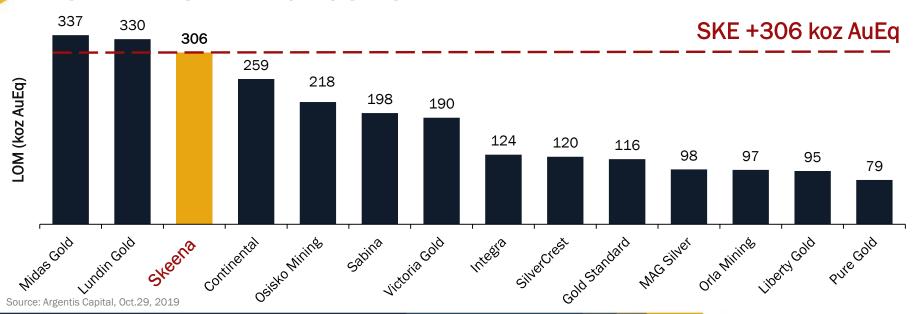


Source: Agentis Capital, Oct 29, 2019

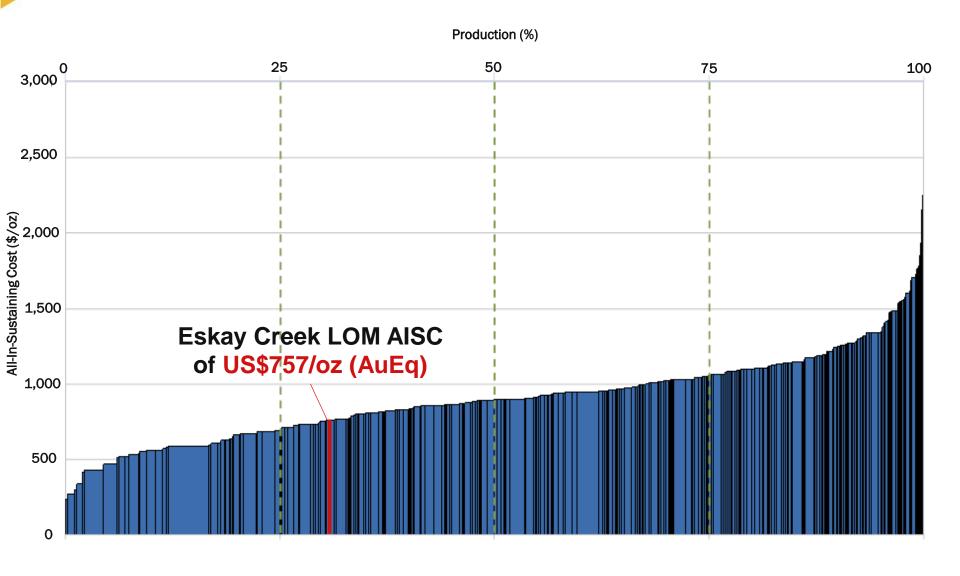
# **INITIAL CAPEX (USD)**



#### LOM ANNUAL PRODUCTION



# AISC CURVE BENCHMARK



Source: S&P Global Market Intelligence; Based on reported/actual data where available

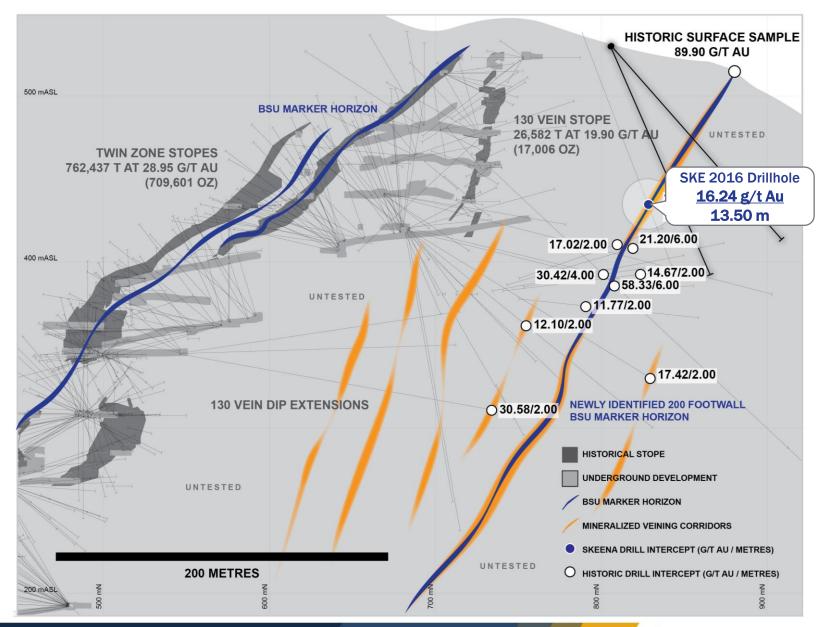


#### **SNIP GOLD PROJECT**

- 100% owned (acquired from Barrick July 2017)
- Hochschild Mining has option to acquire 60%
- Produced 1.1 million ounces of gold at average grade of 27.5 g/t from 1991 to 1999
- 280,000 m of historical surface & underground drilling
- 8,435 m underground development
- Exploration & 200 Footwall delineation drilling planned for H2 2019



## SNIP 200 FOOTWALL - SECTION 4660E





# BRITISH COLUMBIA REGIONAL MINING ALLIANCE

- Skeena leveraged strong First Nations & government relationships to create the British Columbia Regional Mining Alliance (BCRMA)
- The BCRMA is a partnership between the Tahltan Central Government, the Nisga'a Lisims Government, industry, AME BC & the provincial government to promote mining investment in the Golden Triangle of northwest BC
- Industry partners selected to join the Alliance must focus on socially & environmentally responsible resource development rooted in local partnerships

















# SKEENA CAPITAL STRUCTURE

| Capital Structu   | re                                 |
|---|------------------------------------|
| Current Shares Outstanding                                  | 115,289,676                        |
| Market Capitalization (CAD\$0.57)                           | \$65.7 Million                     |
| 52 Week High  | \$0.58                             |
| 52 Week Low   | \$0.27                             |
| Warrants (exp. March 2020 - June 2020, \$0.90 - \$1.00)     | 9,962,509                          |
| Options (exp. November 2019 - August 2024, \$0.41 - \$1.50) | 11,502,000                         |
| Shares Fully Diluted  | 136,754,185                        |
| Strategic Ownership All figures as of Nov 6, 2019           | Hochschild Mining plc 6.5%         |
| Share Price - TSX.V: SKE                                    | Nov. 6, 2018 - Nov 6, 2019         |
| man hambay  | www.                               |
| Dec '18 Jan '19 Feb '19 Mar '19 Apr '19 May '19 Jun '1      | 19 Jul '19 Aug '19 Sep '19 Oct '19 |



www.skeenaresources.com
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#### **Kelly Earle, Vice President Communications**

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# APPENDIX ESKAY CREEK PEA

# **APPENDIX - DETAILED PARAMETERS & OUTPUTS**

| Assumptions              |         |  |
|--------------------------|---------|--|
| Gold Price (US\$)        | \$1,325 |  |
| Silver Price (US\$)      | \$16    |  |
| Exchange Rate (US\$/C\$) | 0.77    |  |
| Discount Rate            | 5%      |  |
| Royalties                | 1%      |  |

| Capital Expenditures                       |  |  |
|--|--|--|
| Pre-Production Capital Expenditures (C\$M) |  |  |
| Sustaining Capital Expenditures (C\$M)     |  |  |
| Reclamation Cost (C\$M)                    |  |  |

| Mining                                |         |  |
|---------------------------------------|---------|--|
| Mine Life (Years)                     | 8.6     |  |
| Strip Ratio (Waste: Mineralization)   | 7.2:1   |  |
| Total Tonnage Mined (kt)              | 175,270 |  |
| Total Mineralized Material Mined (kt) | 21,307  |  |

| Contained Metals              |        |  |
|-------------------------------|--------|--|
| Contained Gold Ounces (koz)   | 2,212  |  |
| Contained Silver Ounces (koz) | 53,404 |  |
| Contained AuEq Ounces (koz)   | 2,857  |  |

| Processing                                  |       |  |
|---|-------|--|
| Processing Throughout (TPD)                 | 6,850 |  |
| Average Diluted Gold Grade (g/t)            | 3.23  |  |
| Average Diluted Silver Grade (g/t)          | 78    |  |
| Average Diluted Gold Equivalent Grade (g/t) | 4.17  |  |

| Production   |        |  |  |
|--|--------|--|--|
| Gold Recovery  | 91.1%  |  |  |
| Silver Recovery  | 92.4%  |  |  |
| LOM Gold Production (koz)                              | 2,022  |  |  |
| LOM Silver Production (koz)                            | 49,872 |  |  |
| LOM Gold Equivalent Production (koz)                   | 2,624  |  |  |
| LOM Average Annual Gold Production (koz)               | 236    |  |  |
| LOM Average Annual Silver Production (koz)             | 5,812  |  |  |
| LOM Average Annual Gold Equivalent<br>Production (koz) | 306    |  |  |

| Operating Costs                     |         |  |
|-------------------------------------|---------|--|
| Mining Cost (C\$/t Mined)           | \$3.44  |  |
| Mining Cost (C\$/t Milled)          | \$26.32 |  |
| Processing Cost (C\$/t Milled)      | \$21.64 |  |
| G&A Cost (C\$/t Milled)             | \$6.06  |  |
| Total Operating Cost (C\$/t Milled) | \$54.03 |  |

| Cash Costs and AISC                                    |       |  |
|--|-------|--|
| LOM Cash Cost (US\$/oz Au) Net of Silver<br>By-Product | \$582 |  |
| LOM Cash Cost (US\$/oz AuEq) Co-Product                | \$731 |  |
| LOM AISC (US\$/oz Au) Net of Silver By-<br>Product     | \$615 |  |
| LOM AISC (US\$/oz AuEq) Co-Product                     | \$757 |  |

# APPENDIX - CAPITAL COSTS (C\$M)

|                                 | Contingency | Initial      | Sustaining | LOM Total   |
|---------------------------------|-------------|--------------|------------|-------------|
| Mine                            |             |              |            |             |
| Pre-Stripping                   |             | \$62         |            | \$62        |
| Mining Equipment                |             | \$14         | \$6        | \$20        |
| Mine Capital                    |             | \$7          | \$3        | <b>\$</b> 9 |
| Sub-Total Mine                  | \$4         | \$83         | \$9        | \$91        |
| Processing                      |             |              |            |             |
| Bulk Earthworks                 |             | \$7          |            | \$7         |
| Processing                      |             | \$74         | \$7        | \$81        |
| Reagents & Plant Services       |             | \$7          | \$1        | \$8         |
| Tailings & Water Treatment      |             | \$19         | \$2        | \$21        |
| Onsite Infrastructure           |             | \$22         | \$2        | \$23        |
| Sub-Total Processing            | \$21        | \$129        | \$12       | \$141       |
| Infrastructure                  |             |              |            |             |
| Power                           |             | \$13         |            | \$13        |
| TSF, Water Supply & Treatment   |             | \$2          | \$4        | \$6         |
| Sub-Total Infrastructure        | \$5         | <b>\$1</b> 5 | \$4        | \$19        |
| Total Directs                   |             | \$226        | \$24       | \$250       |
| Indirects                       | \$7         | \$27         |            | \$27        |
| Total Directs + Indirects       |             | \$253        | \$24       | \$277       |
| Owner's Costs                   | \$4         | \$10         |            | \$10        |
| Total excluding contingency     |             | \$263        | \$24       | \$287       |
| Project Contingency             | \$40        |              | \$3        | \$43        |
| Sub-total including contingency |             | \$303        | \$27       | \$330       |
| Closure                         |             |              | \$52       | \$52        |
| Total                           |             | \$303        | \$79       | \$382       |

## **APPENDIX - FLOWSHEET & MASS BALANCE**

