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## NEWS RELEASE

“WRI”-TSX-V

“WSE”-Frankfurt

### **WASECO INTERSECTS HIGH GRADE GOLD MINERALIZATION AT BATTLE MOUNTAIN RIDGE WITH INTERSECTIONS OF 3M @7.59g/t Au AND 3M @ 6.68g/t Au**

January 26<sup>th</sup>, 2017- Toronto, Canada- WASECO RESOURCES INC. (The “Company”) (WRI-TSX-V) is pleased to announce results from its recently completed 7 hole reverse circulation (“RC”) confirmation drill program on its Battle Mountain Ridge Gold Project, located within the Battle Mountain Trend, to the south of the Marigold and Trenton Canyon Gold Mines, in Nevada.

#### **Highlights:**

- **The drilling intersected up to 3m @ 7.59 g/t Au in Hole 16-2 and 3m @ 6.68 g/t in Hole 16-4;**
- **The current drill program supports the existence of high grade gold mineralization contained within the Stibnite Gold Zone, previously intersected by Waseco in the 2012 core drilling program (Hole 12-5: 3.7m @25.4g/t Au);**
- **All 7 holes in the current program intersected gold mineralization;**
- **The Stibnite Gold Zone has been extended 45m to the north and 110m to the south of Discovery Hole 12-5 and remains open in both directions;**
- **The Stibnite Gold Zone has also been extended a further 70m at depth in Hole 16-6.**

The recently completed 7 hole RC program was designed to follow up on the high grade gold zone located in the 2012 core drilling program (Hole 12-5 with 3.7m @ 25.4 g/t Au) at depth and along strike, and also test certain gold targets identified by geochemical studies as possible extensions of the gold zones on the adjacent Trenton Canyon Mine, owned by Newmont Mining Corporation.

#### **Stibnite Gold Zone**

Five of the holes were drilled on the northern portion of the property within the Stibnite Gold Zone, with Holes 16-1 to 16-4 and 16-6, all drilled to extend the earlier high grade gold intersections. All five holes intersected gold mineralization. Several of the current intersections along strike from Hole 12-5 are at depths consistent with the original discovery, with the others being interpreted as depth extensions and confirm the presence of a **high grade gold zone (the “Main Zone”) that extends at least 155 meters along strike and an additional 70 meters at depth and remains open in both directions.**

**Hole 16-1** returned gold intersections of 3m (10ft) @1.84g/t Au and 1.5m (5ft) @ 2.15 g/t Au within an 8m (25ft) section that averaged 1.38g/t Au, starting at a depth of 122m (400ft); 1.5m (5ft) @ 0.34g/t Au and 1.5m (5ft) @ 0.36g/t Au starting at depths of 134m (440ft) and 138.7m (455ft), respectively. On cross section, the second interval correlates with the Upper Zone at Discovery Hole12-5 and has comparable grades.

**Hole 16-2** returned gold intersections of 4.6m (15ft) @ 1.18g/t Au at a depth of 80.8m (265ft) and **3m (10ft) @ 7.59g/t Au** or 4.6m (15ft) @ 5.40g/t Au, at a depth of 152m (500ft), which are contained within a larger zone averaging **15m (50ft) @ 2.1 g/t Au**, starting at a depth of 151m (495ft). This deeper high grade intersection appears to be the extension of the Main Zone intersected in Discovery Hole12-5. (See Waseco News Release dated November 12, 2012).

**Hole 16-3** intersected 3m (10ft) @ 0.43g/t Au, 1.5m (5ft) @ 1.2g/t, and 3m (10ft) @ 0.53g/t Au as three separate intervals. The higher grade middle interval was at a depth of 166m (545ft) and is, again, consistent with being an extension at depth of the Main Zone at the discovery Hole 12-5.

**Hole 16-4** intersected two zones 1.5m (5ft) @ 2.37g/t Au within a 6m (20ft) section that averaged 1.1g/t Au at a depth of 42m (145ft); and **3m (10ft)@ 6.68 g/t Au** and 3m (10ft) @ 2.47 g/t Au at a depth of 104m (340ft) within a 9m (30ft) section that averaged 3.7g/t Au. Assay results from one 1.5m (5ft) section within this latter higher grade zone are pending.

**Hole 16-6** intersected 1.5m (5ft) @ 1.27g/t Au and 1.5m (5ft) @ 1.20g/t Au; the latter is within a larger section which averaged 15m (50ft) @ 0.65g/t Au, beginning at a depth of 180m (590ft). Correlating the drill results from this hole with earlier results by previous operators (RC Hole 93-13), shows that the gold zone has been extended 70m down dip and that the grade is increasing and the zone appears to be widening at depth.

The five holes drilled on the northern section of the property were drilled in an eastern to 20 degree north direction at 50-60 degree angles to cross the north-south trending mineralized zone. The gold mineralization in the area is generally structurally controlled and the zones are indicated to dip 70-80 degrees to the west. Six distinct structural zones have been identified to date of which only three of the zones have been drill tested. The southern extension of the Stibnite Gold Zone is interpreted as being offset to the west, across an east-north-east fault structure. This offset area remains largely untested and will be examined at a future date.

**Table 1: Stibnite Gold Zone: 2016 Significant Drill Results**

Hole #	From (m)	To (m)	Length (m)	Au (g/t)
#16-1	122.00	125.00	3.00	1.84
#16-1	126.50	128.00	1.50	2.15
#16-2	82.30	83.80	1.50	1.18
#16-2	152.40	155.50	3.10	7.60
incl.	152.40	154.00	1.60	10.05
#16-3	166.20	167.70	1.50	1.20
#16-4	47.30	48.80	1.50	2.37
#16-4	103.70	106.70	3.00	6.70
#16-4	108.20	111.30	3.10	2.47
#16-6	71.60	73.20	1.50	1.27
#16-6	182.90	186.00	3.10	1.20

*The intersections reported are believed to represent 70% -85% of the true width*

## **South Zone and West Zones**

Two holes were drilled in the West Zone and the South East Zone, which returned similar results to earlier work.

**Hole 16-5** was drilled approximately 1 km to the south of the Stibnite Gold Zone, targeting a soil and geophysical anomaly in a previously untested section of the property. Three separate low grade gold zones were intersected. Assay results include 6m (20ft) @ 0.2g/t Au, 3m (5 ft) @ 0.11g/t Au and 3m (10ft) @ 0.4g/t Au. These intersections represent previously unknown gold zones. In the current geological model, it is interpreted that this gold zone runs parallel to another gold zone, identified by earlier operators as the South Zone.

**Hole 16-7** was drilled near the western edge of the property, in proximity to the oxide gold intersections which were the historical target on the property. Here, near surface disseminated gold mineralization, hosted within the Valmy Formation, was being targeted. The hole was drilled at 70 azimuth (or East 20° North) at a -60 degree angle. The near surface intersections were 1.5m (5ft) @ 0.54g/t Au beginning at surface followed by 1.5m (5ft) @ 0.42g/t Au starting at a depth of 10.7m (35ft). Given its near surface expression, these results are relevant given that the neighboring open pit Trenton Canyon Mine had a cut off grade of 0.25g/t Au. This drilling has extended the gold zone 15m along dip.

Previous shallow RC drilling by prior operators intersected 6m @ 0.82g/t Au at a depth of 3m (RC Hole 96.6); 14m @1.43g/t Au at a depth of 21m (RC 96-6); 4.6m @1.8g/t Au (RC Hole 96-7); 4.6m @ 0.71g/t Au at a depth of 15m (RC Hole 2007-1); and 1.5m @ 2.7g/t Au at a depth of 21m (Hole 2007-2), all within the West Zone.

Company President, Richard Williams remarked: "This program was successful operationally and the results are very encouraging. The Stibnite Gold Zone has been shown to extend at depth and along strike from the discovery hole intersection. There is no doubt that this property has the potential to host previously unrecognized higher grade gold zones within a number of structures and that further systematic exploration is warranted to define the extent and average tenor of this mineralization. What we are seeing on this property is consistent with what other explorers are finding along the Battle Mountain Eureka Trend:- there are wide zones of disseminated gold at surface located over higher grade structurally controlled systems. These are now being actively sought and should make a significant contribution to Nevada gold production in the future."

A. Lee Barker, P.Eng. P.Geol., a Qualified Person pursuant to the guidelines of National Instrument 43-101, has reviewed and approved the technical content of this release.

## **QA/QC Statement**

All sample preparation and analysis reported in the current program was done by ALS Minerals of Reno Nevada and ALS Guadalajara, Mexico. All drill samples were dried, crushed, split to 250 grams and pulverized into pulps. Fire assays were performed on nominal 30 grams of pulp. Gold was quantified by aqua regia digestion followed by an Atomic Absorption finish.

A Drill Hole Location Map and full assay results will be posted on the Waseco web site. For further information, please visit the Waseco web site at: [www.wasecoresources.com](http://www.wasecoresources.com) or contact Richard Williams, at Tel: (416) 364-3123; E-mail: [rickw@wasecoresources.com](mailto:rickw@wasecoresources.com).

**WASECO RESOURCES INC.**

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