

News Release

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# WEST KIRKLAND MINING CORPORATE UPDATE

**VANCOUVER, BRITISH COLUMBIA, September 6, 2017 –** West Kirkland Mining Inc. (WKM:TSXV) ("West Kirkland", "WKM" or the "Company") announces progress on the 75% owned Hasbrouck Gold Project.

West Kirkland holds a significant gold Reserve with permits to build and operate the first part of the project, located near Tonopah, southern Nevada. Permitting the second part of the project is well advanced with a Plan of Operation being prepared for submission to the Bureau of Land Management (BLM) in Q4 2017. The project is owned 25% by Waterton Precious Metals Fund II Cayman, LP, which is participating in the project expenditures.

#### Exploration

The Company has advanced planning for a fall-2017 exploration program which will involve surface mapping, geophysical surveys, and a drilling program. WKM has recently expanded its land position by staking on public lands around the Hill of Gold. WKM will be detailing its exploration program to the project partners in the near future.

Drilling at Hill of Gold will offset a previous historic resource developed by Mine Development Associates ("MDA") in 1996, and is planned to confirm and expand the gold intercept of HoG17-001 drilled by the Company in January 2017. This hole was successful in expanding the gold zone previously defined by historical drilling of 29,926 feet from 83 reverse circulation holes and 6 core holes.

	Hole No.	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)	AuEq <sup>(1)</sup> (g/t)
HILL OF GOLD	HoG17-001	0.0	103.6	103.6	0.5	8.0	0.6

Notes:

<sup>(1)</sup> AuEq grade is (gold grade) + (silver grade multiplied by \$16.89 divided by \$1,200)

Drilling will test for an open-pit resource that would be processed at the fully-permitted heap-leach facility that the Company plans to build at the nearby Three Hills Mine. Professional geologist Scott Tregaskis has extensive experience on the property area and has agreed to lead this exploration work.

R. Michael Jones, CEO of WKM said, "We are very pleased to move towards expanding our openpit gold Resources at Hasbrouck in a positive gold environment, which is possible now that we have added the prospective Hill of Gold area which lies between our two open-pit Reserves. Having Scott Tregaskis and his depth of experience of our property adds a dimension to target selection we did not previously have. The sensitivity of project value to the gold price together with securing additional resources for the Three Hills Mine heap-leach pad is very interesting as the gold price has crossed US\$1,300. The Pre-feasibility base case at US\$1,275 gold has an IRR

#### Sensitivity to Gold Price

	After Tax Sensitivity - Metal Price (K USD)					
Au Price	Undiscounted Cash Flow 000's	NPV 5% 000's	IRR	Ag Price		
\$1,000	\$36,130	\$16,779	12%	\$14.29		
\$1,100	\$86,063	\$54,971	24%	\$15.71		
\$1,200	\$135,024	\$92,477	35%	\$17.14		
\$1,225 <sup>(1)</sup>	\$147,164	\$101,779	38%	\$17.50		
\$1,275 <sup>(2)</sup>	\$171,446	\$120,384	43%	\$18.21		
\$1,300	\$183,587	\$129,687	46%	\$18.57		
\$1,400	\$230,210	\$165,393	56%	\$20.00		
\$1,500	\$275,060	\$199,698	65%	\$21.43		

Notes:

<sup>(1)</sup> Gold price used in 2015 PFS

(2) Gold price used in 2016 PFS

"PFS" is Technical Report and Updated Preliminary Feasibility Study for The Hasbrouck and Three Hills Gold-Silver Project, Esmeralda County, Nevada, USA, Report Date: September 14, 2016

#### **Hasbrouck Project Mineral Reserves**

Hasbrouck Gold Project Proven and Probable Mineral Reserves (100% of the project) are 45.3 million tons at a grade of 0.017 oz/ton gold and 0.233 oz/ton silver, containing 762,000 oz gold and 10.6 million oz silver. These Reserves were used in the September 2016 Pre-feasibility Study Update produced by MDA of Reno, Nevada.

Hasbrouck Gold Project Reserves - June 3, 2015, Mine Development Associates						
Three Hills		K tons	Grade (oz Au/ ton)	K oz Au	oz Ag/ton	K oz Ag
0.005 opt Au cut-off	Proven	-	-	-	-	-
	Probable	9,653	0.018	175	-	-
	P&P	9,653	0.018	175	-	-
Hasbrouck						
Variable	Proven	6,242	0.020	127	0.410	2,562
(see note 3 below)	Probable	29,374	0.016	461	0.273	8,007
	P&P	35,617	0.017	588	0.297	10,569
Total Hasbrouck Gold Project						
Variable	Proven	6,242	0.020	127	0.410	2,562
(see note 3 below)	Probable	39,028	0.016	635	0.205	8,007
	P&P	45,270	0.017	762	0.233	10,569

Notes:

<sup>1.</sup> The estimation and classification of proven and probable reserves have been prepared by Thomas L. Dyer, P.E., of MDA following CIM standards.

- 2. Mineral Reserves are estimated based on US\$1,225/oz gold and US\$17.50/oz silver.
- 3. Cutoff grades used for Reserves are: Three Hills 0.005 oz Au/ton, Hasbrouck Upper Siebert 0.008 oz Au/ton, and Hasbrouck Lower Siebert 0.007 oz Au/ton.
- 4. It is MDA's opinion that the sampling, assaying, and security procedures used at Three Hills and Hasbrouck follow industry standard procedures, and are adequate for the estimation of the current Mineral Reserves.
- MDA completed audits of the database, performed a site visit, reviewed QAQC data and confirmed historic assays. After performing their review, they consider the assay data to be adequate for the estimation of the current Mineral Reserves.
- 6. MDA has reviewed and verified the data disclosed in the above table to be in conformity with CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines in accordance with NI 43-101.PFS

#### **Hasbrouck Project Mineral Resources**

Mineral Resources are reported inclusive of Mineral Reserves (PFS)

Mine Development Associates (0.006oz AuEq/ton Cutoff)						
Class	Tons	oz Au/ton	oz Au	oz Ag/ton	oz Ag	
Measured	8,261,000	0.017	143,000	0.357	2,949,000	
Indicated	45,924,000	0.013	595,000	0.243	11,147,000	
M+I	54,185,000	0.014	738,000	0.26	14,096,000	
Inferred	11,772,000	0.009	104,000	0.191	2,249,000	

#### Hasbrouck Deposit Reported Mineral Resources November 3, 2014,

Note: oz AuEq/ton = oz Au/ton + (oz Ag/ton x 0.000417)

#### Three Hills Deposit Reported Mineral Resources August 4, 2014, Mine Development Associates (0.005oz Au/ton Cutoff)

Class	Tons	oz Au/ton	oz Au
Indicated	10,897,000	0.017	189,000
Inferred	2,568,000	0.013	32,000

Notes:

1. CIM definitions are followed for classification of Mineral Resources

2. Mineral Resources are estimated using a gold price of \$1,300 per ounce and a silver price of \$22 per ounce

3. Totals may not represent the sum of the parts due to rounding

4. The Mineral Resources have been prepared by Paul Tietz, C.P.G of Mine Development Associates in conformity with CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are reported in accordance with the Canadian Securities Administrators NI43-101. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all Mineral Resources will be converted into Mineral Reserves

#### Purchase of 1.1% Royalty on Hasbrouck Project

In May 2017, the Company purchased from Newmont Mining Corporation a 1.1% Net Smelter Return Royalty on the Hasbrouck Project, plus the right to US\$1 million cash payment on commencement of gold production - this is over the 25% partner's rights on the Hasbrouck Project. Using the 2016 Pre-feasibility Study as basis, the Company estimates that this royalty adds approximately US\$7.8 million of NAV (5%) to the Company's returns and boosts IRR by 2% to 45.3% at US\$1,275 gold.

#### Permitting

The first phase of the Hasbrouck Project, the Three Hills Mine, is fully permitted with the final key permit acquired in June 2016. Construction can commence at Three Hills Mine at the Company's discretion. Permitting the Hasbrouck Mine, the Project's second phase, is well advanced with extensive work already done on a Plan of Operation, targeted for submission to the Bureau of

Land Management (BLM) in the second half of 2017. A significant reduction in cost and time to permit the larger Hasbrouck Mine will be achieved should the BLM assess the Hasbrouck Mine under an Environmental Assessment ("EA") versus an Environmental Impact Statement ("EIS"), which was assumed in the 2016 Pre-feasibility study. An EA is possible now that minor re-design of the Hasbrouck Mine has brought the area of disturbance down to less than a square mile. Should the BLM decide on an EA, the potential saving would be estimated at approximately US\$2 million and a year in the project schedule.

### Water Source

In February 2017, the Company entered into an agreement to lease water rights from Liberty Moly LLC ("Liberty Moly"). This lease allows WKM to appropriate sufficient ground water for all of the Hasbrouck Project's construction and production needs.

## About the Hasbrouck Gold Project

The Hasbrouck Gold Project consists of two all-oxide gold-silver deposits eight kilometers apart, near the Town of Tonopah in southern Nevada. Both deposits can be open-pit mined at low stripping ratios and with minimal pre-stripping. There are no known technical, environmental, economic, or social obstacles that would prevent the company from proceeding immediately to construction.

West Kirkland's independent consultants, MDA, produced an updated Pre-feasibility Study in September 2016 which is available on SEDAR and at www.wkmining.com. All necessary permits to construct and operate the Three Hills Mine are in hand, and work to obtain permits for the Hasbrouck Mine is ongoing, with submission of a Plan of Operation to the Bureau of Land Management (BLM) targeted for Q4, 2017.

At the holding LLC level (75% owned by West Kirkland), the PFS Update estimated a US\$120 million NPV (5%) and a 43% IRR, after-tax, with a 3.1 year pay-back at US\$1,275/oz Au and US\$18.21/oz Ag metal price assumptions. The 1.1% NSR royalty acquired by the Company would add to the Company's share of this modelled value.

# About West Kirkland Mining Inc.

West Kirkland owns a 75% interest in the Hasbrouck Gold Project in Tonopah, Nevada. The remaining 25% is owned by Clover Nevada LLC, a Nevada limited LLC and 100% subsidiary of Waterton Precious Metals Fund II Cayman, LP. A Pre-feasibility Study of the Hasbrouck Project, with construction-level drawings and all federal and state permits for the phase-one Three Hills Mine, provides a ready-to-construct project. Exploration for potential expansion is underway.

# **Qualified Person**

R. Michael Jones P.Eng, CEO of West Kirkland Mining, is a non-independent Qualified Person as defined by NI 43-101. He has reviewed the information contained in this news release and has verified the data by hiring qualified geologists and engineers and has completed a review of the detailed technical information. Mineral Reserve information in this news release relating to the Hasbrouck Gold Project has been developed and approved by Thomas L. Dyer, P.E., of MDA following CIM standards.

#### **Quality Assurance/Quality Control**

West Kirkland Mining utilizes a well-documented system of inserting blanks and standards into the assay stream and has a strict chain of custody. Assays are completed at independent laboratories which have internal quality assurance and quality control systems and procedures. Assays were performed by ALS Chemex Labs Ltd., by fire assay and ICP methods. On behalf of West Kirkland Mining Inc. "*R. Michael Jones*" Chief Executive Officer

For further information, please see the Company's website at <u>www.wkmining.com</u> or contact us by email at <u>info@wkmining.com</u>.

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#### Disclaimer for Forward-Looking Information

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