

Hercules Sample Results Delineate Large Mineral System, with up to 2,810 g/t Ag and 21% Cu in Untested Targets

written by Raj Shah | January 24, 2023

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- Over 800 outcrop chip samples highlighting a widespread silver-lead-zinc-copper system. Grades up to 21% copper at the Big Cut Skarn and 2,810 g/t silver in the untested Grade Creek Zone¹
- Results confirm a multi-kilometer-scale system, delimited by a number of mineralized zones which may be contiguous under surface cover
- Majority of samples collected from scattered bedrock exposures of Hercules Rhyolite are mineralized and strongly altered
- The best historical drilling intercepts lie below low grade surface samples at Hercules Adit and Frogpond, suggesting leaching may be downgrading geochemical values at surface
- The strongest and most consistent silver-lead-zinc grades on surface occur within the untested Grade Creek Zone, which also hosts the strongest historical chargeability and soil sampling values
- Lack of bedrock exposure restricted sampling of several parts of the Hercules Rhyolite on surface, however recent IP geophysics indicates the potential for continuous

sulfide mineralization at depth (See Dec 15, 2022 NR)

- Rhyolite host for silver-lead-zinc mineralization remains open under post-mineral basalt cover to the south of the map area, with 7 additional samples pending from a historical adit uncovered by recent prospecting

¹ The reader is cautioned that rock chip samples are selective by nature and may not represent the true grade or style of mineralization across the Property.

Hercules Silver Corp. (“**Hercules Silver**” or the “**Company**”) (TSXV: [BIG](#)) (OTCQB: BADEF) (FWB: 6W0) is pleased to announce widespread silver, lead, zinc and copper values from its 2022 rock chip sampling program on the Hercules Property located in western Idaho (“**Hercules**” or the “**Property**”). The Company collected over 800 rock chip samples to identify the source of previously announced soil anomalies on the Property. The new results outlined the presence of a large mineralized system, consisting of multiple outcropping zones of silver-lead-zinc, spanning approximately 3.5 kilometers of exposed Hercules Rhyolite, as well as two distinct copper targets, the Metheny and Big Cut, hosted within Triassic aged Seven Devils Group rocks.

The full news release with images, can be found on the Company’s website by following the link below:

<https://herculessilver.com/news/>

A plan presenting the rock chip grades in silver equivalent (AgEq^2 , g/t), is shown in Figure 1. A silver equivalent calculation was used for compilation purposes only, to compare the combined metal value from samples taken across the Property. Investors are cautioned that the silver contribution varies significantly from sample to sample, particularly at the Metheny

and Big Cut Zones, which are copper dominant targets. It should also be noted that estimated recoveries of individual metals were not applied in the AgEq calculation. Separate maps of silver, lead, zinc and copper are presented in Figures 2-5.

Sampling was restricted to limited exposures of outcropping bedrock and the majority of samples that were collected from the Hercules Rhyolite, where exposed, are well mineralized and show strong alteration. A series of zones mineralized with silver-lead-zinc are exposed along an approximate 3.5-kilometer strike length of rhyolite, and are open under Tertiary basalt cover to the south. An IP geophysical survey conducted in late summer of 2022 suggests that these zones may connect at depth.

² Silver equivalent (AgEq) grades are calculated using metal prices of: silver US\$24/oz., copper US\$4.15/lb, lead US\$1.00/lb and zinc US\$1.50/lb. Silver equivalent grade is calculated as
$$\text{AgEq (g/t)} = \text{Ag (g/t)} + (\text{Cu (\%)} * 118.558) + (\text{Pb (\%)} * 28.568) + (\text{Zn (\%)} * 42.852).$$
 Metal recoveries have not been applied in the silver equivalent calculation.

Management Commentary

Chris Paul, CEO and Director of the Company, noted: “We’re excited by the consistency of mineralization and alteration we are seeing over such a large area at Hercules. These results demonstrate widespread geochemical anomalies, and further strengthen our targeting effort at Hercules. The strong IP chargeability values released last month indicate that these zones may connect to a larger body of sulfide mineralization at depth. We acquired the project in 2021 with a view that shallow historical drilling had only just scratched the surface at Hercules. The historical drilling had focused on Frogpond and Hercules Adit, which together represent less than 5% of the mineralized footprint, and it appears now that a large amount of blue sky exists outside of that.”

Potential for Increasing Grades Below Surface

The Hercules Adit and Frogpond Zones were the focus of historical drilling, where 189 of the 308 historical holes were drilled. The area was also the focus of a small-scale feasibility study completed in 1984. Despite the best historical drilling intercepts being returned from this area, they show the lowest grades on surface, out of all the zones sampled (Figure 1). This supports conclusions from previous operators, that significant leaching of metal values has occurred at surface, as much stronger grades were reported in historical holes drilled within these zones. The eastern side of the Frogpond has also been covered by a landslide, consisting of barren andesitic lapilli tuff transported from the east, as indicated by the hash marks on Figure 1. This indicates that excellent subsurface grades may be discovered in areas with relatively subdued surface geochemistry.

Grade Creek – Best Untested Target on the Property

The Grade Creek Zone remains the best untested target on the Property for silver-lead-zinc mineralization. The most consistent and highest surface grades, both in soil sampling as well as the new rock chip samples, occur along the north facing slope of Grade Creek, which has never been tested by drilling. Historical IP surveys, which covered the area from Hercules Adit to Grade Creek, also reveal a large and strong ($>25\text{ms}$) chargeability anomaly underlying the strong surface geochemistry. The steep north facing slope of Grade Creek does not have existing road access but can be tested with long drill holes, collared from a nearby road on Hercules Ridge. 2022 mapping indicates that the rhyolite dips subparallel to the slope, giving it a favourable open pit type target geometry. It therefore ranks as a high priority target and the Company is preparing a drill plan to permit and test the zone.

Metheny and Big Cut Copper Skarn Zones

Two high-grade copper-silver targets, the Big Cut and the Metheny, occur within the Triassic Seven Devils Group on the east side of the Property. Both targets represent skarn style mineralization, which occurs where limestone comes in contact with, or close proximity to, a nearby porphyry intrusion. The Big Cut is characterized as a garnet-epidote skarn, whereas the Metheny is a specularite (iron) skarn. The differing alteration is likely a function of zonation around a potential porphyry intrusion or multiple intrusive centers at depth.

Historical trenching at the Big Cut prospect, discussed in unpublished reports obtained by Hercules Silver^{3,4}, yielded grades of up to 1.78% copper across 90 feet (~27 meters) and 1.3% copper across 57 feet (~17 meters). Silver was only selectively assayed at the time. Other notable historical trench intercepts at the Big Cut prospect include:

The assay results reported above are historical in nature and have not been verified by a Qualified Person; therefore, they should not be relied upon.

Photo's 1 and 2 below show select high-grade samples taken from the Big Cut, displaying partially oxidized semi-massive chalcopyrite (copper) mineralization.

The Metheny copper skarn is associated with lenses of brecciated limestone within a larger quartz feldspar porphyry unit. High-grade copper with moderate to strong silver grades of up to 1,085 g/t occur with massive to semi-massive specular hematite, a different type of skarn alteration than is seen at the Big Cut. The surrounding quartz-feldspar porphyry is also altered and carries copper mineralization. Photos 3 and 4 show examples of strong iron-copper-silver skarnification at the Metheny.

³ Kelly, S. 1973. Progress Report to the Vancouver Stock Exchange on the Iron Cap, or Big Cut Holdings of AcaploMo Mining and Development Co. Ltd. in the Heath Mining District with concurrence by C.M. Armstrong, P.Eng.

⁴ Armstrong, C. 1976. Report on the Iron Cap Property, Heath Mining District.

Sampling Methodology

Outcrop and subcrop samples were collected based on the presence of bedrock exposure throughout the Property. A polygon area of interest was laid out on a GIS map, representing the outline of anomalous soil samples on the Property. LiDAR data was also hillshaded and used to map outcrop locations for sampling. Sampling lines were established within the area of interest which acted as a guideline for sample traverses, along with the mapped outcrop locations. Any outcrops encountered within 50 meters of either side of the sampling lines were sampled. A series of contiguous chip samples were also collected from mineralized outcrops within the Belmont Zone. Following collection, the samples were shipped to MSA Labs in Langley, British Columbia for analysis.

Sample Analysis and QAQC

All rock samples were prepped and analyzed at MSA Labs in Langley, British Columbia, an ISO 17025 and ISO 9001 certified laboratory. Samples were dried and crushed to 2mm, from which a 250g sub-sample split was then pulverized to 85% passing a 75 micron sieve. Following preparation, 671 of 807 rock assays were determined by the IMS-230 method. A 0.25g aliquot of the prepared pulp was digested in a 4-acid solution consisting of hydrochloric, nitric, perchloric and hydrofluoric acids. 4-acid is a near total digest and only the most highly resistant minerals are not dissolved. The resulting solution was

analyzed via ICP-MS and ICP-ES for 48 elements and was corrected for inter-element spectral interferences. Mercury is not reported due to volatilization in reaction with hydrofluoric acid and gold is not reported due to the small, 0.25g aliquot size being insufficient to overcome the nugget effect. Samples taken early in the campaign (136) were analyzed by other ICP procedures, IMS-116, IMS-117 or IMS-131, entailing a less complete aqua regia digestion. Select samples are currently being analyzed by a 50g fire assay for gold.

MSA Labs employs internal quality control standards, duplicates and blank samples at set frequencies.

For submitted sample batches, excluding 52 of 807 total outcrop samples, blind certified reference materials (CRMs) purchased from CDN Resource Laboratories of Langley, B.C., and duplicate samples were inserted by the Company at a frequency of one in every 50 samples, totaling 23 analyses. CRM results for copper, silver, lead and zinc were within acceptable limits with only one result >2SD from the certified value and none exceeding 3SD.

Fifteen barren rock blanks were inserted blind in five of the sample batches. These yielded two 10x lower detection limit failures for silver, four 10x failures for copper, and no failures for lead and zinc. The Company is performing a follow-up on the failures, but given the low thresholds of the exceedances, the impact is not material to the identification of the strong geochemical anomalies on the Property.

Fourteen duplicate samples were collected from the outcrops to check sample precision for copper, silver, lead and zinc. Considering the limited size of the data set and the presence of outlier grades in some of the samples, the mean comparisons appear reasonable, within $\pm 15\%$ for silver, copper and zinc. Removing one outlier from the lead duplicate pairs, lead

original and duplicate means are within 5%. Scatterplots show reasonable clustering along a linear trend line with no evidence of sample mix-ups; correlation coefficients for originals and duplicates for each metal are 0.95 or higher.

Qualified Person

The scientific and technical information in this news release has been reviewed and approved for disclosure by Donald E. Cameron, MSc, a Registered Member of the Society for Mining, Metallurgy and Exploration, Inc., a QP Member of the Mining & Metallurgical Society of America, and an independent “Qualified Person” for Hercules Silver within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”). To the best of his knowledge, the technical information pertaining to the Hercules Silver Property, and discussion of it as disclosed in this news release, is neither inaccurate nor misleading.

About Hercules Silver Corp.

Hercules Silver Corp. is a junior mining company focused on the exploration and development of the 100% owned Hercules Silver Project, northwest of Cambridge, Idaho.

The Hercules project is a disseminated silver-lead-zinc system with 28,000 meters of historical drilling across 3.5 kilometers of strike. The Company is well positioned for growth through the drill bit in 2023, having completed extensive surface exploration in 2022 consisting of soil & rock sampling, geological mapping, IP geophysics, and a 9-hole drill program.

The Company’s management team brings significant exploration experience through the discovery and development of numerous precious metals projects worldwide.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. Any securities referred to herein have not and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws of an exemption from such registration is available.

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This news release contains certain information that may be deemed “forward-looking information” with respect to the Company within the meaning of applicable securities laws. Such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements, or developments in the industry to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information includes statements that are not historical facts and are generally, but not always, identified by the words “expects,” “plans,” “anticipates,” “believes,” “intends,” “estimates,” “projects,” “potential” and similar expressions, or that events or conditions “will,” “would,” “may,” “could” or “should” occur.

Although the Company believes the forward-looking information contained in this news release is reasonable based on information available on the date hereof, by its nature, forward-looking information involves assumptions and known and unknown risks, uncertainties and other factors which may cause our actual results, level of activity, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed

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