



## **NEWS RELEASE**

December 20, 2017

### **Honey Badger Exploration Signs Letter of Intent to Option Polymetallic Silver, Gold, Zinc, Lead, and Cobalt Property in Historic Camp**

**Toronto, Ontario – December 20, 2017** – Honey Badger Exploration Inc. (TSX-V: TUF) (“Honey Badger” or the “Company”) and Cairngorm Mines Limited (“CML”) have entered into a non-binding letter of intent (the “LOI”) with respect to an option to acquire a 100% interest in the Beaver Silver Property (the “Property”). The Property is located in the historical Thunder Bay silver district and covers some of the most productive silver-bearing veins of the Rabbit Mountain group of deposits including the past-producing high-grade Beaver Silver Mine (Franklin et al., 1986). The Property is ideally located close to roads, power lines, infrastructure, and a skilled labour force (*Figure 1*).

The LOI provides that, subject to completion of a definitive option agreement (the “Definitive Agreement”) and satisfaction of certain other terms and conditions including the receipt of all necessary corporate, shareholder, regulatory and stock exchange approvals, CML will grant to Honey Badger an option to acquire the Property by making payments in cash issuing securities and incurring exploration expenditures.

Quentin Yarie, President & CEO, commented: *“The Beaver Silver Property represents a great new opportunity for Honey Badger. The property has laid dormant for almost 90 years, but its potential is considerable. Our team has the technical expertise, experience and tools to reexamine the Property, assess its potential, and discover remaining and any new mineralization.”*

#### **About the Beaver Silver Property**

The geological history and the overall geological setting of the Beaver Silver Property make it a prime target for mineral exploration for high-grade polymetallic silver, gold, zinc, lead, and cobalt mineralization. The list of metals identified in historic operations in the region is extensive (Wilson, 1986; Barr, 1988). Just like the related famous Silver Islet, these silver bearing veins of the Beaver Mine are often referred to as five-element ores (potentially containing nickel, cobalt, arsenic, silver and bismuth) (Kissin, 1992).

The historic Beaver Mine operated between 1884 and 1891. During that time, it produced over 500,000 oz silver at an average grade of 0.25% with zones grading up to 3.42% Ag (Ingall, 1889, Szetu, 1969). The historic high-grade silver operations of the Thunder Bay

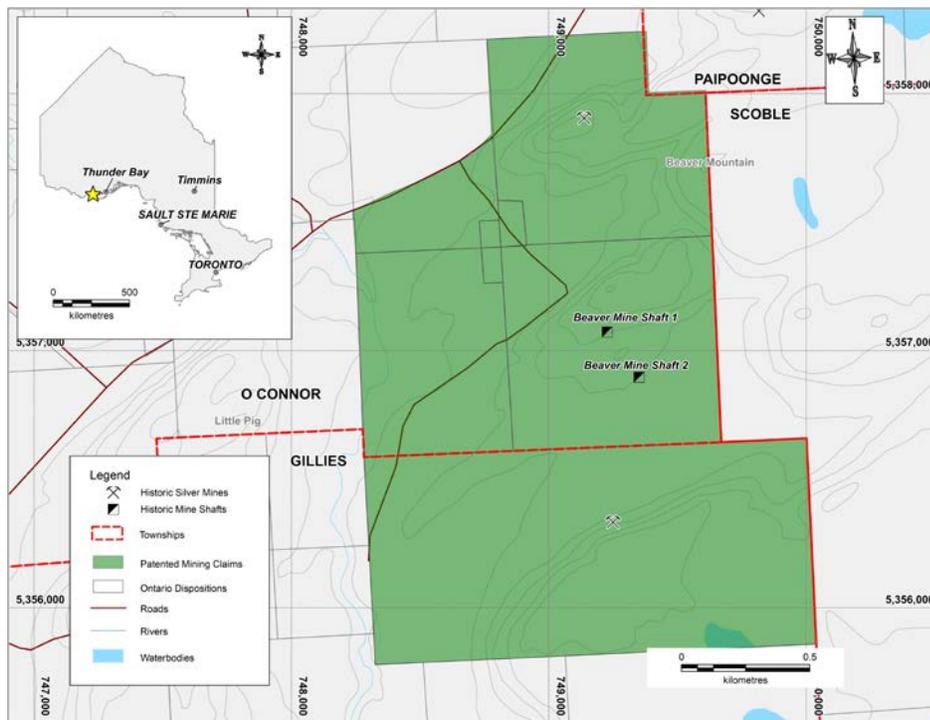
Camp were developed by drifting, and losing the vein generally implied closing of the mine.

In contrast to the Cobalt district, most of the mining activity in the Thunder Bay silver district stopped at the end of the 19<sup>th</sup> century, with only sporadic exploration campaigns occurring during the 20<sup>th</sup> century in the Beaver Silver Property and in the broader Thunder Bay South District (Oja, 1966).

The region remains under-explored or un-explored with modern exploration techniques. Even drilling intersections of 1239 g/t Ag over 1 m in the structural extension of the Beaver Silver Mine were never followed up (AFRI 52A05SE0027).

The geological and mining history of the Thunder Bay Silver district indicate a high potential for new discoveries in the region. The Beaver Silver property is located in one of the most prolific zone of the district and the Company considers that it represents an area with a good potential to discover additional polymetallic-silver mineralized zones.

**Figure 1.** Location of Beaver Silver Property



### Highlights of LOI Terms

1. Honey Badger will pay CML a total of \$125,000 in cash (the “Cash Consideration”), of which \$50,000 has been paid on execution of the LOI, and issue the equivalent of \$410,000 in the Company’s common shares (the “Share Consideration”);

2. For each \$250,000 spent per year on exploration (“the Exploration Expenses”) on the Property over the next three years, Honey Badger will earn a 30%, 30% and 40% interest respectively;
3. Upon incurring the Exploration Expenses, payment of the Cash Consideration and issuance of the Share Consideration, Honey Badger will have earned a 100% interest in the Property.
4. CML will retain a 2% NSR on the Property, 1% of which can be bought back for \$1,000,000,

*The foregoing is a summary of the LOI only and does not include all of the terms and conditions that will be incorporated into the Definitive Agreement, if any. The LOI is non-binding except with respect to the Initial Payment, confidentiality and exclusivity provisions, and there can be no assurances that the Definitive Agreement will be completed on the terms noted above, or at all.*

### **Qualified Person**

Q. Yarie, P.Geol., is the qualified person in regard to the technical data contained within this news release and has approved the scientific and technical content of this news release.

### **About Cairngorm Mines Limited**

Cairngorm Mines Limited is an inactive former mineral exploration company incorporated on November 15, 1955 and is an unlisted reporting issuer in Ontario.

### **About Honey Badger Exploration Inc.**

Honey Badger Exploration is a gold and base-metals exploration company headquartered in Toronto, Ontario, Canada with properties in Quebec and Ontario. The Company's common shares trade on the TSX Venture Exchange under the symbol “TUF”.

For more information, please visit our website at <http://www.honeybadgerexp.com>.

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