

Skeena Resources: More Than Mining – A Tale of Revitalization and Strategic Value Creation in Canada's Golden Triangle

written by Christopher Berlet | August 31, 2023

In the vast landscape of Canadian mining exploration and development, [Skeena Resources Limited](#) (TSX: SKE | NYSE: SKE) has carved a niche for itself with a clear focus on revitalizing two significant past-producing mines, the [Eskay Creek](#) and [Snip Projects](#). Nestled in the Tahltan Territory within the Golden Triangle of northwest British Columbia, these projects bear witness to the company's dedication and relentless pursuit of value. Notably, a [Feasibility Study](#) for Eskay Creek unveiled in September 2022 reveals an after-tax NPV5% of C\$1.4 billion, marking an impressive 50% IRR, and a swift 1-year payback at US\$1,700/oz Au (#gold) and US\$19/oz Ag (#silver). As 2023 progresses, Skeena's agenda includes releasing a Definitive Feasibility Study for Eskay Creek in Q4.

Recent news from the company provides a snapshot of its ongoing endeavors

Q2 2023 Financial Results

Skeena's [financial results](#) for the quarter ending June 30, 2023, are now available for stakeholders and the general public on the company's website, SEDAR+, and EDGAR.

Updates on Value-Generating Catalysts

July 2023 marked [the announcement](#) of several imminent catalysts poised to amplify growth at the Eskay Creek and Snip Projects. Key focus areas include technical optimization related to exploration, metallurgy, and engineering studies. Randy Reichert, the President and CEO, expressed that 2023 will likely witness a significant transformation for Skeena as they transition from exploration to development, targeting the mine life and net present value expansion of Eskay Creek.

Highlighting some pivotal updates

- 1. Eskay Creek's Updated Mineral Resource Estimate (MRE):** June 20, 2023, saw an 8% increment in [the MRE](#), translating to an addition of over 430,000 gold equivalent ounces. With a significant chunk (73%) of this resource now in the Measured and Indicated categories, the upcoming Q4 2023 Definitive Feasibility Study might indicate a further extended mine life for Eskay Creek.
- 2. Increased Land Package:** Skeena has augmented its land package by procuring five new claims in proximity to the existing Eskay Creek and Eskay North claims. This move extends the potential for further mineralization in the region.
- 3. Metallurgical Optimization for Eskay Creek:** Continuous metallurgical test work post the 2022 Feasibility Study has led to an enhancement in the concentrate quality, potentially slashing both capital and operational costs.
- 4. Exploration at Eskay Creek:** Three drills are operational at Eskay Creek. The results, eagerly anticipated in fall 2023, could redefine the potential size of the Eskay Creek Rift system.
- 5. Definitive Feasibility Study for Eskay Creek:** With a slew of updates in the pipeline, the upcoming study aims to raise the confidence levels and extend the life of the

mine, amplifying Eskay Creek's value.

6. **Maiden Engineering Study for Snip:** Scheduled for Q1 2024, this study will focus on Snip's potential as a satellite operation, which could bolster the mine life at Eskay Creek.

Notably, ten analysts, including prominent names from BMO, Scotiabank, CIBC, and RBC Dominion Securities Inc., are currently monitoring Skeena Resources. Their coverage offers credible evidence of the company's growing significance in the mining sector.

In summary, Skeena Resources is not just about exploration and mining. It represents a story of revitalization, strategic growth, and a promise of unparalleled value creation in Canada's Golden Triangle.