Final Preparations Underway for Upsized Phase II Drill Program at Hercules

written by Raj Shah | May 8, 2023

- **Final preparations underway for upcoming Phase II drill program at Hercules, including construction of core logging and cutting facilities;**
- **Phase II program upsized to a minimum of 6,000 meters to allow testing of additional targets and deeper drilling;**
- **The Company expects to remain fully financed for a follow-up Phase III drill program as well;**
- **Phase II program will be focused on the following targets:**

1. **Hercules Adit and Frogpond Zones:** ***Step-out holes aiming to extend these zones of historical focus, as well as infill and further verify historical drilling results;***
2. **CRD-style silver-lead-zinc host, the Hercules Rhyolite:** ***Strong targets identified through recent surface mapping and geochemistry, including the Hinge, Haystack and Belmont Zones;***
3. **New porphyry copper-silver (+/- gold) target identified by surface mapping and geochemistry:** ***Interpreted as a potential feeder zone to silver-lead-zinc mineralization;***
4. **Large-scale untested chargeability anomaly at depth, where the Hercules Rhyolite approaches the porphyry copper target:** ***The CRD model predicts an increase in silver-lead-zinc and copper grades***

- **Additional ~$1.3M in cash received from exercise of warrants and options.**

May 8, 2023 (Source) – **Hercules Silver Corp. (TSXV: BIG) (OTCQB: BADEF) (FSE: 8Q7)** ("**Hercules Silver**" or the "**Company**") is pleased to report that the Company has upsized its previously announced Phase II drill program on the Hercules Property located in western Idaho (**"Hercules"** or the **"Property"**). Following the receipt of approximately ~$1.3M in cash from the recent exercise of options and warrants and the closing of a $5.75M private placement, the Company has elected to increase the size of its upcoming Phase II drill program to a minimum of 6,000 meters, allowing for deeper drilling and the testing of additional high-priority targets. The primary goals of the Phase II program will be to (i) extend the best-known historical mineralization at the Hercules Adit and Frogpond Zones, and (ii) test multiple new targets generated by recent greenfields exploration. A third phase of drilling will follow, once all assay results have been received, interpreted and released to the market. The upcoming Phase II drill program is anticipated to commence in the next two weeks and is further detailed in Figure 1 below.

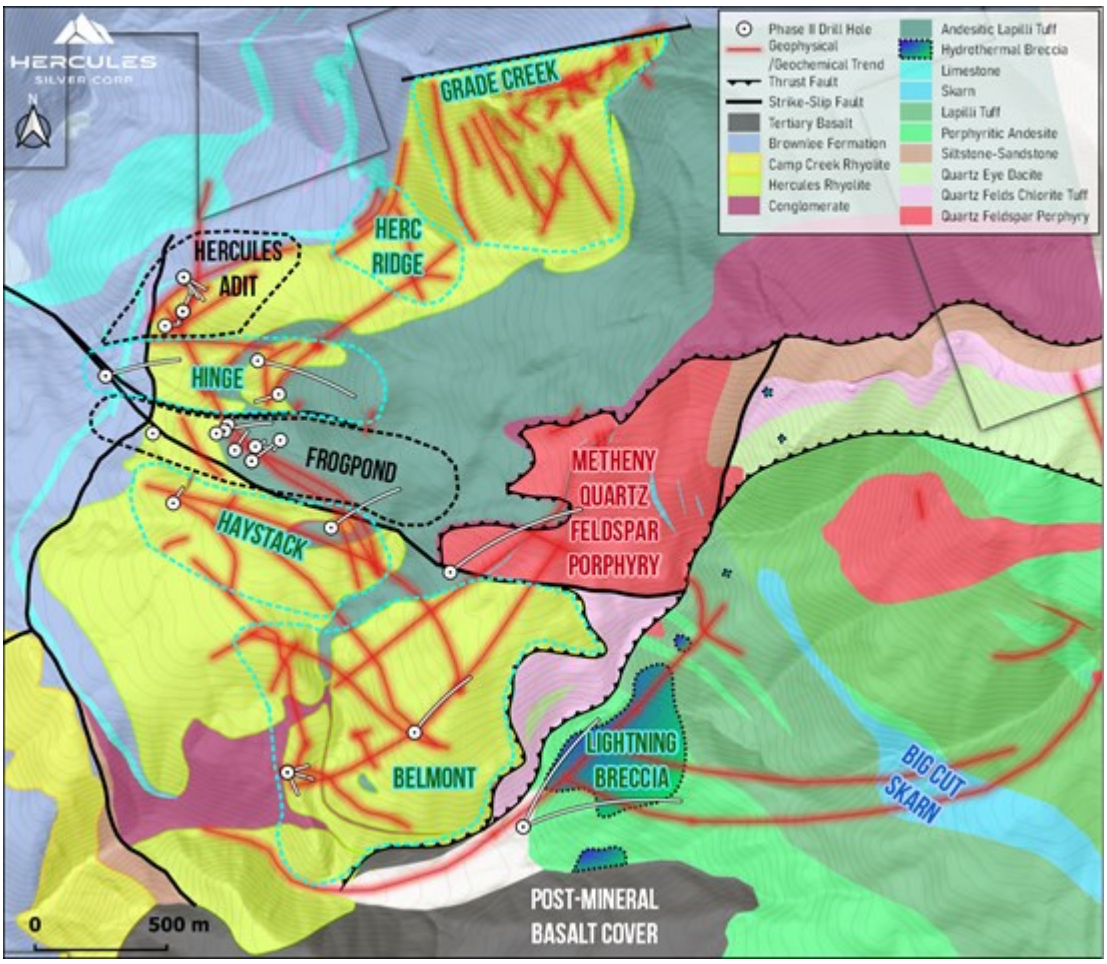

Figure 1: Phase II Drill Targets

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_bf3de7f5e41fb97f_002full.jpg

Management Commentary

Chris Paul, CEO and Director of the Company, noted: *"We're very excited to kick off our Phase II drilling program and start testing the many highly prospective targets generated over the past 18 months. Our core shack is almost complete, the weather is good, and final preparations are now being made for mobilization. The additional funding we've received will allow for a significantly more ambitious Phase II campaign, as well as a Phase III program to continue advancing the highest priority targets."*

Drilling Method

The Company has selected Timberline Drilling of Hayden, Idaho (**"Timberline"**) to carry out the Phase II program. Timberline will provide a rig capable of oriented core drilling, offering significantly more geological and structural information than previous reverse-circulation (**"RC"**) drilling methods on the Property. Oriented core helps determine the direction that mineralization is trending and increases the probability of tracing mineralized zones with subsequent step-out holes.

To maximize core recovery, Timberline will utilize triple tube barrels to improve on historical recoveries, particularly within the mineralized zones.

The objectives of the program are to:

1. Drill test the various targets outlined in further detail in the following section;
2. Obtain high-quality geological and structural information using oriented drill core;
3. Utilize triple tube barrels for improved core recoveries;
4. Further refine the exploration model; and
5. Provide an indication as to the overall target size and vectors within the system.

All of these targets will be drilled from land on which Hercules Silver holds mining rights, including surface drilling rights, as well as a small 20-acre parcel of Bureau of Land Management (BLM) land for which the Company holds a drill permit. The system extends onto lands managed by the United States Forest Service (USFS), for which the Company is currently in the permitting process, including the Grade Creek Zone. Further updates will be made available with respect to permitting progress on other select targets on the Property.

A summary of the planned Phase II drill holes is presented in Table 1, with additional details for each specific target in the following section.

Table 1: Phase II Planned Drill Holes

Zone	Hole ID	Easting	Northing	Azimuth	Dip	Hole Length (m)
HERCULES ADIT	ADT-23-01	511075	4956964	80	55	80
	ADT-23-02	511129	4957008	200	70	120
	ADT-23-03	511129	4957008	195	82	120
	ADT-23-04	511129	4957008	35	87	130
	ADT-23-05	511129	4957008	20	73	160
	ADT-23-06	511160	4957067	340	88	180
	ADT-23-07	511160	4957067	80	76	130
	ADT-23-08	511132	4957111	110	87	210
	ADT-23-09	511132	4957111	110	72	200
TOTAL HERC ADIT						**1330**
FROGPOND	FRG-23-01	511425	4956617	210	78	140
	FRG-23-02	511266	4956664	31	60	60
	FRG-23-03	511256	4956646	31	60	70
	FRG-23-04	511231	4956637	69	69	375
	FRG-23-05	511038	4956638	0	90	130
	FRG-23-06	511338	4956553	30	45	100
	FRG-23-07	511287	4956587	30	65	150
	FRG-23-08	511338	4956554	50	52	150
TOTAL FROGPOND						**1295**

HINGE	HNG-23-01	510895	4956812	70	45	300
	HNG-23-02	511356	4956858	100	45	400
	HNG-23-03	511420	4956757	250	45	100
TOTAL HINGE						**800**
HAYSTACK	HAY-23-01	511579	4956352	50	60	400
	HAY-23-02	511338	4956553	30	45	75
TOTAL HAYSTACK						**475**
METHENY	MET-23-01	511941	4956216	50	45	550
TOTAL METHENY						**550**
BELMONT	BEL-23-01	511447	4955609	102	45	110
	BEL-23-02	511447	4955609	70	45	90
	BEL-23-03	511447	4955609	152	45	100
	BEL-23-04	511447	4955609	100	65	125
	BEL-23-05	511833	4955730	35	60	400
TOTAL BELMONT						**825**
LIGHTNING	LIT-23-01	512162	4955444	22	45	500
	LIT-23-02	512162	4955444	65	45	500
TOTAL LIGHTNING						**1000**
TOTAL METERS – ALL ZONES						**6,155**

Silver-Lead-Zinc Targets

Hercules Adit/Frogpond Zones

1. Testing extensions of the Hercules Adit and Frogpond Zones along strike and at depth, including vertical structures and high-grade shoots which may have been missed by the vertical historical drilling. Two holes will test for the extension of a mineralized shoot that appears to have been down-dropped at the east end of the Frogpond Zone and

partially intersected by historical drillhole 83-5. Hole 83-5 intersected 25.9 meters of 85 g/t Ag, 1.70% Pb and 2.09% Zn[1] from 86.9 to 112.8 meters and remains open at depth and to the east.

2. Verifying and potentially extending silver mineralization intersected at depth on the west end of the Frogpond Zone. Historical drillhole 83-16, one of the deepest holes drilled on the Property, was halted due to caving ground at 420 feet (~128 meters), with the final 7.6 meters grading 214 g/t Ag, 0.13% Pb and 0.17% Zn. Re-entry at the time was unsuccessful, and the deep intercept was not further tested.

Haystack Zone

3. Testing a surface rock chip anomaly[2] on the west side of the Haystack Zone, which is associated with a near-surface vertical chargeability anomaly.
4. Testing a separate rock chip anomaly[2] at the east end of the Haystack Zone, associated with a similar near-surface vertical chargeability anomaly. A single vertical hole in the area, RDH-7, returned 16.8 meters grading 149 g/t Ag, 0.13% Pb and 0.1% Zn. The planned hole depth is 550 meters, to also allow testing of the large-scale chargeability anomaly shown below in Figure 2.

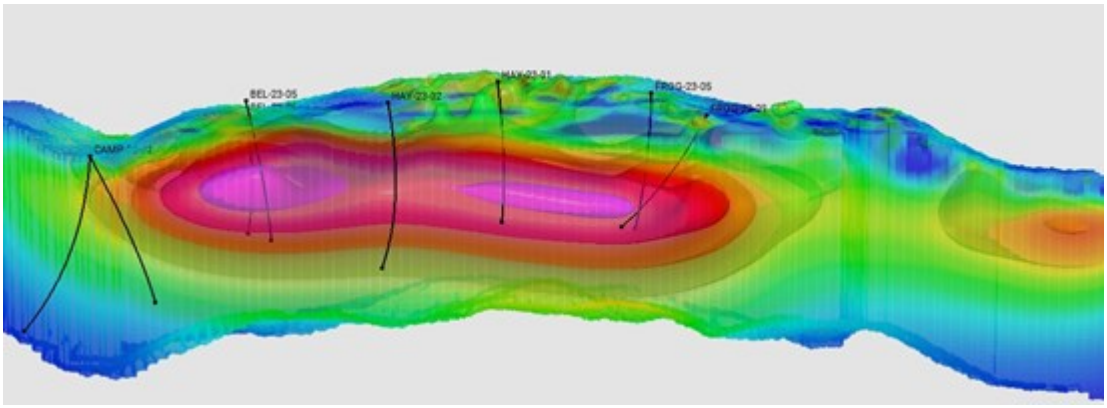

Figure 2: Vertical Section Showing Deep Drill Holes Relative to Large-Scale Chargeability Anomaly, Looking West

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_bf3de7f5e41fb97f_003full.jpg

Hinge Zone

5. Two holes within the folded hinge area of the Hercules Rhyolite, with strong rock chip sample grades and a near-surface chargeability anomaly. The holes will be drilled in opposite directions, to determine the dip of the mineralization. The eastward hole will be extended to 400 meters, to also test the large-scale chargeability anomaly shown in Figure 2 above.
6. A potential third hole will be drilled into the fold hinge, from a quartz-alunite-dickite-pyrophyllite altered breccia zone (Photo 1) located to the west of all historical drilling. This is a unique advanced argillic alteration assemblage which typically forms a cap over epithermal and porphyry type mineralization and is not seen elsewhere on the Property. Drilling underneath this advanced argillic breccia may lead to a discovery of new mineralization.

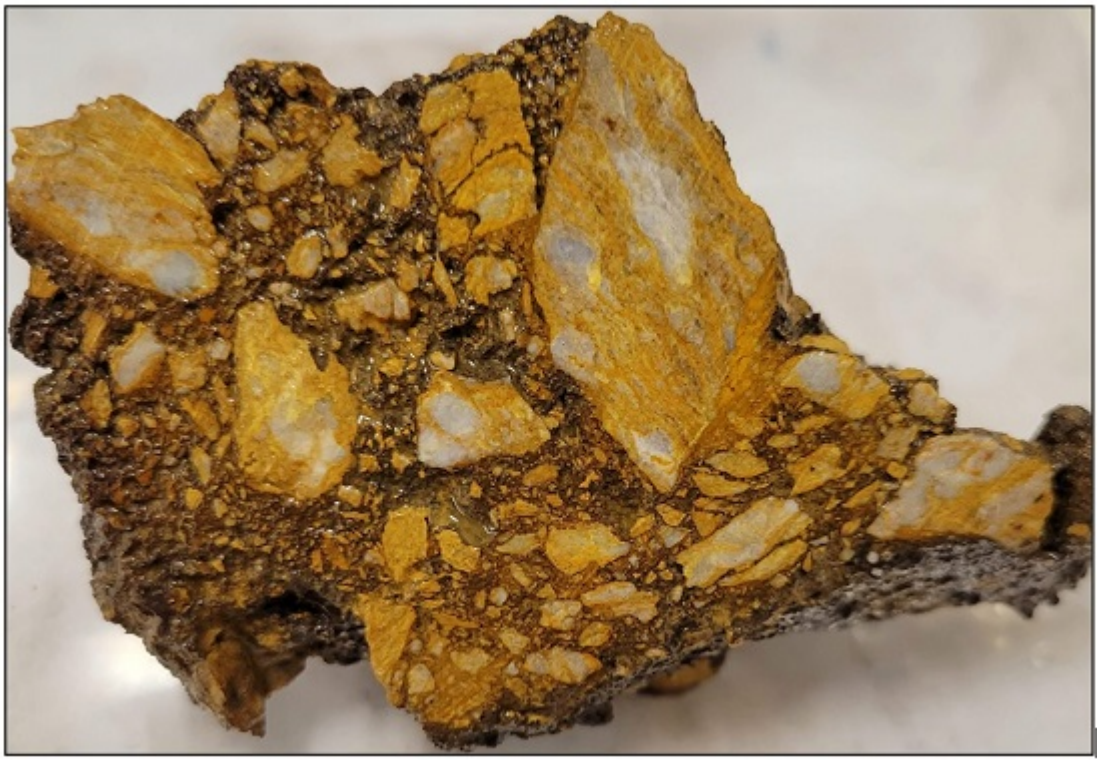

Photo 1: Quartz-Alunite-Dickite-Pyrophyllite (Advanced Argillic) Breccia

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo1.jpg

Belmont Zone

7. Up to 4 holes fanned from a single pad at the Belmont Zone, to test various mineralized structures associated with high-grade rock chip samples and a 1970 historical drill hole (DDH-6) which intersected 83 g/t Ag and 0.25% Zn over 20 meters from surface and 93 g/t Ag over 8 meters deeper in the hole.

Porphyry Copper-Silver-Gold Targets

8. A 400-meter hole planned in the eastern part of the Belmont Zone to test the southern end of the large-scale chargeability anomaly shown in Figure 2 above. Certain

mineral systems, including porphyry coppers, are often surrounded by high-chargeability clay-sericite-pyrite halos. The hole is designed to test both the high-chargeability zone as well as potentially higher-temperature parts of the system underneath and/or adjacent to it.

Metheny Zone

9. A 550-meter hole planned at the Metheny Zone, to test a quartz-feldspar porphyry with dimensions of approximately 850 m x 550 m on surface, associated with strong copper-silver-gold grades and lenses of skarn-type mineralization (Photos 2-7). The Metheny Zone lies east of the limit of the 2022 3D IP survey, however the large-scale chargeability anomaly shown in Figure 2 is centered immediately west of – and likely projects into – the Metheny Zone.

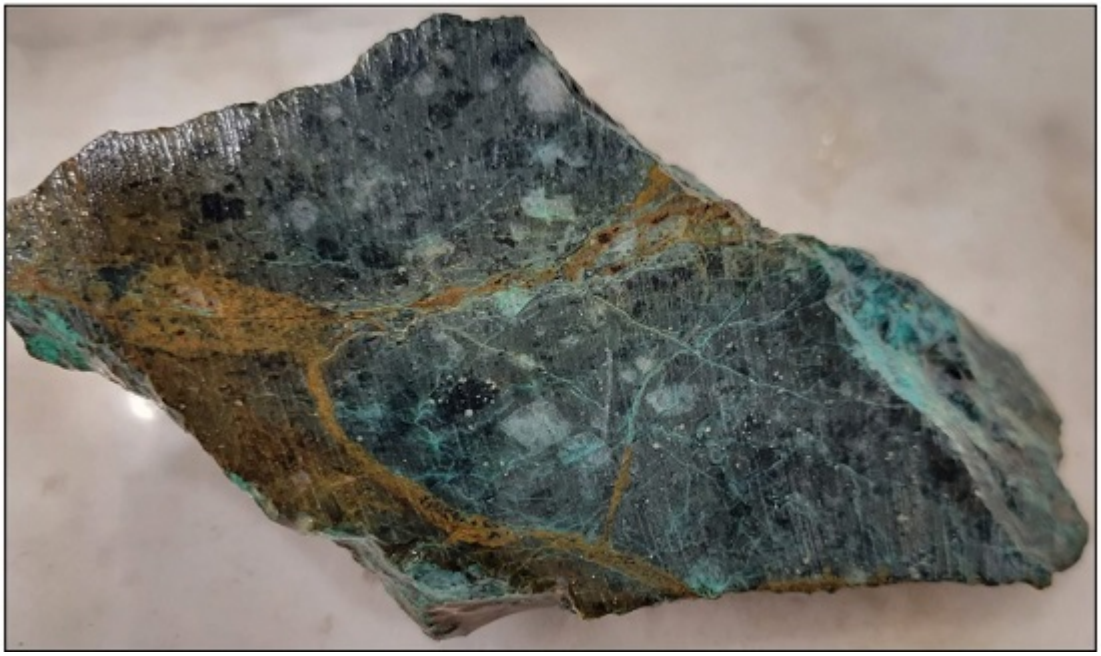

Photo 2: Quartz-Feldspar Porphyry grading 4.3% Cu, 50 g/t Ag

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/9425/165068_photo2.jpg

Photo 3: Hematite altered Quartz-Feldspar Porphyry grading 1.5% Cu, 19 g/t Ag, 0.7 g/t Au

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https://images.newsfilecorp.com/files/9425/165068_photo3.jpg

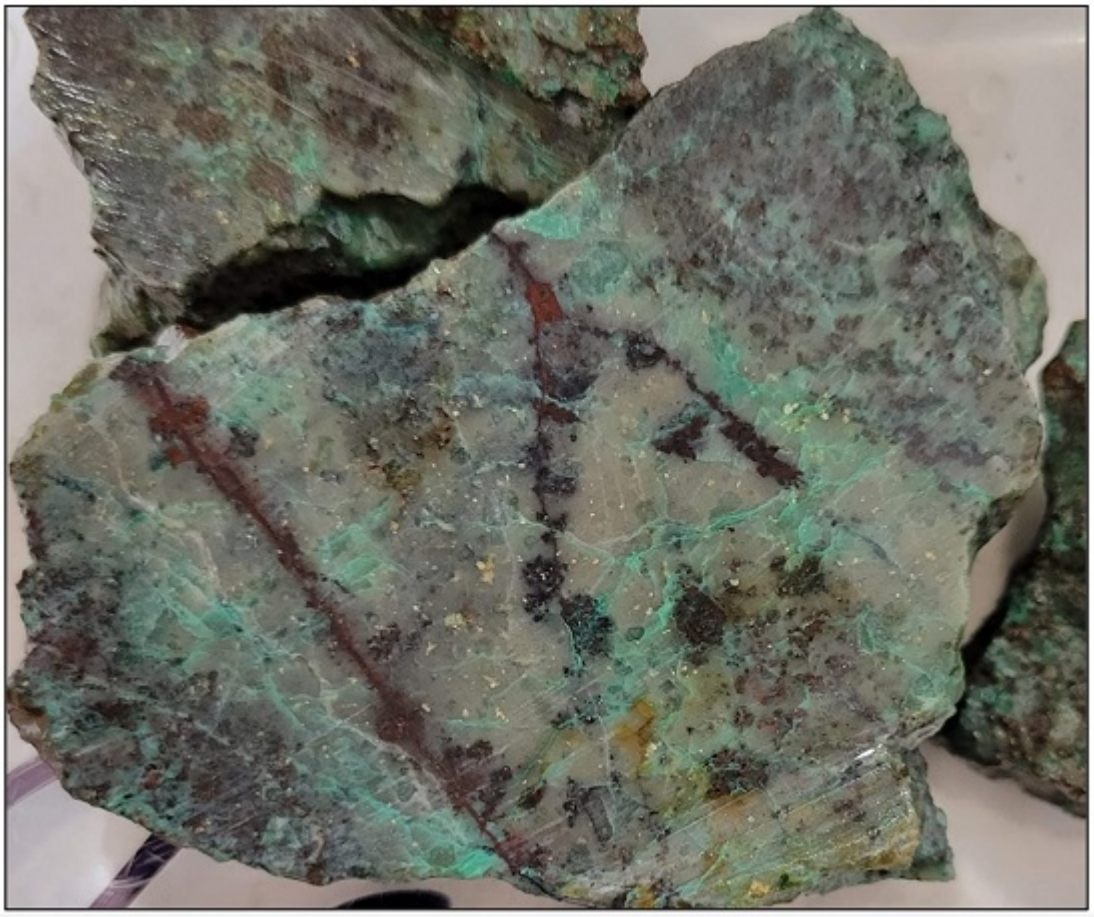

Photo 4: Quartz-hematite altered Quartz-Feldspar Porphyry grading 2.9% Cu, 79 g/t Ag, 0.1 g/t Au

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo4.jpg

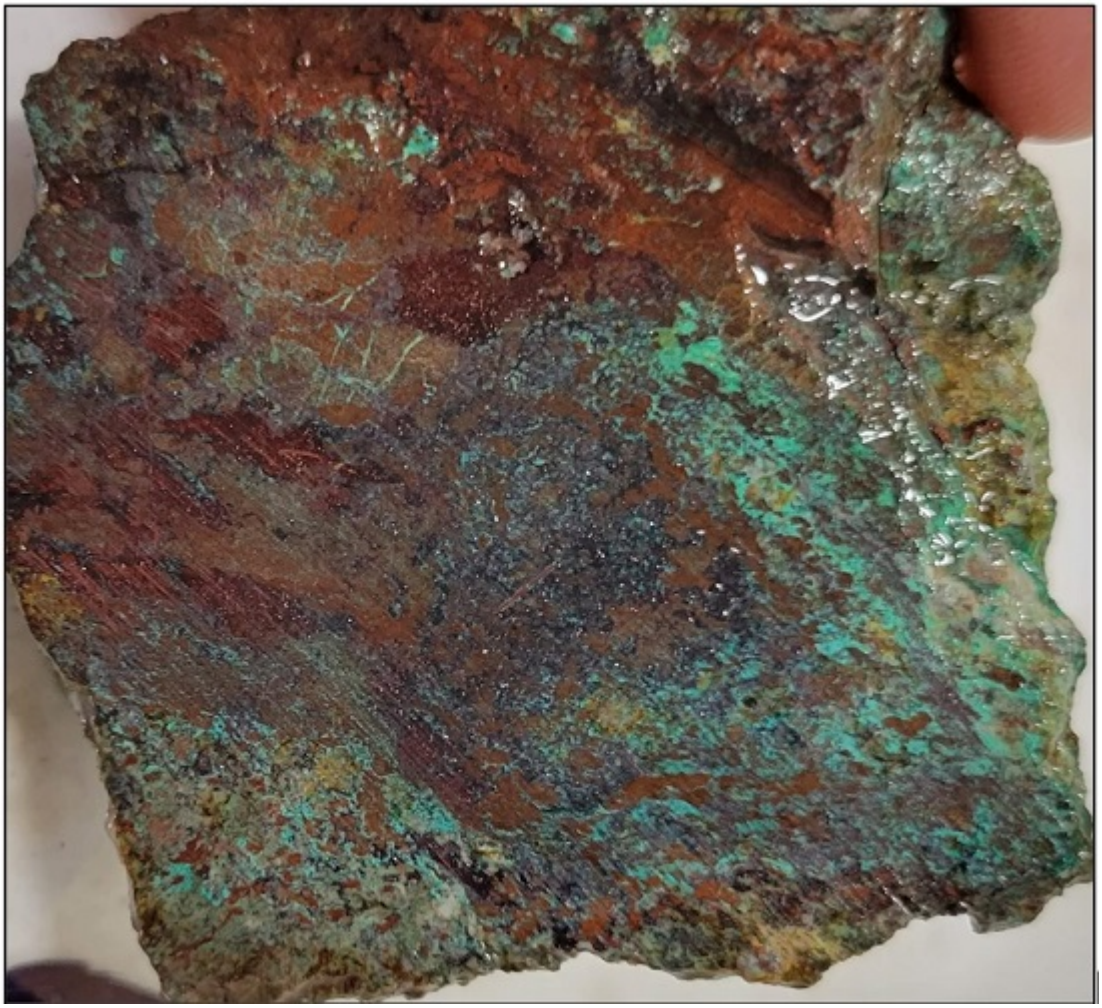

Photo 5: Specularite altered Quartz-Feldspar Porphyry/Skarn grading 9.4% Cu, 1,085 g/t Ag, 4.5 g/t Au

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo5.jpg

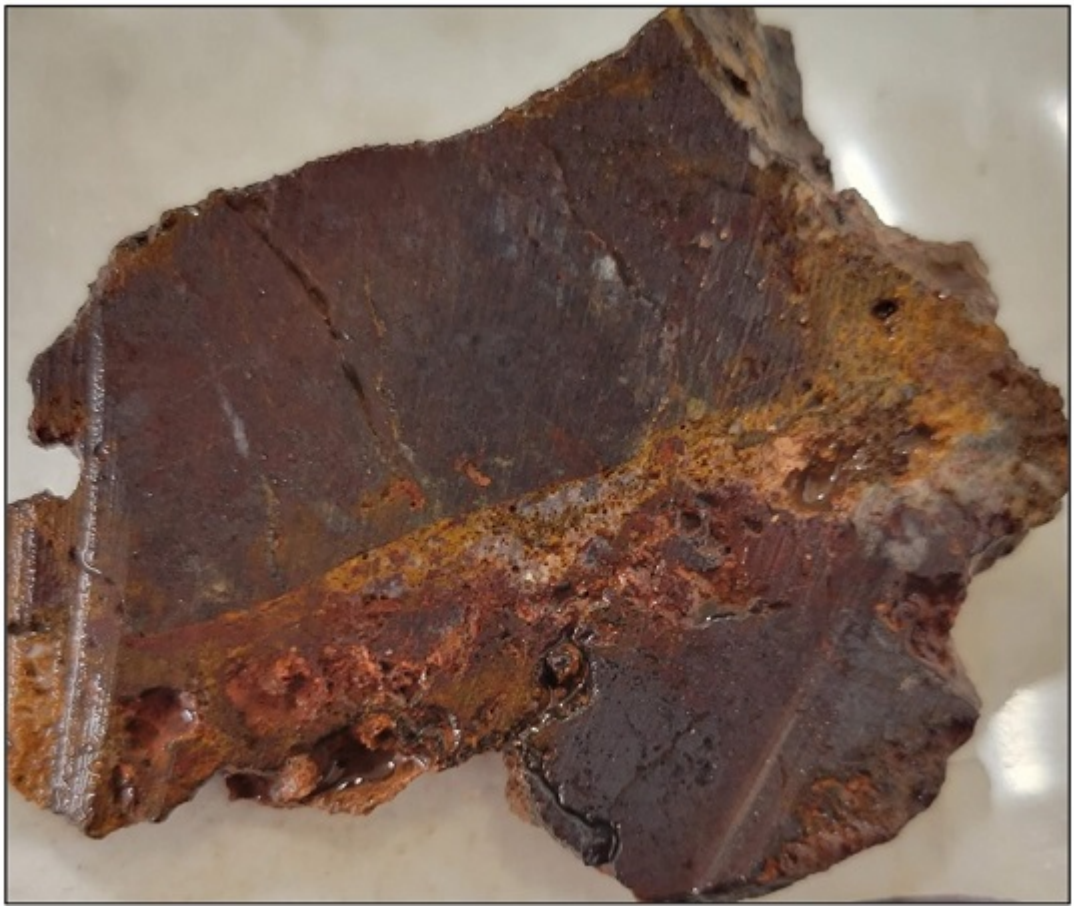

Photo 6: Massive specularite altered Quartz-Feldspar Porphyry/Skarn grading 0.2% Cu, 359 g/t Ag, 1.7 g/t Au

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo6.jpg

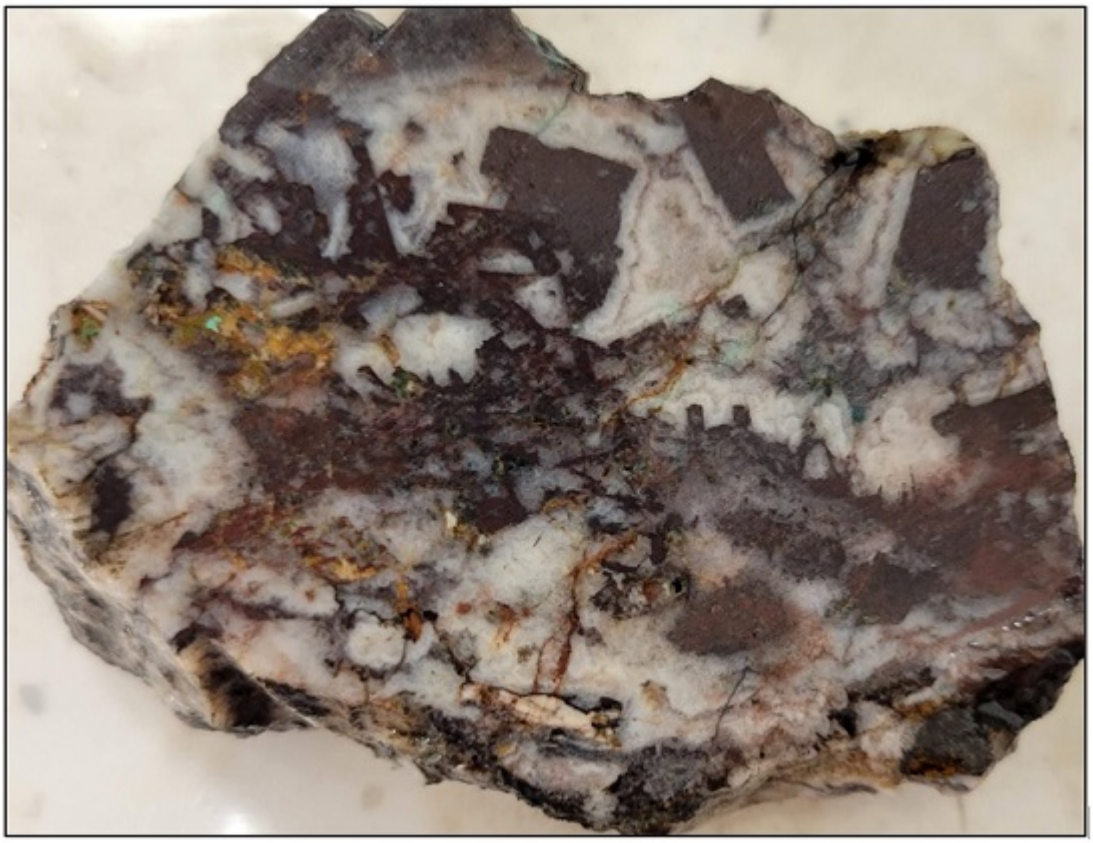

Photo 7: Quartz specularite vein with epithermal style textures in Quartz-Feldspar Porphyry grading 0.15% Cu, 9 g/t Ag, 1.2 g/t Au

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo7.jpg

Lightning Zone

10. Two 500-meter holes testing a strongly-altered hydrothermal breccia pipe, the Lightning Breccia, which may be a key indicator of a buried porphyry copper system. The Lightning breccia consists of hydrothermal quartz/silica clasts, brought up from depth within a surrounding matrix that's rich in oxidized sulfide mineralization (goethite) (Photos 8-12). The Lightning breccia is associated with a strong copper-gold-silver (+bismuth-tellurium-selenium) geochemical anomaly and has never been drilled. The quartz clasts may represent

fragments of a silicified carapace (cap of an intrusion), which were transported upwards during an explosive brecciation event. The pipe may therefore root down into a mineralized porphyry at depth.

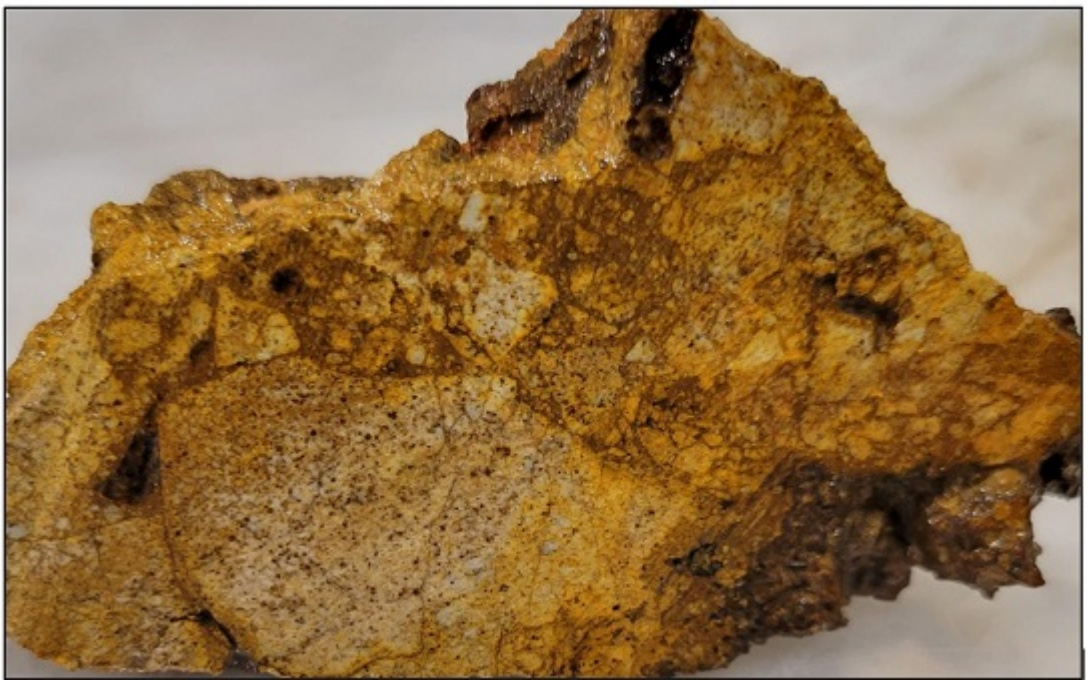

Photo 8: Hydrothermal Breccia grading 0.3% Cu, 36 g/t Ag, 0.7 g/t Au

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo8.jpg

Photo 9: Hydrothermal Breccia with high-density quartz veinlet

stockwork and strong Bi-Te-Se

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo9.jpg

Photo 10: Hydrothermal Breccia with quartz clasts and strong Bi-Te-Se

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo10.jpg

Photo 11: Hydrothermal Breccia with quartz clasts and strong Bi-Te-Se

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/9425/165068_photo11.jpg

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, Professional Geologist licensed by the State of Idaho, 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.

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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 or implied by such forward-looking information.

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[1] The historical drilling results are historical in nature and

have not been verified by a Qualified Person; therefore, they should not be unduly relied upon.

[2] 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.