

## **Kwanika Copper Corporation and Serengeti Resources Provide Update on Prefeasibility Study Progress for Kwanika Copper-Gold Project**

**Vancouver, B.C., November 20, 2018. Serengeti Resources Inc. (SIR: TSX-V)** ("Serengeti" or "the Company") provides an update on current progress towards completion of the Prefeasibility Study ("PFS" or "the Study") underway at the Kwanika copper-gold project in north-central BC. The PFS is being carried out by Kwanika Copper Corporation ("KCC"), a private company jointly owned by SERENGETI RESOURCES Inc. (65%) and POSCO DAEWOO Corporation (35%) and is scheduled for completion by the end of Q2, 2019. The Study is being led by Merit Consultants International, a division of Cementation Canada Inc.

David W Moore, President & CEO of Serengeti and President of Kwanika Copper Corp. stated, *"The Kwanika PFS is currently on schedule for completion in mid-2019. We plan to publish regular progress updates as we move into 2019, and I'm particularly looking forward to the revised resource estimate due for completion early in the New Year which will be a crucial input for the new block model and detailed mine planning. We anticipate that this year's drilling will strongly support our goal of confirming a robust potential mining project at Kwanika"*.

The main objectives of the PFS are to:

- Develop a new strategic mine plan to improve upon previous PEA economics, focusing on the highest grade/highest margin options;
- Seek to reduce, defer or stage, project capital expenditures;
- Improve the geological interpretation, and by extension, the geological model that forms the basis for a new resource estimate for the project;
- Seek to improve the grade and expand the tonnage of the existing mineral resource to enhance potential feed grades to both the open pit and underground block cave in a revised mine plan;
- Improve the technical and economic mine designs to a PFS level of accuracy, particularly for the open pit and underground mine plans, metallurgy and process design, and infrastructure engineering with geotechnical and metallurgical drilling, sampling and testing;
- Identify any key environmental concerns including potentially acid generating rock units and sensitive ecological areas;
- Identify sites for key mine and plant installations such as the underground portal, plant, tailings and waste rock;
- Develop a plan for surface water management, access routes and other facilities including power supply;
- Engage with local communities including the Takla Nation to address concerns and ensure their continued involvement with and support for the project;
- Identify and address any potential flaws and project risks in order to mitigate these with engineering solutions;
- Develop, to a PFS level, project mine scheduling, capital and operating expenses and an optimized project revenue/cost model and determine the project economics.

The key items still to be addressed in the PFS, with comments on their current status, are summarized below. All of the relevant independent qualified persons have completed their site visits and site reconnaissance and mapping have been completed along with initial baseline work by the environmental team. Surface geotechnical investigations, focusing on soil conditions at various sites are also complete.

### *1) Refine the resource estimate and investigate geotechnical, groundwater and geochemical conditions.*

KCC completed 7,411m of core drilling in 21 holes in September. The drilling program was designed to support detailed mine design and resource upgrade drilling, and results for seven in-fill holes and one exploration hole have been published (see news releases dated October 18<sup>th</sup> and November 13<sup>th</sup>, 2018). Eight holes remain to be reported and will be released as the balance of assay data becomes available. The new drill hole assays will be incorporated into the revised resource estimate and geological model, both of which are key inputs for the open pit and underground block cave design. KCC anticipates completion of the revised resource in late January or early February 2019.

Interpretation of hydrogeological, geotechnical and geochemical data sets gathered during the 2018 program is underway.

2) *Metallurgical testing and process design.*

Metallurgical test work has been initiated and will be used as a key input to process design, mill flow sheet, and results are expected to be delivered early in Q2 2019.

3) *Open pit and underground mine design*

Open pit design work for the Central Zone will utilise the revised resource estimate and block model which are due for completion in late January or early February, 2019. Conceptual pit and underground mine plans are underway in parallel with the revised resource modeling to include information gained from the field season. In the next few months the Company also expects to identify the preferred alternatives for pit size and depth, the portal location, underground mine layout, plant site, preferred alternatives for tailings storage facility, and the mine rock waste sites for potentially-acid generating and non-acid generating rock. When the updated resource model is available in Q1 2019, these concepts will be refined into the PFS mine plan, scheduled for completion in early Q2 2019. At around the same time, the Company expects completion of the revised project site layout.

4) *Tailings, waste and water management*

During the 2018 drilling program, targeted geotechnical, geochemical and geophysical programs were completed in order to gather the information required to develop a list of potential tailings, waste and water management solutions which will be refined throughout the PFS. Background work for alternative tailings, waste and water management methods, processes and sites are currently being formulated as data from the 2018 program becomes available. As preliminary concepts are consolidated, consultation with First Nations and stakeholders will be undertaken in order to include and address specific concerns and concepts before preferred alternatives are selected and advanced.

5) *Project infrastructure*

An evaluation of infrastructure alternatives is currently being completed by the Study's infrastructure engineering team based on 2018 field observations and a review of current and historical databases. Conceptual designs for the electrical transmission line and availability of electricity to the project are currently in progress, which involves consultation with BC Hydro and others. Access road alternative routes have been identified and more detailed information is being assembled for evaluation.

6) *Environmental benchmarking*

KCC is working on a number of fronts in order to understand the existing environmental and socio-economic conditions in the area around the Kwanika project. Beginning in the Spring of 2018, environmental baseline studies were initiated which includes gathering detailed hydrological and hydrochemical data from local streams, installation of a meteorological station for year-round data capture, ecological and wildlife studies, and a study of local soil conditions.

7) *Socioeconomics and First Nations*

The Takla Nation worked alongside KCC to oversee the environmental conduct of the 2018 field program and manage aspects of, and deliverables for, environmental field-testing programs. KCC is committed to maintaining a strong relationship with the Takla Nation, in part governed by the Exploration Agreement signed in the spring of 2018, but also building on the positive relationship that has existed since the initial discovery at Kwanika more than ten years ago. KCC is committed to maintaining this supportive relationship as the project advances.

8) *Summary*

The final deliverable, scheduled for mid-2019, will be a NI-43-101 PFS-level mine design, reserve and resource statement with associated documentation, and a summary technical report.

**About Serengeti Resources Inc.**

Serengeti is a mineral exploration company managed by an experienced team of professionals with a solid track record of exploration success. The Company is currently advancing its Kwanika copper-gold project in partnership with POSCO DAEWOO Corporation and exploring its extensive portfolio of properties in north-central British Columbia. A number of these other projects are available for option or joint venture and additional information can be found on the Company's website at [www.serengetiresources.com](http://www.serengetiresources.com).

**Qualified Person**

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements as set out in National Instrument 43-101, and reviewed by the Company's qualified person, David W. Moore, P. Geo., President and CEO of Serengeti Resources Inc who has supervised the preparation of and approved the technical information in this news release.

ON BEHALF OF THE BOARD

**David W. Moore**, P. Geo.  
President, CEO and Director

**Cautionary Statement**

*This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans and other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations as well as a comprehensive list of risk factors are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates change, other than as required by law and readers are further advised not to place undue reliance on forward-looking statements.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.*

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