Chesapeake Announces Updated Mineral Resource Estimate 15.8% Increase in Gold Grade of Intrusive and Intrusive Breccia Zone

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Vancouver, February 22, 2023 - Chesapeake Gold Corp. (TSXV: CKG) (OTCQX: CHPGF) ("Chesapeake" or the "Company") is pleased to provide an updated Mineral Resource Estimate ("MRE") for its world class, Metates gold-silver project located in Durango State, Mexico.

The updated MRE is described in Table 1 below and includes:

- 16.77 million ounces of gold at 0.57 grams per tonne ("g/t") and 423.2 million ounces of silver at 14.3 g/t within 921.2 million tonnes in the Measured and Indicated Mineral Resource category.
- 2.13 million ounces of gold at 0.47 g/t and 59.0 million ounces of silver at 13.2 g/t within 139.5 million tonnes in the Inferred Mineral Resource category.
- Analytical results from 23 recently drilled PQ (85mm diameter) holes completed since March 2021
- 4.81 million ounces of gold at 0.76 g/t and 83.8 million ounces of silver at 13.3 g/t within 195.7 million tonnes in the Measured and Indicated Mineral resource category for intrusive-hosted material.
- Completed umpire duplicate check assaying on historic assay results increasing confidence in the accuracy of the analytical results.

Alan Pangbourne, CEO, commented "We are very pleased to announce our updated MRE for Metates following the addition of assay results for 5 metallurgical and 18 infill drill holes to the existing drill hole database. Particularly encouraging is the confirmation of an increase of 15.8% higher gold grade for the intrusive and intrusive breccia portions of the measured and indicated category of the MRE. The grade increase together with the previously released metallurgical results of our proof of concept further support the PEA development case."

This updated MRE together with on-going metallurgical work will form the basis of a new Pre-Feasibility Study.

Table 1: Metates Mineral Resource Statement

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/752/155775_img.jpg

Notes:

1. The Mineral Resources have an effective date of January 28, 2023, and the estimate was prepared using the definitions in CIM Definition Standards (May 10, 2014).

2. All figures are rounded to reflect the relative accuracy of the estimate and therefore numbers may not appear to add precisely.

3. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

4. Mineral Resources are constrained within a Lerchs-Grossman pit shell based on prices of US$1600/oz gold and US$20/oz silver.

5. Mineral Resources are based on a gold equivalent cut-off grade of 0.26 g/t.

6. The gold equivalent ("AuEq" or "Gold Eq") value is calculated as follows:

Gold Equivalent (g/t) = Gold (g/t) + Silver (g/t) / 74.67, based on gold recovery of 70% and silver recovery of 75%.

7. "Mt tonnes" = million metric tonnes; "g/t" = grams per metric tonne; "moz" = million troy ounces contained.

Updated Mineral Resource Estimate

The updated MRE incorporates an additional 23 holes drilled by Chesapeake since the previous MRE statement was provided in a NI 43-101 technical report effective August 30, 2021 titled "Metates Sulphide Heap Leach Project Phase I", as amended December 15, 2022 (2021 MRE").. In total, the updated MRE comprises a total of 245 drill holes. For the updated MRE, assays were composited to a regular length of 3 metres (m) as approximately 95% of the assays are originally sampled on that interval length. A total of 29,786 composites resulted from the compositing process with 19,012 composites located within a gold equivalent grade envelope at a 0.2 g/t AuEq cut-off.

A new geologic model incorporating interpreted controls on mineralization associated with each of the lithologies (intrusive, intrusive breccia, and sediments) was also developed for this update.

High-grade gold and silver outliers from composited assays were examined and capped based on various statistical utilities (probability plots, cutting statistics and decile analysis). The capping thresholds selected are as follows: mineralized intrusive: 10 g/t Au, 150 g/t Ag; mineralized intrusive breccia: 6 g/t Au, 200 g/t Ag; mineralized sediments: 10 g/t Au, 500 g/t Ag.

A variographic analysis was conducted on the 3m composites for gold and silver. Directions of best grade continuity were found to be along strike (130° Azimuth) and down dip (40° Azimuth / -40° Dip) of the mineralized intrusive with ranges of gold grade continuity between 53m to 67m along strike, 58m to 69m down dip, and 31m to 57m across strike and dip. For silver, the ranges of continuity vary between 65m to 69m along strike, 66m to 95m down dip, and 51m to 55m across strike and dip.

An orthogonal block model was discretized over the area of interest with blocks of 10m x 10m x 10m in size. The ordinary kriging technique was utilized to estimate block grades for gold and silver. A minimum of 2 samples and maximum of 12 samples with search ellipsoids dimensioned to the second range of the variograms were applied for the grade interpolation process. The grade estimation consisted of a three-pass strategy with search ellipsoids of increasing dimensions: search equal to second ranges of variograms (first pass), 1.5 times the ranges (2nd pass), and 3 times the ranges (3rd pass). Overall, 91% of the estimates were generated from the first pass, 8% from the second pass, and 1% from the third pass.

The gold and silver grade estimates were visually and statistically validated for any global or local bias, and for the level of smoothing/variability.

The mineral resource was classified as measured, indicated, and inferred in a two-step process. The first step consisted in classifying the estimates according to the average sample distance calculated from the grade estimation process. For such, measured estimates were identified as having an average sample distance of 20m or less, indicated as having an average sample distance greater than 20m and less than 55m, and greater than 55m for inferred. From this exercise, the measured, and indicated classes were smoothed to remove the "spotty" effect observed from the initial classification.

To satisfy the NI 43-101 requirement for reporting a mineral resource that provides "reasonable prospects for economic extraction" a pit shell was optimized with the Lerchs-Grossman algorithm to constrain the mineral resources. The pit shell was optimized with the following parameters: Au price of US$1600/oz, Ag price of US$20/oz, mining cost of US$2.00/t, processing and G&A costs of US$9.25/t, Au recovery of 70%, Ag recovery of 75% and an overall pit slope of 45°. These are the same parameters as used in the 2021 MRE.

It should be noted that mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves. The estimate of mineral resources may be materially affected by future changes in environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The CIM definitions were followed for the classification of measured, indicated, and inferred mineral resources. The inferred mineral resources have a lower level of confidence and must not be converted to mineral reserves. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.

The five-hole PQ diameter core drill program completed in June 2021 (NR11-2021) for metallurgical test work returned on average, a 19% increase in gold equivalent grade compared to the then current 2021 block MRE grades. In November 2021, two core rigs commenced an 18-hole infill program that drilled both up and down dip as well as along strike from the June 2021 holes. The Company released the drilling results from this infill program in early 2022 (NR01- 2022 & NR02-2022) and noted the continued positive grade variance in the drill results compared to the 2021 block MRE grade (see news releases dated February 15 and April 27, 2021).

Following significant analysis to determine the potential reasons for the higher grade encountered in drilling compared to the 2021 MRE gold grade, several conclusions were drawn:

- The intrusive and intrusive breccia is a higher-grade portion of the resource and the estimation variance compared to recent drilling is highest in this domain compared to the sediments.
- Previous analytical quality control from 1990's era umpire lab analyses detected a positive bias in the original gold assays for the grouped 1993-1994 holes, which was resolved at the time by factoring down the results from those two years using a constant.
- Recent review of the umpire pairs from the 1990's era by year and field duplicate assays collected in 2022 from the 1993 and 1994 remaining core has determined that only the 1994 historic data requires the reduction factor and that original 1993 assays can be used.
- Reverting to the original 1993 assays affects 1,556 analyses accounting for a 1.4% increase in the estimated gold grade within the intrusive.

We have now incorporated all the 2021 and 2022 drilling results reviewed and updated the geological model and interpretation, generated and applied new grade estimation and resource classification methods and developed a new pit constrained MRE as reported above.

It is anticipated that the increases in grade outlined above should have a positive impact and result in improved project economics.

Mr. Pangbourne also stated, "Going forward we are now focusing on optimizing the oxidation rate to release the targeted gold and silver recoveries and compiling all the other data required to prepare a Pre-Feasibility Study."

About Chesapeake

Chesapeake Gold Corp. is focused on the discovery, acquisition, and development of major gold-silver deposits in North and South America. Chesapeake's flagship asset is the Metates project ("Metates") located in Durango State, Mexico. Metates hosts one of the largest undeveloped gold-silver deposits in the Americas with over 16.77 million ounces of gold and 423.2 million ounces of silver in the Measured and Indicated Mineral Resource and a further 2.13 million ounces of gold and 59.0 million ounces of silver in Inferred Mineral Resource. See the Technical Report titled "Metates Sulphide Heap Leach Project Phase I" effective August 30, 2021 and amended December 15, 2022.

Qualified Persons

Mr Marc Jutras P.Eng., M.A.Sc, Principal, Mineral Resources of Ginto Consulting Inc, is the independent qualified person responsible for the MRE in this news release in accordance with NI 43-101. Mr. Carl Edmunds P.Geo., M.Sc. technical consultant to Chesapeake and is the qualified person who supervised the preparation of the technical information relating to the MRE in this release. Dr. Art Ibrado, P.E., of Fort Lowell Consulting PLLC, is the independent qualified person responsible for the scientific and metallurgical technical information in this news release. All of the above qualified persons have reviewed and approved the contents of this release.

Further Information & Upcoming Webinar:

For more context, please join CEO Alan Pangbourne for a live event on March 1, 2023 at 1 pm EST / 10 am PST. Q&A will follow the presentation. Click here to register: https://my.6ix.com/LN-btxMf

Alternatively, please visit our website at www.chesapeakegold.com or contact Alan Pangbourne at invest@chesapeakegold.com or +1 778 731 1362.

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Forward-looking Statements

This news release contains "forward-looking statements" within the meaning of Canadian securities legislation. These include, without limitation, statements with respect to the updated MRE, the strategic plans, timing and expectations for the Company's exploration and drilling programs at the Metates Property, including metallurgical testing, mineralization estimates and grades for drill intercepts, permitting for various work, and optimizing and updating the Company's resource model and preparing a pre-feasibility study; information with respect to high grade areas and size of veins projected from underground sampling results and drilling results; and the accessibility of future mining at the Metates Property. Such forward looking statements or information are based on a number of assumptions, which may prove to be incorrect. Assumptions have been made regarding, among other things: the reliability of mineralization estimates, metallurgical recovery estimates, the conditions in general economic and financial markets; the price of gold and silver; availability and costs of mining equipment and skilled labour; timing and amount of expenditures related to drilling programs; and effects of regulation by governmental agencies. The actual results could differ materially from those anticipated in these forward-looking statements as a result of risk factors including: the timing and content of work programs; results of exploration activities; the interpretation of drilling results and other geological data; receipt, maintenance and security of permits and mineral property titles; environmental and other regulatory risks; project cost overruns or unanticipated costs and expenses; and general market and industry conditions. Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to update or revise any forward-looking statements included in this news release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

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