Kermode Reports Conceptual Estimate for Tonya gold project, Nevada

Victoria, British Columbia – (December 13, 2023) - Kermode Resources Ltd. (TSXV: KLM) ("Kermode" or the "Company") reports a Conceptual Estimate (“Estimate”) for the Tonya project. This Estimate is compliant with Canadian National Instrument 43-101 S.2.3(2)(a) where Kermode discloses the potential quantity and grade, expressed as ranges, of a target for further exploration. Kermode notes that the potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. This news release states the basis on which the disclosed potential quantity and grade has been determined.

The Tonya Property (“Tonya”) contains three target areas, which Kermode refers to as the Main Tonya Target (MTT), Central Tonya Target (CTT), South Tonya Target (STT). The Estimate provides a range across all zones for total tonnage from approximately 78Mt to 237Mt million tonnes and total contained gold as 0.7Moz to 7.1Moz millions of ounces of gold.

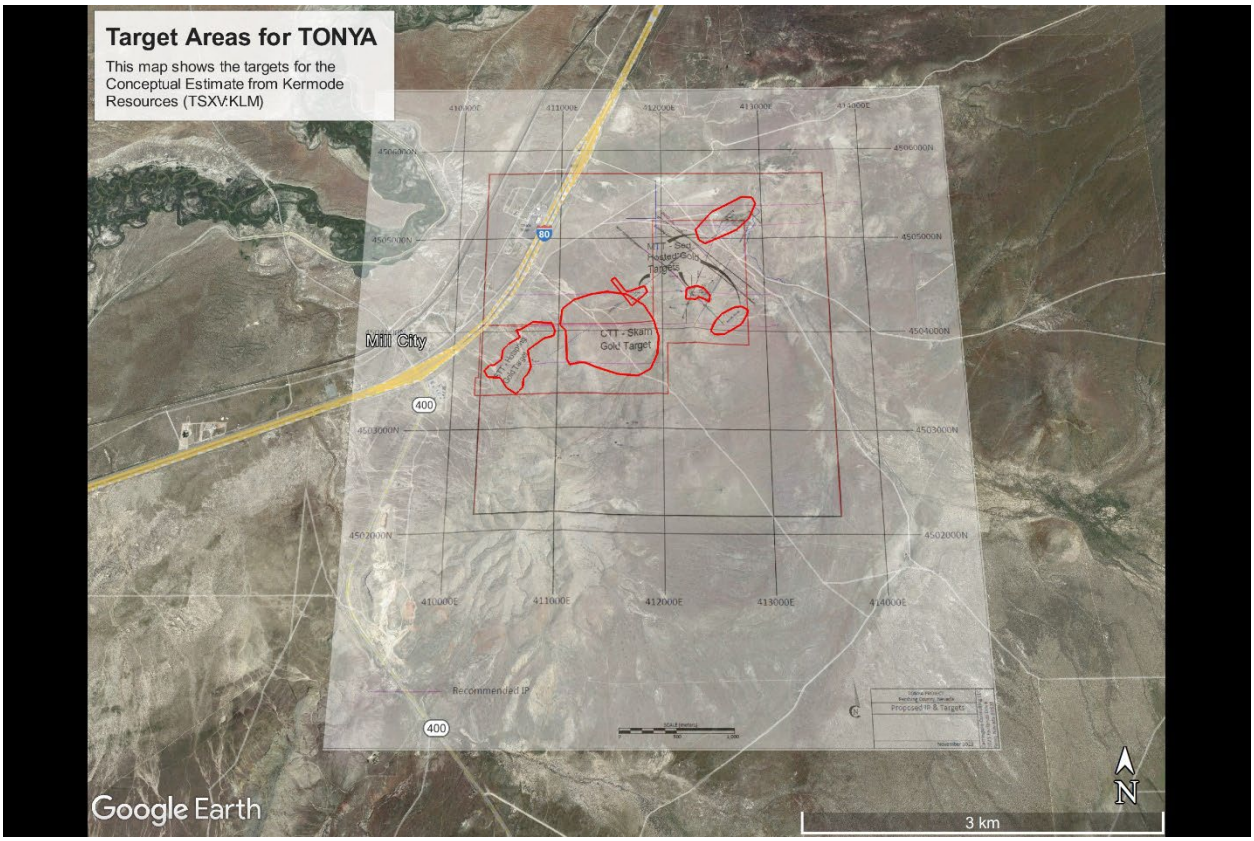
Target Area	Contained ounces gold (conceptual)	Tonnes (conceptual)	Grade g/T Au (conceptual)
Main Tonya Target (MTT)	58,908	3,436,364	0.5
	545,455	11,310,364	1.5
Central Tonya Target (CTT)	342,700	53,299,620	0.2
	4,284,000	177,665,400	0.75
South Tonya Target (STT)	338,500	14,040,000	0.75
	2,343,700	48,600,000	1.5
Conceptual Resource (Lower Range) Total	**740,180**	**70,775,984**	**0.325**
Conceptual Resource (Upper Range) Total	**7,173,295**	**237,575,764**	**0.939**

*Note: Exact amounts may vary due to rounding errors.

Additional information is provided in this news release and a supplementary report available on SEDAR+ and Kermode’s website.

Kermode CEO Peter Bell comments, *“I believe this type of Estimate is helpful for the public to understand the potential significance of an exploration project. I am grateful for the opportunity to publish a comprehensive review of the Tonya project that provides details of potential volume, tonnage, grade, and metal endowment.”*

A diagram showing the target areas is provided below. Additional diagrams and details are provided in a supplemental report on SEDAR+ and Kermode's website.



HISTORICAL EXPLORATION

Known exploration targets at Tonya encompass four major mineral or deposit types. Only one, the Main Tonya Target Zone, has been explored to any meaningful extent.

The details of exploration at the MTT are as follows:

From 1989 through 1991, there were 28 Reverse Circulation (RC) drill holes 9,515 feet (2,901 meters) together with rock chip and soil geochemistry focused entirely on sediment hosted gold targets mostly around Jasperoid Hill completed on the property.

In 2012 Duke Mountain Resources of California re-logged certain drill holes and conducted additional geological mapping. Duke Mountain felt they had identified copper bearing skarn mineralization in three drill holes in the vicinity of Jasperoid Hill.

From 2018 through 2020, Montreal based VIOR conducted high resolution ground based magnetometry and gravity surveys together and completed three small discontinuous grids of Mobile Metal Ion (MMI) geochemical sampling. No other substantive work has been completed on the property.

MINERAL TARGETS AND RESOURCES – DISCUSSION
Read a summary of the exploration concept for each target area below:

(1) <u>Main Tonya Target (MTT) Sediment hosted disseminated gold</u>

The prospective MTT target comprises at least three irregular zones with a cumulative area covering approximately 140,000 square meters. Assuming a nominal thickness of 30 meters and a specific gravity of 2.7, the MTT area contains potential to develop from 3.4 to roughly 11.3 million metric tonnes grading from 0.5 to 1.4 g/T Au with a cumulative metal endowment ranging from 58,908 to more than 569,000 ounces of gold.

Situated in the north-central portion of the property, the MTT lies directly on trend with, and is geologically similar to the nearby Florida Canyon and Standard mines that have produced more than 2.5 million ounces of gold.

At Tonya multi-directional folding has developed a series of structural domes in these sedimentary units. Subsequent to folding and much like the Florida Canyon system, irregular sills and dikes of porphyritic diorite (andesite) to diabase and one small stock-like body of diorite intruded these favorable sedimentary units. These dikes and sills together with much of the surrounding sediments have subsequently undergone moderate to intense alteration ranging from moderate propylitic to intense clay alteration. Multi-phased silicification is widespread, ranging from weak to nearly complete replacement of the original rock by amorphous silica (jasperoid) together with multiple later stages of cryptocrystalline and crystalline silica.

Like Florida Canyon, intrusive rocks at Tonya consist of multiple porphyritic diorite (andesite) to diabase sills that uniformly strike to the northeast with moderate to shallow northwesterly dips. Sediment hosted gold mineralization is spatially associated with these dikes and is generally contained within broad envelopes of dolomitization of the carbonate horizons.

(2) <u>Central Tonya Target (CTT) Porphyry related / skarn gold</u>

As modeled, based geophysical results and similarities with other intrusive related gold systems in western and northern Nevada, the CTT target area has an aerial extent more than 658,000 square meters. Assuming the prospective horizon to have a vertical development ranging from 30 to 100 meters and a specific gravity of 3.0 due to the presumed presence of higher specific gravity calc-silicate minerals such as garnet and diopside along with elevated sulfide content, the CTT hosts potential to develop from 53 to 178 million metric tonnes, which with an assumed grade ranging from 0.20 to 0.75 g/T Au the CTT is estimated to contain from 342,700 to 4,284,000 ounces of gold.

The CTT is situated in a distinctive area of anomalously subdued, recessional topography in the central portion of the property. Within this area of anomalous topography, high resolution ground magnetometry identifies a distinctive, intense, circular doughnut shaped magnetic high with central intense magnetic low within a broader magnetic low of nearly equal intensity.

This distinctive pattern of magnetic anomalies is diagnostic of intense hydrothermal alteration and highly reminiscent of anomalies associated with, and indicative of porphyry gold / copper / molybdenum systems and associated metasomatic alteration commonly referred to as “skarn” mineralization. This target lies in an area of recessional topography with extensive alluvial and alluvial cover forming a distinctive basin in the general outline of the Mill City Hills.

Widely spaced Mobile Metal Ion (MMI) sampling that is partially coincident with the ground magnetic survey indicates anomalous Response Ratios (RR) spatially associated with the magnetic anomaly. Limited rock chip geochemistry of the surrounding altered sediments surrounding the CTT basin returned highly anomalous gold and pathfinder elements.

The current target in the CTT is interpreted to be genetically similar to the nearby Spring Valley deposit which hosts 4.12 million ounces of gold in Measured and Indicated resources and an additional 990,000 ounces of gold in Inferred resources (Gustavson & Assoc. 43-101 Technical Report, Sept 2014 for Midway Gold) where Midway Gold announced drill intercepts to 157 meters averaging 1.75 g/T Au.

(3) <u>South Tonya Target (STT) Sub-surface “hot spring” gold</u>

MMI geochemistry, surface geology and high resolution gravity, together with similarities with other similar nearby systems, indicate the hot spring gold target in the STT conceptually consists of a north-northeast trending zone semi-parallel with the range front of the Mill City Hills ranging from 75 to more than 400 meters in width and 1,000 to 3,150 meters long. Assuming a blanket like zone 20 to 30 meters thick with a specific gravity of 2.7, this modeling indicates conceptual resources in the range of 14.0 to 48.6 million metric tonnes. Assuming grades ranging from 0.75 to 1.5 g/T Au, comparable to other deposits of this class in the region, the target resource is estimated to contain from 338,500 to 2.34 million ounces of gold. There has been no allowance for the silver content in this modeling though on average this deposit type typically exhibits silver to gold ratios ranging from 2:1 to 3:1.

In the STT, a 3.1 kilometer long, northeast trending horizontal gradient gravity “high” indicates a zone of dense, presumably cemented material within the valley fill gravels that corresponds with outcropping banded carbonate sinters. This gravity anomaly and presumed zone of dense material is valley-ward from the range front fault and is consistent with horizons of porous gravels that have been

cemented by minerals deposited from ascending fluids and brines causing them to have higher density than the surrounding valley fill gravels.

MMI surface geochemistry identifies a coincident gold – silver – antimony – moly anomaly which extends from the carbonate sinter mound to the southwest for more than 1 kilometer. Limited MMI geochemistry north of the carbonate sinters does not indicate anomalous MMI values however this may be due to thicker overlying lacustrine clays “blinding” any underlying mineralization from being detected at the surface.

Surface geology and geochemistry in the STT are highly indicative of a “sub-surface” variety of hot spring related gold system. This variant of a typical hot spring gold system is characterized by mineralization deposited in coarse, highly permeable unconsolidated gravely units interlayered with fine clay rich lacustrine sediments by hot, ascending, mineral bearing fluids circulating along range front faults and fissures.

Surface manifestations at STT are substantially identical to those at the nearby Humboldt House gold prospect where historic drilling managed by Carrington intersected gold grades ranging from .02 to 0.504 ounces of gold per ton (15.75 grams per metric tonne (g/T Au)) roughly 30 meters below similar carbonate sinters. Drilling during the 1980’s at Humboldt House identified mineralization extending over an area more than 3,200 meters long and over 1000 meters wide that was generally aligned parallel to the range front of the Humbold Mountain Range.

In addition to Humboldt House, other similar systems of this type in western Nevada include the Hycroft – Lewis mine in the Sulfur Mining District west of Tonya which produced slightly more than 1 million ounces of gold and 2.94 million ounces of silver during the period from 1988 through 2002, (USGS MRDS Record Number 10310408) and the Wind Mountain Mine near Gerlach, Nevada which produced 196,000 ounces of gold and 1.13 million ounces of silver, (USGS MRDS Record Number 10310384).

The reader is reminded the Estimate is conceptual. Although historic data confirms gold mineralization at Tonya, there is insufficient data to define mineral resources of any category and there can be no assurance that further exploration will delineate one. There are no representations with respect to amenability to, or recoverability of any resources that may be developed with further exploration as there have been no metallurgical studies or investigations on mineralized material from the Tonya project.

About the Tonya Project

The Tonya project is situated in the Mill City Hills of Pershing County in western Nevada along the I-80 corridor and within the highly productive, northeast trending, structural and gold lineament commonly known as the Humboldt Structural Lineament (HSL) or Midas Trough. Numerous other nearby major mines deposits and districts are found within the HSL including the Coeur Rochester, Florida Canyon, Standard, Hycroft –

Lewis, Rosebud, Midas, Fire Creek, Hollister, Getchel, Twin Creeks, Sleeper and other mines and deposits. The Property has excellent access to nearby transportation, electrical, natural gas and communications together with a highly skilled and experienced workforce in the nearby towns of Reno, Lovelock and Winnemucca. The Property lies directly on trend with the Florida Canyon and Standard Mines, and is a structural, geological and lithological extension of the highly mineralized and very productive Humboldt Range. Historic exploration indicates the property has excellent exploration potential to develop sediment hosted gold, porphyry and hot spring related gold mineralization similar to nearby mines and deposits in the Humboldt Range.

Qualified Person Statement
The technical information in this news release has been reviewed and approved by Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist and a Qualified Person as defined in Canadian NI 43-101 responsible for the scientific and technical information contained herein. Mr. Carrington is not an Independent Qualified Person in respect to the Tonya Property or Gold Range Company LLC, the owner of the Tonya Property.

This news release relies on information obtained through a review of public and private files, documents, reports and data dating from 1989 through 2022 together with Robert Carrington's personal experience and knowledge of the subject property and other nearby and / or similar properties. Verification of the presence of mineralization was made by Mr. Carrington during a site visit on September 2, 2023. Claim title was verified by Mr. Carrington by examining documents filed with BLM and Pershing County.

About Kermode
Kermode is a junior mining company hunting for exploration opportunities around the world.

On Behalf of the Board of Directors,
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Forward-Looking Statements
This news release contains statements that constitute "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation (collectively herein referred to as "forward-looking information"). Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause Kermode 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 statements.

Although Kermode believes the forward-looking information contained in this news release is reasonable based on information available on the date hereof, by their nature forward-looking statements involve assumptions, known and unknown risks, uncertainties and other factors which may cause our actual results, 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 statements.

The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.