

GENERATION MINING

GENERATION MINING IDENTIFIES DRILL TARGETS AT DARNLEY BAY

Toronto, Ontario – Oct 16, 2018 - Generation Mining Limited (CSE:GENM, the “Company”) is pleased to announce continuing interpretation of results from the summer Magnetotelluric (“MT”) program at its Darnley Bay property (the “property”) near Paulatuk, Northwest Territories. The property is underlain by the Darnley Bay Anomaly which is the largest currently known gravity and magnetic anomaly in North America (J.E. Spratt et al; GSC Open File 8100). The program has had the dual result of imaging the deep source of the Darnley Bay Anomaly and outlining discrete exploration targets nearer to the surface.

Analysis of the MT data has indicated four large, conductive MT anomaly locations ranging from 800-1200 meters in depth to the top of the source. Each of the MT anomaly source locations is larger than one square kilometer and is marked by a significant decrease in resistivity. All four drill targets are coincident with strong gravity and magnetic anomalies.

A total of 116 MT, deep searching geophysical soundings, were collected on the property, over a 2000 square-kilometer area blanketing the Darnley Bay gravity anomaly (Figure 1). The MT data was used to estimate the electrical resistivity structure of the Earth beneath each data station. The MT data suggests four discrete locations of significantly decreasing resistivity (ie. increasing conductivity) in the subsurface, all closely associated with local fault structures interpreted to offset the basin layering, and coincident with strong local gravity and magnetic peaks. Of importance to Generation Mining is that the source rocks of these MT anomalies are located within 800-1200 meters of surface and may be associated with prospective rocks in the sedimentary basin whose origins may be connected to a deeply seated Darnley Bay intrusive event. The vertical SW to NE apparent resistivity section, recovered from a 2D model of 21 MT data sites (0-4 km depth, Figure 2), is annotated with interpreted sub-horizontal layering (dashed) and local sub-vertical, north to south oriented fault structures. The B2 (Hornaday) target area represents two individual targets in the same area, each isolated within the same broader geologic layering and cut by a large, regional, sub-vertical fault. The B2 (Hornaday) targets have decreasing resistivity (<10 Ohm-m). The B1 (DB52) target is even less resistive (<1 Ohm-m) and is interrupted abruptly to the SW, where another subvertical fault is interpreted to cross the MT section. Additional 2D modelling of the 116 MT data sites has also recovered the SE target, not shown. The SE target is slightly more resistive (>10 Ohm-m), at similar depths as the B2 (Hornaday) and B1 (DB52) targets, and is associated with fault structures as well. Further target development using 3D interpretation tools will be undertaken prior to finalizing the drill hole locations.

Qualified Person

Kevin M. Stevens, P. Geo, is a "qualified person" for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Properties* and the Company's Professional Consulting Geophysicist. He has prepared or supervised the preparation of the information contained in this news release.

The property is held by Generation Mining under option from the Inuvialuit Regional Corporation, which holds certain back-in and other rights. The gravity anomaly on the property has been favourably compared by the Geological Survey of Canada ("GSC") with other prominent gravity anomalies such as that at the prolific mining camp of the Sudbury Basin in Ontario. The GSC discovered the anomaly in 1969 and its source has never been explained. It is located near Paulatuk, Northwest Territories, on the Arctic coast. The Darnley Bay anomaly is larger and stronger than any of these comparatives by a wide margin, measuring 100 kilometres long north to south and about 60 kilometres wide.

Color Contoured Gravity / MT Sites

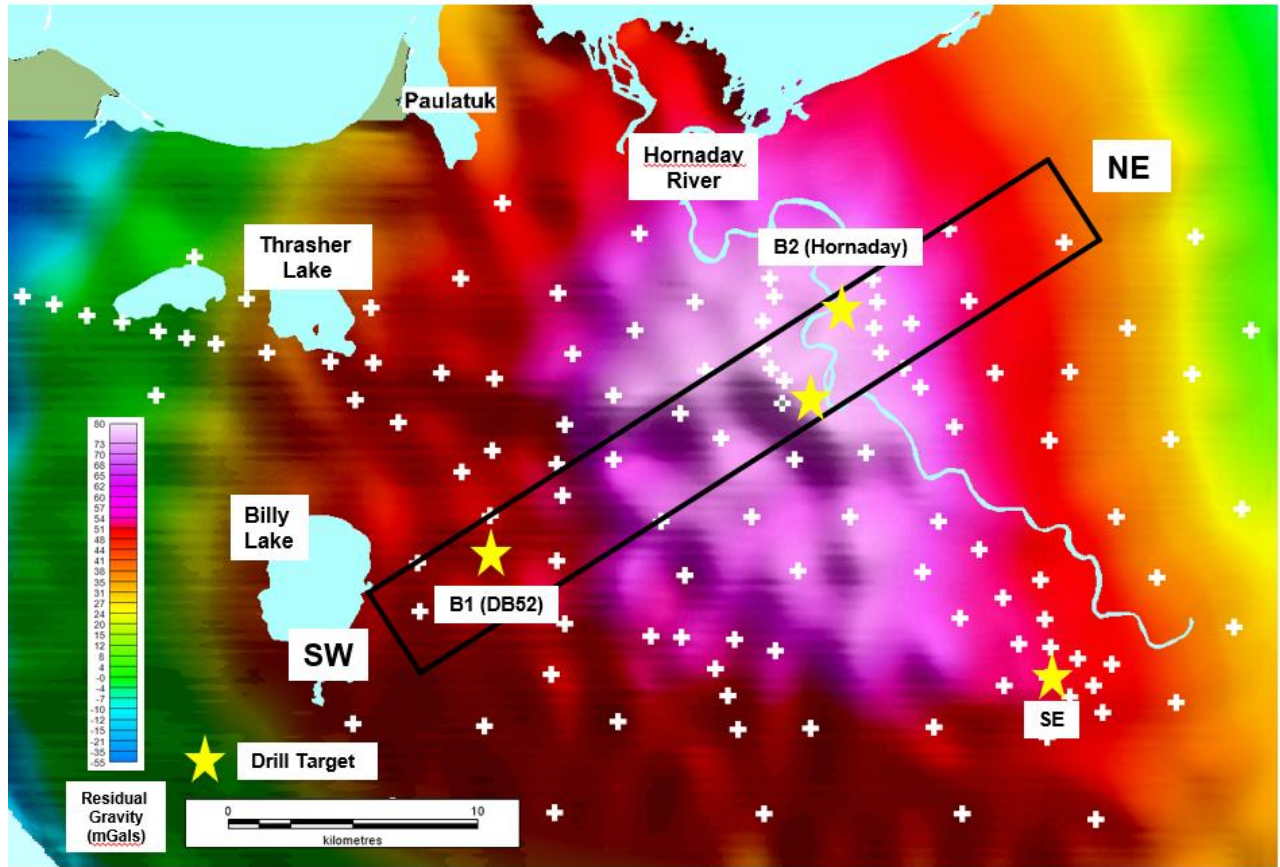


Figure 1. Color contoured Darnley Bay gravity image with 116 MT sites locations and drill target locations (B1-DB52, B2-Hornaday and SE drill targets).

Interpreted MT Resistivity Section / Drill Targets

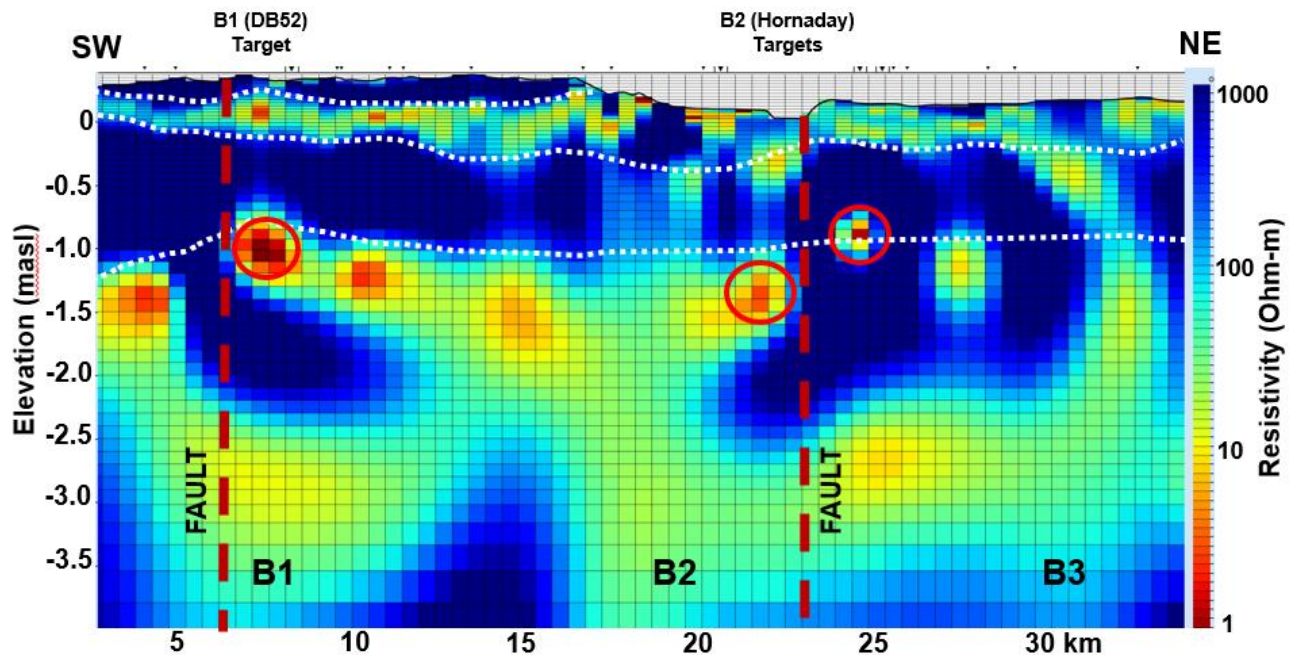


Figure 2. Color contoured, vertical pseudo-sections of apparent resistivity from surface to 4 km depth, showing locations of three significant, very low resistivity drill targets (circled). B1, B2, B3 are low resistivity extensions that appear to emanate from the deep Darnley Bay anomaly source (13-16 km depth, September 12, 2018 news release)

About Generation Mining Limited

Generation Mining Limited is a base and precious metals exploration and development company with various property interests throughout Canada. Its primary business objective is to explore and further develop the Davidson Molybdenum project in British Columbia and its other mineral properties, and to continue to increase its portfolio of base and precious metal property assets through acquisitions.

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Forward-Looking Information

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