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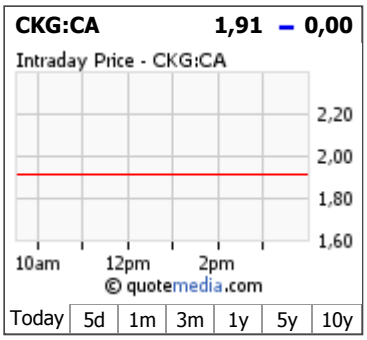
Chesapeake Provides Update on Yarely and Tatatila Exploration



VANCOUVER, British Columbia, Dec. 13, 2018 (GLOBE NEWSWIRE) -- Chesapeake Gold Corp. (“Chesapeake” or “Company”) wishes to provide an update on the exploration work at its 100% owned Yarely Project (“Yarely”) in Sinaloa State and Tatatila Project (“Tatatila”) in Veracruz State, Mexico. Yarely is located 25 kilometres west of the proposed Metates plant site and encompasses 76,200 hectares. Metates is Chesapeake’s flagship project which hosts one of the largest undeveloped gold, silver and zinc reserves in the world. Tatatila is a district scale project hosting gold-copper skarn mineralization which strategically surrounds Mexican Gold Corp.’s Las Minas project.

Yarely Project, Sinaloa

In early 2018, a Phase I drill program at Yarely tested three of six known prospects with the drill results and related exploration activities reported in June 2018. The drill program was successful in the discovery of a blind copper-molybdenum porphyry system at Loretos, an extensive near-surface polymetallic skarn at Lucy and a high grade gold-silver vein system at Spaniard-Central.

During the second half of 2018, Chesapeake’s focus at Yarely was to explore Los Mimbres and advance the Sundae prospect to the drill stage. In addition, the Company conducted geological reconnaissance in the largely unexplored northeast and southwest areas of Yarely which led to the discovery of the Goyo epithermal prospect.

Los Mimbres Prospect

Widespread rock chip channel sampling and preliminary geological mapping at Los Mimbres defined a northeast trending vein swarm at least two kilometers long and one kilometer wide, situated within a large regional corridor. Sulfide bearing quartz veins and associated stockwork are mainly hosted within mudstones and intrusive rocks with silver-gold mineralization and occasional base metals. Topographically, the system can be traced for over 200 meters in elevation in an area of moderate relief. The vein swarm remains open particularly to the southwest where higher grades were more evident in the upper levels of the system.

Channel sampling of the different veins and stockwork returned the following results:

7 meters of 1.15 g/t gold and 88 g/t silver
7 meters of 0.90 g/t gold and 87 g/t silver
5 meters of 0.11 g/t gold and 196 g/t silver
1 meter of 0.38 g/t gold, 98 g/t silver, 2.42% lead and 1.1% zinc
31 meters of 0.30 g/t gold and 14 g/t silver (stockwork around veins)
10 meters of 0.24 g/t gold and 5 g/t silver (stockwork around veins)

Sundae Prospect

Sundae represents a well-preserved epithermal vein system over three kilometers in length which hosts individual quartz veins from 1 to 5 metres wide. These veins are commonly part of a vein swarm up to tens of meters in width. The northwest-trending en-echelon veins are hosted in Tertiary-age red beds and volcanic rocks.

The chalcedonic and sugary, fine-grained texture of the quartz veins display classic high level, low sulfidation epithermal textures (multiple periods of brecciation, banded texture, quartz after calcite). Petrographic and fluid inclusion studies performed on surface samples confirm the vein mineralization formed at low temperatures, below 180 degrees centigrade, and at or near the current topographic surface. Vein samples from surface exposures up to 0.1 g/t gold and 8 g/t silver suggest there are precious metals in the system. Epithermal vein deposits often show strong vertical zonation with low grade precious metals overlying Bonanza grade gold-silver zones at depths of less than a few hundred meters.

Goyo Prospect

The regional reconnaissance and stream sediment geochemical program at Yarely located several additional areas with anomalous precious metals. Amongst the target areas under further investigation is Goyo, a new significant gold-silver prospect discovered in southwest Yarely.

The Goyo prospect is situated along the west flank of a set of regional size ring structures hosting other gold-silver targets within volcanic rocks to the northeast and southeast, all part of an extensive district scale epithermal system associated with a possible dome field. Mineralization at Goyo comprises low sulfidation epithermal quartz breccias and stockworks related to north-south trending regional structures over one kilometer long associated with the contact of a Tertiary-age rhyolite flow dome and andesites.

Assays from two rock chip channel sections taken 100 meters apart returned:

30 meters of 1.63 g/t gold and 38 g/t silver
15 meters of 0.60 g/t gold and 9 g/t silver

Another subparallel gold-silver mineralized structure located two kilometers to the northwest returned the following chip channel assays across quartz veins:

4 meters of 3.74 g/t gold and 90 g/t silver
5 meters of 1.30 g/t gold and 15 g/t silver
25 meters of 0.54 g/t gold and 35 g/t silver in stockworks adjacent to veins

Further to the south from Goyo, field work has recently identified an argillic alteration zone 1,000 by 500 meters hosting quartz stockwork. Chesapeake recently expanded its land position by staking 4,200 hectares covering this new prospective area.

Tatatila Project, Veracruz

In 2007, Chesapeake acquired Tatatila through the purchase and staking of 15,000 hectares in Veracruz State. During 2007-2008, Chesapeake's reconnaissance program identified several gold-copper skarn prospects that are similar to the Torex Gold deposits in the Guerrero Gold Belt. The Tatatila concessions surround Mexican Gold Corp's Las Minas Project with a reported NI43-101 resource of 1 million ounces at a grade of 2 g/t gold equivalent in two separate zones.

The skarns at Tatatila are similar to those at Las Minas, consisting of tabular and podiform, garnet-magnetite-pyroxene bodies mineralized with chalcopyrite-pyrite-bornite and developed along the contact between dioritic intrusives and limestones. The skarns bodies are locally zoned ranging from gold-copper rich proximal to the contact with mostly copper-zinc in the more distal areas.

In the third quarter, Chesapeake commenced a follow-up exploration program at Tatatila to determine the potential extension of the Las Minas skarn zones along regional limestone-intrusive contacts and associated structural trends. Geological interpretation, rock chip channel sampling and a magnetics geophysical survey extended known and discovered new gold-copper-zinc mineralized skarn bodies along a 3 kilometer southeast trending corridor from Las Minas. So far, four zones, namely La Paulina, La Esperanza, Tenepanoya and Galdy have been defined. Rock chip channel sampling results include the following from 2018 and 2007 (where indicated):

La Paulina

12 meters of 3.0 g/t gold, 12 g/t silver and 0.24% copper
6 meters of 5.1 g/t gold, 12 g/t silver and 0.46% copper
18 meters of 3.8 g/t gold, 7 g/t silver and 0.50% copper (sampled 2007)
11 meters of 0.24 g/t gold, 37 g/t silver and 12.95% zinc (sampled 2007)

La Esperanza

12 meters of 1.0 g/t gold, 0.35% copper and 0.22% zinc
6 meters of 0.30 g/t gold, 0.12% copper and 2.05% zinc
12 meters of 0.50 g/t gold, 0.40% copper, 0.70% zinc (sampled 2007)

Tenepanoya

9 meters of 2.3 g/t gold, 8 g/t silver and 0.30% copper
11 meters of 1.4 g/t gold, 0.47% copper
12 meters of 0.20 g/t gold, 0.11% copper and 1.13% zinc

Galdy

9 meters of 0.90 g/t gold, 14 g/t silver and 2.0% copper (sampled 2007)

Generative regional exploration was also undertaken elsewhere along the favorable limestone-intrusive contact where prospective skarn deposits are known to occur. Exploration along irregular and extensive contact zones led

to the skarn discoveries at Melany in 2007 and Plan de Gallo this year. Melany and Plan de Gallo form a northwest-trending intrusive-limestone corridor five kilometers long and remains open. Plan de Gallo comprises at least three gold-copper mineralized skarn zones which are 500 meters apart. Rock chip channel sampling sections returned the following results:

Melany

67 meters of 1.6 g/t gold, 7 g/t silver and 0.60% copper

Plan de Gallo

21 meters of 2.2 g/t gold, 5 g/t silver and 0.27% copper
15 meters of 2.3 g/t gold, 6 g/t silver and 0.30% copper
9 meters of 1.2 g/t gold, 6 g/t silver and 0.25% copper
11 meters of 1.4 g/t gold, 7 g/t silver and 0.36% copper
8 meters of 1.0 g/t gold, 10 g/t silver and 1.25% copper

Additionally, precious and base metal stream sediment anomalies have been defined north and east of the Melany-Plan de Gallo trend over an area exceeding 1,500 hectares. This region has favorable limestone-intrusive contacts and underscores the very prospective potential of Tatatila.

Tatatila remains largely unexplored and the lithological and structural characteristics are extremely favorable for discovering additional skarn zones along with associated polymetallic replacement, intrusive hosted and vein type mineralization. Recognizing the Las Minas discovery, Tatatila is an emerging district hosting several mineralized zones that could develop into a multi-million ounce gold equivalent camp close to established infrastructure.

2019 Exploration

At Yarely, the Goyo prospect will be systematically advanced to the drill stage as well as follow-up exploration in several areas showing anomalous stream sediments. Yarely continues to be an emerging, diversified mineralized camp with multiple district scale prospects and the potential for future discoveries.

Eleven kilometers southeast of Metates, a detailed program of geological mapping, sampling and an IP. Resistivity survey is planned for the San Javier Project. San Javier is a large gold-silver disseminated and stockwork system hosted in sandstone and intrusive rocks which at depth, might transition into sulfide mineralization similar to Metates.

Chesapeake is well funded with $17.5 million in cash and marketable securities.

ALS Global and SGS were the analytical laboratories used for the samples included in this release. The samples sent to ALS were crushed and ground and a representative sample split was sent to Vancouver, Canada for assaying using ALS methods Au-ICP21 and ME-ICP61. Samples sent to SGS were prepared and analyzed at its facilities in Durango, Mexico using Au-FAA and ICP methods.

Alberto Galicia, P. Geo, Vice President Exploration for Chesapeake and a Qualified Person as defined by NI43-101, has reviewed the technical information in this release.

For more information on Chesapeake, the Metates Project and regional exploration program, please visit our website at www.chesapeakegold.com or contact investor relations at 604-731-1094.

CHESAPEAKE GOLD CORP

"P. Randy Reifel"

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President

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Company does not intend to, and does not assume any obligation to update such forward-looking statements or information, other than as required by applicable law. Forward-looking statements or information involve known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Chesapeake and its operations to be materially different from those expressed or implied by such statements. Such factors include, among others: ability to finance mine development, fluctuations in the prices of gold, silver and zinc, fluctuations in the currency markets (particularly the Mexican peso, Canadian dollar and U.S. dollar); changes in national and local governments, legislation, taxation, controls, regulations and political or economic developments in Canada and Mexico; operating or technical difficulties in mineral exploration, development and mining activities; risks and hazards of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected geological conditions, pressures, cave-ins and flooding); inadequate insurance, or inability to obtain insurance; availability of and costs associated with mining inputs and labour; the speculative nature of mineral exploration and development, diminishing quantities or grades of mineral reserves as properties are mined; risks in obtaining necessary licenses and permits, and challenges to the Company's title to properties. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or information, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended. There can be no assurance that any forward- looking statements or information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information.

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