



## **Scout Summarizes 2023 Results Including 100.6m @ 1.18 g/t Au Drilled at Erickson Ridge and Outlines 2024 Corporate Strategy**

*Coeur d'Alene, Idaho – May 9, 2024 – Scout Discoveries Corp. (“Scout” or “the Company”) is pleased to provide a summary of its first full year of operations including final drill results from the Erickson Ridge gold project and outline the Company’s strategy across its projects in 2024.*

### **Summary of 2023 – First Year of Operations**

Scout Discoveries Corp. was incorporated in the U.S. on January 10, 2023 with the vision of aggressively advancing a large portfolio of precious and base metal projects in Idaho, generated by the Scout team between 2018-2022 as part of EMX Royalty Corp. (“EMX”). On March 8, the spin-off transaction to acquire the primary projects and core drilling company, Scout Drilling LLC (“Scout Drilling”), from EMX was announced and closed coincident with the first tranche of seed financing on July 31, 2023.

During Q2-Q3 2023, Scout completed a first-pass core drilling program at Erickson Ridge to validate historical drilling with results detailed below. For the remainder of 2023, Scout completed third-party contract drilling and exploration services to conserve capital during a challenging financing environment, generating approximately US \$1.2M in revenue for the Company.

The discovery of a new porphyry copper system by Hercules Silver Corp. in Q4 2023 adjacent to Scout’s Cuddy Mountain porphyry copper project was a significant development for the Company. As a result, Scout was able to close its final tranches of seed financing at US \$0.50 per share for a total of US \$10.3M raised with no warrants or preferred shares issued. This included a new strategic partnership and US \$4.0M private placement with The Electrum Group, which closed on December 29, 2023, and sets the company on a strong foundation for 2024 and beyond.

### **Erickson Ridge Phase I Core Drilling Results**

During 2023, Scout completed five core holes for a total of 846 meters drilled with its wholly owned rig within and below the historical gold resource at the Erickson Ridge project, as shown on Figure 1 and Figure 2. The primary objectives were to: 1) validate 1980s reverse circulation (RC) drill results, 2) test continuity of mineralization, and 3) understand controls on gold mineralization.

All five drill holes returned better than predicted thicknesses (estimated at 70-95% of true thickness) and grades of gold mineralization from historic RC drilling, with strong reportable intercepts in all holes shown in Table 1, and a highlight intercept of 50.6m @ 2.11 g/t Au (50.0-100.6m) within 100.6m @ 1.18 g/t Au (0.0-100.6m) in EK-23-05:

Hole ID	From	To	Length (m)	Au (g/t)
EK-23-05	<b>0.0</b>	<b>100.6</b>	<b>100.6</b>	<b>1.18</b>
Incl.	<b>50.0</b>	<b>100.6</b>	<b>50.6</b>	<b>2.11</b>
Incl.	73.0	86.0	13.0	4.30
Incl.	74.0	75.0	1.0	21.80
EK-23-04	0.0	88.3	88.3	1.19
Incl.	46.0	88.3	42.3	2.30
Incl.	73.0	88.3	15.3	5.10
Incl.	<b>84.8</b>	<b>85.8</b>	<b>1.0</b>	<b>49.20</b>
EK-23-03	0.0	121.4	121.4	0.70
Incl.	47.0	98.0	51.0	1.35
Incl.	51.0	69.0	18.0	2.57
Incl.	52.8	53.1	0.3	23.90
EK-23-02	0.0	88.1	88.1	0.51
Incl.	57.7	86	28.3	1.04
Incl.	57.7	64.8	7.1	3.23
Incl.	62.0	62.9	0.9	13.25
EK-23-01	0.0	89.0	89.0	0.73
Incl.	55.0	89.0	34.0	1.65
Incl.	78.6	86.5	7.9	3.09
Incl.	78.6	79.1	0.5	15.75

**Table 1:** Composite table of all reportable gold intervals drilled in the 2023 Erickson Ridge drill program.

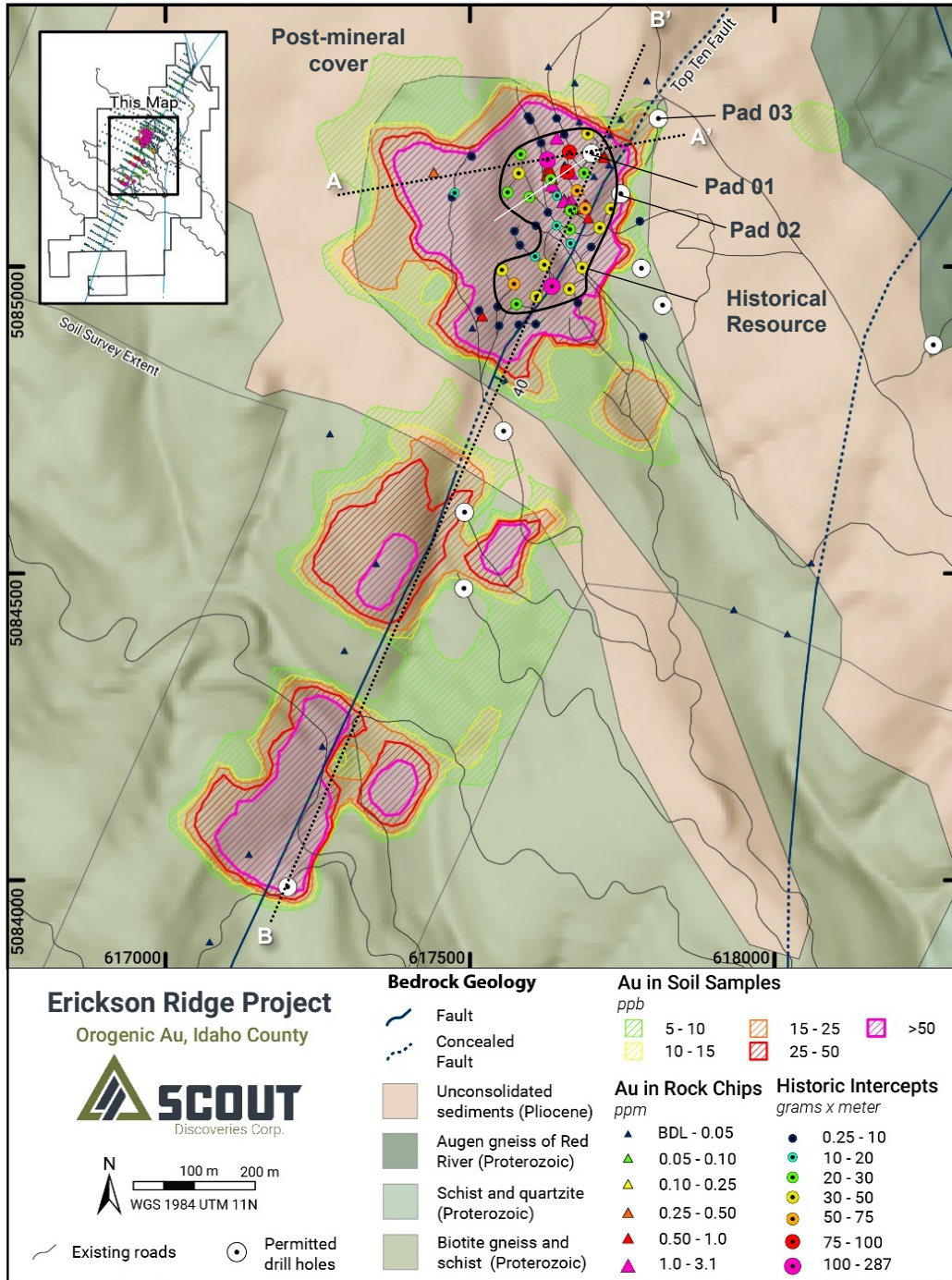
[Link to Full Assays and Geologic Logs](#)

[Link to EK-23-05 Core Photos and Mineralogy \(Beta Viewer Developed by TerraCore and Scout\)](#)

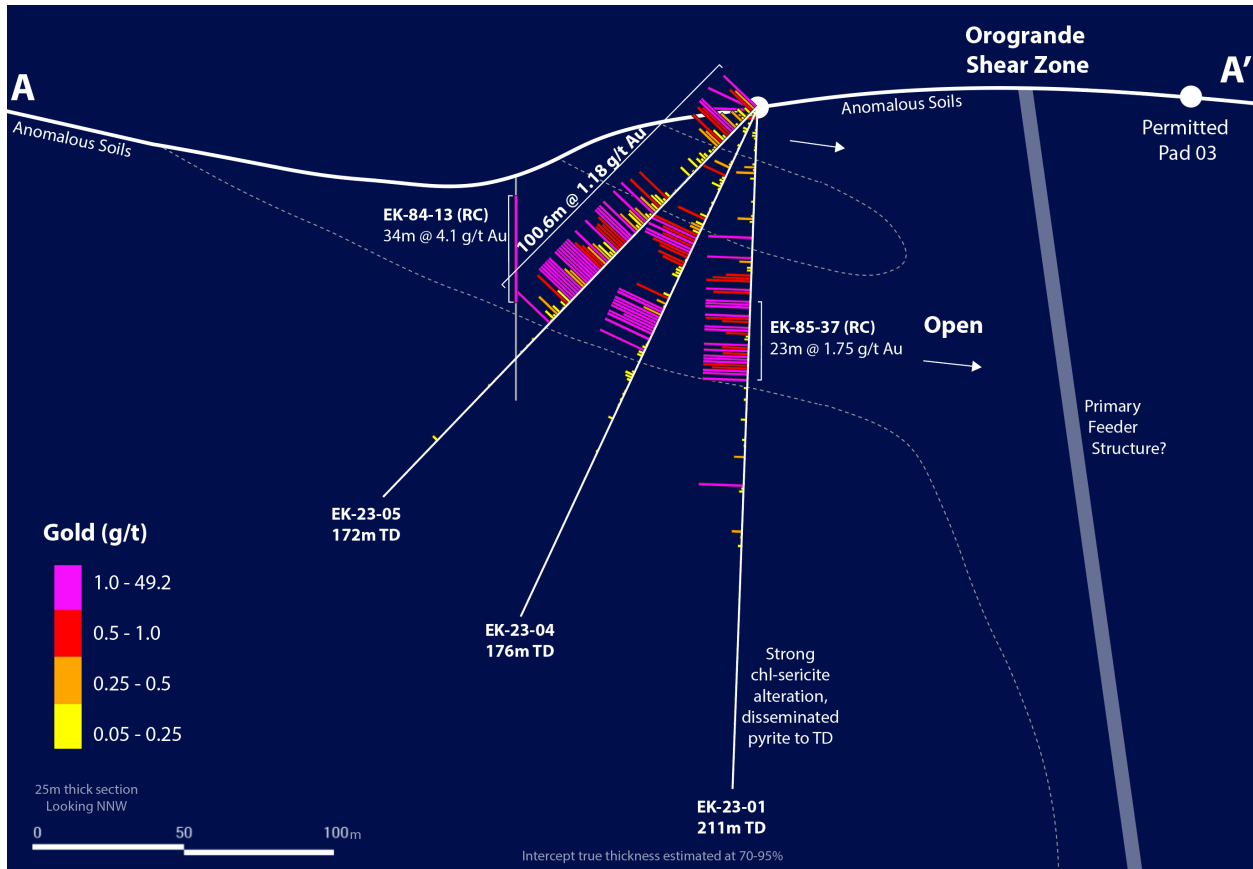
Drill holes EK-23-03 to EK-23-05 are shown on a cross section in Figure 2, EK-23-01 and EK-23-02 were drilled on a vertical fan from the same pad with a 30 degree southwest offset azimuth. Gold mineralization occurs within an east dipping metamorphosed biotite gneiss with minor pegmatite dikes and is strongly associated with pervasive sericitic alteration (illite-muscovite) and >3 volume percent quartz, pyrite, arsenopyrite, and native gold veinlets and disseminations.

Gold mineralization appears to be controlled by the ~25-degree east-dipping foliation in the gneiss, as gold grades are continuous across both vertical drill fans in this orientation. Numerous occurrences of visible gold were observed in all holes, representing the first documentation of visible gold on the property, likely due to most historical drilling being RC. Mineralization remains open in all directions, with the historical resource occurring to the south and west where most historical RC drilling has occurred. Limited historical drilling occurs immediately to the north, and no drilling exists to the east where mineralization appears to trend towards the primary splay of the Orogrande shear zone, which hosts most mineralization elsewhere in the Elk City district.

The Phase I program confirmed Scout's theory there is excellent potential to increase the historical resource (non-compliant), both in size and grade. The Phase II core program will test exploration targets outside of the known mineralized zone, especially to the east on Pad 02 and 03 where a primary feeder structure to the foliation-controlled mineralization may exist.



**Figure 1:** Plan map of Erickson Ridge primary target area showing extent of gold-in-soil anomaly, historical drill intercepts and resource area, and current program drilled from Pad 01.



**Figure 2:** Schematic cross section showing gold assay intervals of EK-23-03 to EK-23-05. Foliation of the gneiss shown with dashed lines coalescing into the Orogrande shear zone. Note continuity of gold mineralization across the drill section, indicating gold mineralization remains open and undrilled to the east and north.

### **2024 – Aggressive Project Advancement; Building Competitive Advantages**

Since closing of the final tranche of seed financing with The Electrum Group in late 2023, the Scout team has been aggressively implementing plans and preparing for field season which is now upon us – later than is usual due to late spring snows (Figure 3A). The primary focus in 2024 will be advancing the Cuddy Mountain porphyry copper project, adjacent to the Hercules discovery. The Scout team will complete detailed baseline data collection, target generation and permitting, while also advancing multiple gold projects through initial drill testing – all programs detailed below are fully funded.

**Cuddy Mountain Porphyry Copper Project:** Scout is currently completing exploration work across the project area to refine drill targets in order to initiate drill permitting. This work includes:

- Outcrop geology and alteration mapping, stream sediment sampling, 100 x 100-meter spaced soil sampling, 75-meter spaced ground magnetics and VLF, a detailed 3D induced polarization (IP) survey across the property position. Drill permitting for a 2025 drill program will be initiated once all baseline data is collected and interpreted.

- Preliminary evidence from historic soil sampling and alteration mapping in 2024 suggests the potential for multiple porphyry centers on the Cuddy Mountain property – Scout’s 2024 exploration program will test this thesis.

**Elk City Orogenic Gold District; Erickson Ridge and South Orogrande Projects:** The Elk City district comprises the Company’s two highest ranked gold projects with potential to make multiple gold discoveries at depth and along strike of the Orogrande Shear Zone.

- The Company is preparing for a Phase I core program of 3,000 to 5,000 meters within the 2 x 4-kilometer gold-in-soil anomaly at South Orogrande during Q2-Q3 2024.
- Depending on the results of this program and weather conditions later in the season, Scout may elect to expand the program at South Orogrande or complete a Phase II core program at Erickson Ridge following up on compelling Phase I results as detailed above.

**Robber Gulch Carlin-type Gold Project:** Scout acquired the Robber Gulch gold project from Ridgeline Minerals in Q1, 2024 (after originally generating the project in 2019 as part of EMX).

- Q2, 2024 field work included geologic mapping, rock chip sampling, a refined soil sampling program, and drill permitting for a Phase I core program.
- Scout Drilling is currently mobilizing its core drill rig to the project and anticipates drilling of a 1,500 to 2,500-meter program to commence in May.
- This will be the first core drilled on the property, following up historical oxide gold RC drill intercepts of 12.2m @ 0.90 g/t Au within 57.9m @ 0.34 g/t Au and trenching of 45m @ 0.88 g/t Au within 189m @ 0.43 g/t Au) within a broad historical gold-in-soil anomaly.

**Lehman Butte Low Sulfidation Epithermal Gold-Silver Project:** the Company has deferred its proposed Phase I core drilling program in Q2, 2024 due to late winter snows and muddy road conditions. Scout may elect to drill Lehman Butte later in 2024 or 2025.

- Additional geologic mapping, rock and soil sampling, and drone magnetics are planned for the southern half of the property in 2024 to support a maiden drill program in 2024-25.

**Jacknife Silver Valley-style Ag-Pb-Zn Project:** Scout’s planned 2024 exploration program includes the following:

- Geologic mapping, rock and soil sampling, and 3D modeling of historical drilling and underground development on numerous levels to 600 meters depth.
- This work will form the basis of a planned Phase I core drilling program in 2025 within and along strike of the historical resource area. Drilling will follow up on historical intercepts of 1.4m (101.4-102.8m) @ 692 g/t Ag, 5.7% Pb, 0.4% Zn, and 0.42 g/t Au (ABM-12-DH2) and 0.6m (100.4-101m) @ 1,106 g/t Ag, 0.65% Pb, 0.23% Zn, 0.81 g/t Au (ABM-12-DH4) (true thicknesses unknown).



**Figure 3:** Select photos of 2024 progress to date; A) Scout technical team soil and rock sampling at the Cuddy Mountain project on May 1<sup>st</sup>, 2024, B) Scout Drilling completing a 700 meter HQ core hole in Nevada for a client, C) Scout’s upgraded core processing and imaging facility in Coeur d’ Alene, Idaho, D) Principal Geologist Pat Donovan and Project Geologist Ben Withers (photographer) mapping and sampling jasperoid at the Robber Gulch project in April, 2024.

**Early-Stage Precious and Base Metal Portfolio:** Scout continues to work with EMX on finalizing updated option agreements for the earlier-stage precious and base metals projects. The Company intends to complete evaluation work across the portfolio this field season to refine the projects to those that contain Tier One-scale opportunities after first pass targeting work. In addition, Scout continues to build out its property positions in the key districts in which it operates.

**Drilling Operations:** Scout Drilling, the wholly owned drilling subsidiary of the Company, has continued core drilling on third-party contracts in the western U.S. through Q2 to complete

commitments made in 2023, as well as allowing for late winter snows to melt in Idaho. It is estimated this contract drilling in Q1-Q2 will generate revenue of approximately US \$800,000 for the Company. During May and moving ahead in 2024, Scout Drilling will focus its efforts on Scout's wholly owned projects.

**Internal Capabilities and Competitive Advantages:** Scout's unique business model of integrating drilling with a fully capable exploration team has been a distinct advantage allowing the Company to generate revenue during challenging financing environments, and when focused on internal projects like the present, to complete more exploration per dollar spent – the most important predictor of discovery success. Scout has continued investing in internal capabilities to further build competitive advantages and increase the odds of discovery:

- Scout Drilling: the Company continues to invest in its drilling capabilities of its current [Hydracore HC2000](#) skid-mounted and heli-portable drill (Figure 3B) including an upgraded mud system, and has purchased its second drill rig, a new [Sandvik-designed SCX DE712](#) track-mounted core drill with 1,100 meter depth capacity through our partners at [RockTech USA](#), where Scout also sources drill tooling and components. The addition of a second core drill with a local spare part source at RockTech should significantly increase Scout's productivity, lower cost per meter drilled, and increase the ability to rapidly advance projects through drilling.
- TerraCore hyperspectral core imaging facility: the most important component to assess the potential for a discovery and scale of a mineral system is rock alteration. Much of this alteration is cryptic and requires methods beyond a geologist's hand lens to properly identify and quantify, which can mean the difference between drilling or dropping a project. The most reliable method for quantifying rock alteration is through hyperspectral imaging, and for this reason, Scout has established a new partnership with [TerraCore](#), the world leader in this technology. Scout now hosts their most advanced imaging system – one of only a few units globally with long-wave infrared capabilities – at its core processing facility in Coeur d'Alene, Idaho. In addition to imaging Scout's core, the Company will act as operator for all third-party core imaging in the northwestern US, with revenue shared between Scout and TerraCore. Scout and TerraCore have also jointly developed the Webviewer linked near Table 1 above for displaying core photos and mineralogy data
- Integrated core processing, cutting, and prep facility: as is shown in Figure 3C, Scout has upgraded its core processing and cutting facility in Coeur d' Alene with the installation of roller tables and an auto-style core saw. The Company is also commissioning its internal prep facility including sample drying, crushing, pulverizing, and sieving to final specification for assaying. During 2023, Scout experienced 12 to 18-week sample turn-around times for analyses at third party labs, much of which was due to slow sample prep times. This turnaround time significantly hinders the exploration process, as often a drill program has been completed and drill rig moved elsewhere before results are received. In addition, sample prep costs equate to approximately 10-20% of total analytical costs and because no nearby prep facilities exist, the Company incurs major cost transporting full samples to prep facilities. Scout anticipates with an internal core processing, cutting, and prep lab we will experience 50-70% shorter turn-around time on assays with savings of \$250,000-400,000 per year in analytical and shipping costs.

In addition to the plans and advancements above, the Company has completed the onboarding of Computershare as its transfer agent and is pursuing U.S. Critical Minerals funding for its projects.

Scout is thankful for its supportive shareholders who have made our progress to date possible, and the Company looks forward to continuing to accelerate its efforts in Idaho through 2024 and beyond.



### **About Scout**

Scout Discoveries Corp. is a U.S. mineral exploration company headquartered in Coeur d'Alene, Idaho with 100% ownership of five precious and base metals projects in Idaho, and an option to acquire 100% of ten additional projects, comprising the largest unpatented claim holdings in the state. Scout is focused on the goal of rapidly advancing its large portfolio of projects through discovery with its internal core drill rigs and technical team.

More information on Scout Discoveries Corp. can be found at: [www.scoutdiscoveries.com](http://www.scoutdiscoveries.com).

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