NEWS RELEASE

Silver Hammer Reports Drill Results from Phase II Program at the Silver Strand Project in Idaho

Vancouver, British Columbia – January 4, 2023 – Silver Hammer Mining Corp. (CSE: HAMR; OTCQB: HAMRF) (the **"Company"** or **"Silver Hammer"**) is pleased to report drill results from the Phase II drilling program at the Silver Strand Project ("Silver Strand" or "the Project"). The Company completed nine drillholes from its previously established underground drilling station that were generally focused on testing the historically mined zone of gold-silver ("Au-Ag") mineralization at greater depth and further along strike.

Key Highlights and Takeaways:

- Six of the nine drillholes returned >100 grams per tonne ("g/t") Ag and/or >1 g/t Au intercepts.
- SS22-017 intersected **2.9 g/t Au over 8.4 metres ("m")**, including **4.4 g/t Au and 74.5 g/t Ag** over 1.8 m, demonstrating the potential for significant gold grades at Silver Strand.
- SS22-015 intersected three mineralized zones, including **613 g/t Ag** over 0.5 metres ("m") extending mineralization to 65 m below historical workings.
- SS22-18 also intersected multiple zones: **212 g/t Ag** and 0.67 g/t Au over 1.5 m, and **2.45 g/t Au** and 8.9 g/t Ag over 4.4 m.
- SS22-011 intersected **115 g/t Ag and 2.0 g/t Au** over 0.7 m within a broader 5.5 m interval of lower grade Ag mineralization, and an additional 9.9 g/t Ag and 1.7 g/t Au intercept over 2.1 m further downhole **in an area with no previous drilling.**
- 2022 drilling results extend mineralization further along strike to the northwest, southeast and to depth (see Figure 1 and Table 1).

"These new results demonstrate consistent gold and silver values in mineralization beneath and adjacent to the historical mine workings at Silver Strand," stated Interim President and CEO, Warwick Smith. *"We are particularly encouraged to see elevated gold values in mineralization extending beyond our previously modeled and interpreted zone that was based on limited historical drilling. We believe we are still very much in the upper part of the structurally controlled Ag-Au system and these new results from a modest (667 m) and cost-effective drilling program coupled with our recently completed geophysics point to the potential for additional lenses of mineralization that we can pursue in subsequent drilling campaigns."*

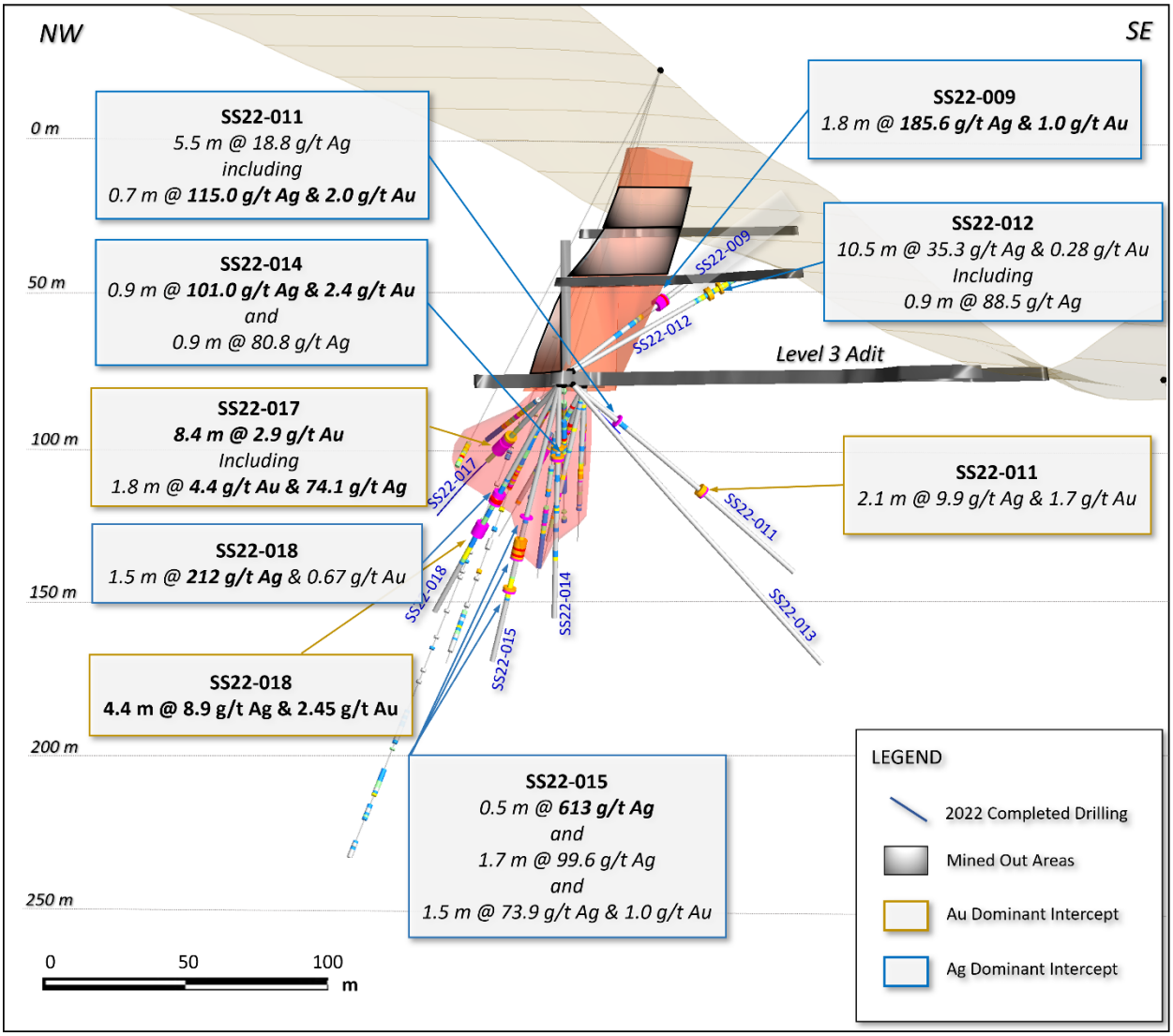

Figure 1: Previously modelled mineralized zone and mined out areas shown with highlighted Phase II results. Downhole grade class colours shown on drillhole traces combine anomalous values for gold and silver.

Program Details and Interpretation and Summary of Results

A total of nine HQ (6.35 centimetre) core holes were completed by local drilling contractor, Nasco Industrial Service and Supply (NISS), totaling 667 metres ("m"). Eight of the nine holes, drilled from an underground drilling station established by the Company, encountered mineralization within the anticipated structural and silicified zone which measures 30 m wide over a 170 m strike length to-date. This structural zone is defined by multiple, near-vertical fractures some of which are intruded by post-mineral mafic dikes that can be traced along the surface by magnetics surveying.

The results from the Phase II drilling program at Silver Strand demonstrate that the mineralized system continues well outside of the previously mined areas. Drillholes SS22-009, SS22-011, SS22-012, and SS22-013 were designed to test to the southeast beyond the modelled Silver Strand mineralization. Three of these drillholes successfully intersected Au-Ag mineralization and lend support to the Company's view that the known Silver Strand zone can be extended to greater depth and that there is good potential for additional mineralized 'chutes' along strike. Besides yielding encouraging intercepts of Au-Ag mineralization the Phase II drillholes confirmed that the known mineralization is hosted within a 20 to 40 m wide zone of pervasive silicification that is superimposed on fractured quartzite rocks believed to belong to the Revett formation, the most productive ore-hosting formation in the Coeur d'Alene mining district. Also, the drillholes intersected at least four post-mineral mafic dykes that are interpreted to have been intruded into the quartzites along structures some of which had already acted as conduits for the precious metal-enriched hydrothermal fluids. In fact, the better mineralized intercepts are found along the faulted contacts of a number of the mafic dykes.

Going forward, the Company will be updating its 3D model of the Silver Strand deposit, incorporating lithological and alteration information as well as the multi-element geochemical data produced by the drillhole assays from the two drilling programs. The new model will then be examined in the context of the existing magnetics and induced polarization survey data the Company has acquired over the known mineralization. It is anticipated that a geophysical 'signature' will be defined for the Silver Strand structure which will allow it to be traced across the property, a potential strike length of five kilometers. This will then translate into new high-potential drill targets being defined on the 5.85 km² property.

Technical Background

The world-class northern Idaho silver-lead-zinc mining district is underlain by Proterozoic fine-grained metasedimentary rocks of the Belt Supergroup. Regional compressive tectonism folded the quartz-rich sandstones, siltstones and mudstones into WNW-ESE trending anticlines and synclines, with steeply inclined major fractures being developed along the limbs of these folds, particularly within quartz-rich meta-sandstones (eg. Revett formation quartzites). A major hydrothermal event, possibly related to the emplacement of the Idaho Batholith to the south of the district, deposited into some of the more continuous quartzite-hosted fractures iron carbonate and quartz followed by Pb, Zn, Cu-Sb-Ag sulphides giving rise to the productive Pb-Zn and Ag-rich veins of the Coeur d'Alene district. Subsequent to the regional Pb-Ag-Zn mineralizing event, the folded Belt metasedimentary rocks were subjected to ESE-WNW directed compression that resulted in dextral shearing along pre-existing structures giving rise to the district's major strike-slip faults, including the Osburn Fault.

Table 1: Highlighted Drill Results from Phase II Campaign at Silver Strand

Hole_ID	From (m)	To (m)	INTVL (m)	True Thickness (m)	Au g/t	Ag g/t
SS22-009	37.2	39.0	1.8	1.5	1.0	185.6
SS22-010	No Samples					
SS22-011	16.2	21.6	5.5	4.4	nill	18.8
including	17.7	18.4	0.7	0.6	2.0	115.0
	51.5	53.6	2.1	1.7	1.7	9.9
SS22-012	44.0	54.6	10.5	9.3	0.28	35.3
including	47.2	48.8	1.6	1.4	nill	43.3
	51.4	52.3	0.9	0.8	nill	88.5
SS22-013					nill	nill
SS22-014	23.5	24.4	0.9	0.4	2.4	101.0
	39.6	40.5	0.9	0.4	nill	80.8
SS22-015	43.9	44.4	0.5	0.2	nill	613.0
	53.0	54.7	1.7	0.8	nill	99.6
	55.9	57.4	1.5	0.7	1.0	73.9
SS22-017	29.7	38.1	8.4	7.3	2.9	20.4
including	30.8	32.6	1.8	1.6	4.4	74.1
SS22-018	42.7	44.2	1.5	1.0	0.67	212
	55	59.4	4.4	3.0	2.45	8.9

*All reported intervals are downhole core lengths. Estimated true thickness' range from 50% to 90% depending on the angle of the drillholes.

Quality Assurance, Quality Control

Sample Security

The following measures were taken to ensure sample security: samples were submitted to the American Analytical Services (AAS) by company personnel following the guidelines and procedures of Silver Hammer Mining Company; only authorized personnel have attended the samples; core was logged at the Silver Hammer core processing facility and then transferred to the AAS lab in Osburn, Idaho.

Analysis Suite

All drill core samples were analyzed by AAS using conventional assay methods involving the fire assaying of 30-gram charges of pulverized sample material for gold and silver, with ICP finishing. Gravimetric analyses were to be applied to any samples that yielded

Au values greater than 10 g/t Au and 10 g/t Ag. In addition, pulverized charges were collected for all core samples and were entirely dissolved using 4-acid digestion, with the final solution being analyzed for 35 elements using the ICP-MS method.

Audits or reviews

Internal review of sampling techniques, data, and drilling results by the Company's management is routinely done through the course of the project.

Standards, Blanks and Duplicates

For quality assurance/quality control purposes, the batches of core samples sent to AAS for assaying and ICP analyses were regularly infused with 'duplicate', 'standard' and 'blank' samples. So-called 'standard' samples consisted of certified reference material (OREAS 611) of pulverized rock obtained from OREAS, a company that provides certified reference materials. The 'blank' samples consisted of barren landscaping gravel, while the 'duplicates' were in fact laboratory duplicates created during sample preparation at the labs of AAS. The laboratory also provided analytical results for their own reference samples for further a QA/QC check. The standards and blanks were inserted into the assay stream by Silver Hammer geologists.

Qualified Person

Technical aspects of this press release have been reviewed and approved by Philip Mulholland, P.Geo., the designated Qualified Person (QP) under National Instrument 43-101.

On Behalf of the Board of Silver Hammer Mining Corp.

Warwick Smith, Interim President and CEO

Corporate Office: 551 Howe Street, Vancouver, British Columbia V6C 2C2, Canada

For investor relations inquiries, contact:

Kristina Pillon, High Tide Consulting Corp.

T: 604.908.1695

E: investors@silverhammermining.com

For media inquiries, contact:

Adam Bello, Primoris Group Inc.

T: 416.489.0092

E: media@primorisgroup.com