Bayhorse Recomences Operation at Its Relocated Silver Flotation Circuit for Mineralization from Its Bayhorse Silver Mine

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Burnaby, August 10, 2020 - Bayhorse Silver Inc. (TSXV: BHS) (the "Company" or "Bayhorse") has relocated its milling and silver flotation circuit to Fruitland, Idaho, from the Bayhorse Mine site, in Oregon and increased the capacity of the circuit to allow for processing at an "as mined" tonnage of 200 tons per day from the Bayhorse Silver Mine. The Company has added trained flotation operators to its Mine staff in Idaho to recommence flotation operations and recommissioning.

As disclosed in the Company's news release BHS2020-12, metallurgical testing has achieved 87% silver recovery, with the expectation the recoveries will reach 90%. The Company is planning to produce a silver concentrate averaging 10,000 g/dmt. The concentrate is expected to contain 11% copper. The concentrate will be placed in supersacks and shipped in 25 ton containers to prospective purchasers. The Company is preparing two sample 50 ton shipments of concentrate to prospective purchasers.

Initial processing will treat the 400 tons of Ore-Sorted mineralization currently stored at the Bayhorse Mine. This will be followed by a further 300-400 tons of already mined mineralization stored inside the Mine after it is processed through the Ore-Sorter.

The Company reduces the “as mined” tonnage through pre-concentration using its state of the art Steinert X-Ray Transmissive (XRT) Ore-Sorter, that is capable of sorting the Bayhorse mineralization at a rate of 40 tons per hour. “the references to “Ore-Sorter” do not imply the property hosts “mineral reserves supported by a PFS or FS”.

Fines from 8 mm up to 25 mm, produced from mining operations, are screened off prior to crushing the over size material down to 25 mm which are then passed through the Ore-Sorter. The highly selective Ore-Sorter selects 5% - 7% of the mineralization and rejects everything under a Specific Gravity (SG) of 2.8, or 93% to 95% of the input. From an "as mined" rate of 200 tons per day, only a maximum of 40 - 50 tons per day of pre-concentrate is selected to be transported to the flotation circuit. The fines at minus 8 mm mineralization goes direct to the milling and flotation circuit.

As reported from the historic Silver King Mines 1984 mining program, mineralization was characterized as 23% at between 20 and 100 oz/t (622 - 3,210 g/t) ; 71% between 6 - 20 oz/t (186 - 622 g/t); and 6% under 6 oz/t, (186 g/t). The established cut-off grade at the time was 6 oz/t. Recent Steinert XRT Ore-Sorter rejection grades are as low as 15 g/t, as reported in the Company's news release, (BHS2020-02).

The Covid-19 lockdowns slowed the completion of the relocation and capacity increase of the mill, as well as the comprehensive metallurgical work conducted over the past number of months. The metallurgical work was in part to provide additional data to potential purchasers of the Bayhorse Silver Concentrate, and partly for the reconfiguration of the resized flotation circuit.

Bayhorse CEO, Graeme O'Neill comments, "I congratulate the Company's consultants, miners and other operations personnel for their perseverance in achieving the recommencement of Mine operations in a safe manner and under the difficult circumstances of the Coviid-19 shutdowns. I also thank our many loyal shareholders for their patience during these past trying times."

The Company is planning on recycling the majority of the water and tailings used in the flotation process to maintain the Bayhorse Silver Mine as a minimum impact mine.

The Company is not basing any decision to produce on a feasibility study of mineral reserves demonstrating economic and technical viability and advises there is an increased uncertainty and specific economic and technical risk of failure with any production decision. These risks include, but are not limited to, (i) a drop in price of commodities produced, namely silver, copper, lead and zinc, from the pricing used to make a production decision; (ii) failure of grades of the produced material to fall within the parameters used to make the production decision; (iii) an increase in mining costs due to changes within the mine during development and mining procedures; and (iv) metallurgical recovery changes that cannot be anticipated at the time of production.

This News Release has been prepared on behalf of the Bayhorse Silver Inc. Board of Directors, which accepts full responsibility for its contents. Dr. Stewart Jackson, P.Geo., a Qualified Person and Consultant to the Company has prepared, supervised the preparation of, and approved the technical content of this press release.

On Behalf of the Board,

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About Bayhorse Silver Inc.

Bayhorse Silver Inc. is an exploration and production company with a 100% interest in the historic Bayhorse Silver Mine located in Oregon, USA, and an option on the Brandywine, precious metals rich, volcanogenic massive sulphide property located in B.C., Canada. The Company has an experienced management and technical team with extensive mining expertise surrounding exploration and building mines.

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