



1911 GOLD CORPORATION ANNOUNCES CLOSING OF \$5.2 MILLION "BOUGHT DEAL" PRIVATE PLACEMENT OF FLOW-THROUGH SHARES

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Toronto, Ontario, July 14, 2020 – 1911 Gold Corporation ("1911 Gold" or the "Company") (TSXV: AUMB) is pleased to announce that it has closed its previously announced "bought deal" private placement of 8,200,000 common shares in the capital of the Company that will qualify as "flow-through shares" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada)) (collectively, the "**Flow-Through Shares**") for aggregate gross proceeds of \$5,208,000 (the "**Offering**"). The Flow-Through Shares were issued in two tranches with tranche one consisting of 4,275,000 Flow-Through Shares (the "**Premium FT Shares**") issued to purchasers resident in Manitoba at a price of \$0.75 per Premium FT Share for aggregate gross proceeds of \$3,206,250 and tranche two consisting of 3,925,000 Flow-Through Shares (the "**National FT Shares**") issued to purchasers resident outside of Manitoba at a price of \$0.51 per National FT Share for aggregate gross proceeds of \$2,001,750.

Canaccord Genuity Corp., BMO Capital Markets and Stifel GMP acted as underwriters (collectively, the "**Underwriters**") in connection with the Offering pursuant to the terms of an underwriting agreement dated July 14, 2020. In consideration for their services in connection with the Offering, the Company paid the Underwriters a cash commission equal to 4.7% of the aggregate gross proceeds from the sale of Flow-Through Shares, and a reduced cash commission equal to 2.0% of the aggregate gross proceeds from the sale of Flow-Through Shares to certain purchasers on the "President's List". As additional consideration for their services in connection with the Offering, the Company issued the Underwriters non-transferable broker warrants of the Company ("**Broker Warrants**") equal to 4.0% of the aggregate number of Flow-Through Shares issued, and a reduced number of Broker Warrants equal to 2.0% of the aggregate number of Flow-Through Shares issued to certain purchasers on the "President's List". Each Broker Warrant is exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.60 per share until January 14, 2022.

The gross proceeds from the sale of the Flow-Through Shares will be used by the Company to incur eligible "Canadian exploration expenses" (as defined in the *Income Tax Act* (Canada)) that will qualify as "flow-through mining expenditures" (as defined in the *Income Tax Act* (Canada) and, in respect of the Premium FT Shares, subsection 11.7(1) of *The Income Tax Act* (Manitoba)) (the "**Qualifying Expenditures**") related to the Company's projects in Manitoba and, in respect of proceeds from the sale of the National FT Shares, Ontario. All Qualifying Expenditures will be renounced in favour of the subscribers of the Flow-Through Shares effective December 31, 2020.

The Offering was made by way of private placement in Canada pursuant to applicable exemptions from the prospectus requirements under applicable Canadian securities laws. The securities issued under the Offering are subject to a hold period under applicable Canadian securities laws which will expire on November 15, 2020. The Offering is subject to final acceptance of the TSX Venture Exchange.

Blair Schultz, a director of the Company, Michael Hoffman, a director of the Company, and Shaun Heinrichs, an officer of the Company, subscribed for 100,000 National FT Shares, 50,000 National FT Shares and 30,000 National FT Shares, respectively, under the Offering on the same terms as arm's length investors. The participation of each of Messrs. Schultz, Hoffman and Heinrichs in the Offering constitutes a "related party transaction" for the purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offering in reliance on sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101, as no securities of the Company are listed or quoted on the specified markets and neither the fair market value of the securities issued to Messrs. Schultz, Hoffman and Heinrichs nor the fair market value of the consideration for the securities issued to Messrs. Schultz, Hoffman and

Heinrichs exceeds 25% of the Company's market capitalization as calculated in accordance with MI 61-101. The Company did not file a material change report more than 21 days before the expected closing date of the Offering as the aforementioned insider participation had not been confirmed at that time and the Company wished to close the Offering as expeditiously as possible.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, or any state securities law, and may not be offered or sold in the United States absent registration or an exemption from such registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About 1911 Gold Corporation

1911 Gold is a junior gold producer and explorer that owns the True North mine and mill complex, and is reprocessing historic tailings on a seasonal basis. In addition to operating True North at Bissett, Manitoba, 1911 Gold holds approximately 54,000 hectares of highly prospective land within and adjacent to the Rice Lake greenstone belt. 1911 Gold believes its land package is a prime exploration opportunity, with potential to develop a mining district centred on its True North facility. The Company also owns the Tully project near Timmins, Ontario, and intends to focus on both organic growth opportunities and accretive acquisition opportunities in North America.

1911 Gold's True North complex and exploration land package are located within the traditional territory of the Hollow Water First Nation, signatory to Treaty No. 5 (1875-76). 1911 Gold looks forward to maintaining open, co-operative and respectful communication with the Hollow Water First Nation in order to build mutually beneficial working relationships.

ON BEHALF OF THE BOARD OF DIRECTORS

Ron Clayton
President and CEO

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This news release may contain forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

All forward-looking statements reflect the Company's beliefs and assumptions based on information available at the time the statements were made. Actual results or events may differ from those predicted in these forward-looking statements. All of the Company's forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions listed below. Although the Company believes that these assumptions are reasonable, this list is not exhaustive of factors that may affect any of the forward-looking statements.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different

from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements with respect to the use of proceeds of the Offering, the timing and ability of the Company to receive necessary regulatory approvals, the tax treatment of the Flow-Through Shares, the timing for the Qualifying Expenditures to be renounced in favour of the subscribers and the plans, operations and prospects of the Company, are forward-looking statements. Although 1911 Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

All forward-looking statements contained in this news release are given as of the date hereof. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE: 1911 Gold Corporation