

TAKU GOLD TO SELL THE TAG PROPERTY FOR UP TO \$1.2 MILLION PLUS ROYALTY

Vancouver, British Columbia – August 4th, 2020 – Taku Gold Corp. (**CSE: TAK; OTC: TAKUF**) (“Taku” or the “Company”) announces that it has entered into an agreement with Engineer Gold Mines Ltd. (“Engineer”) for the sale of a 100% interest in the TAG property (“Property”) located near Atlin, BC for considerations of up to \$1.2 million plus a 1.0% NSR royalty, which can be purchased by Engineer for \$1.0 million. This sale will enable the Company to focus on its Yukon exploration programs which will be announced shortly.

“This transaction enhances the Company’s working capital position based on cash proceeds and considerable equity participation in Engineer Gold Mines while also providing significant optionality to future exploration and development success. Importantly, this agreement allows Taku to focus its efforts on its key Yukon projects in the Klondike and White Gold districts, including Rosebute, Sonora Gulch and Portland.” Commented Jordan Butler, Taku Gold’s Chief Executive Officer.

Closing of the transaction is subject to completion of a definitive agreement based on the key terms outlined in the binding Memorandum of Understanding (“MOU”). The MOU outlines the following considerations to Taku Gold Corp. in exchange for the TAG Property:

- \$200,000 in cash, with \$100,000 already received and an additional \$100,000 due on or before November 30, 2020;
- \$330,000 in shares based on the issuance of 2,000,000 common shares of Engineer at \$0.165 within five days of applicable stock exchange approvals of a definitive agreement;
- \$250,000 in advance royalty payments over ten years, payable in cash or shares;
- \$500,000 payment upon on completion of a Preliminary Economic Assessment or Feasibility Study that includes mineral resources located within the Property; and
- A 1.0% Net Smelter Return royalty, which can be purchased by Engineer for \$1,000,000 in cash.

Taku Gold and Engineer expect to complete a definitive agreement on or before August 31, 2020. A definitive agreement is subject to applicable stock exchange approval.

Board Appointment: Jordan Butler, Chief Executive Officer & Director

The Company also announces that the Board of Directors has appointed Mr. Jordan Butler as a Director in addition to his role as Chief Executive Officer of the Company.

About Taku Gold Corp.

Taku Gold Corp. is a mineral exploration company with key assets in Canada’s Yukon Territory. The Company holds one of the largest land packages within the prolific White Gold and Klondike

districts, where numerous significant discoveries have recently been identified and are emerging as the focus of the new Yukon Gold Rush.

The Company's portfolio consists of more than 10 properties and ~50,000 hectares within the White Gold and Klondike districts including several advanced exploration targets identified on key properties including the Portland, Rosebute and Sonora Gulch projects. Taku also holds several properties within the Keno Hill silver district of the Yukon.

For more information please contact:

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Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release. This release may contain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results to vary materially from targeted results. Such risks and uncertainties include those described in the Company's periodic reports including the annual report, the entry into a definitive agreement with Engineer Gold Mines Ltd or in the filings made by the Company from time to time with securities regulators. The Company undertakes no obligation to publicly release the result of any revision of these forward-looking statements to reflect events or circumstances after the date they are made or to reflect the occurrence of an unanticipated event.