

Fox Automotive Switzerland AG announces Hungary subsidiary for production line and update on RTO

Herisau, Switzerland--(Newsfile Corp. - September 24, 2019) - Fox Automotive Switzerland AG ("**Fox**") and Phoenix Gold Resources Corp. (TSXV: PXA) ("**Phoenix**" or the "**Company**"), is pleased to provide an update referring to the latest developments and preparation for production and sale of MIA EV 2.0 in Hungary and across Europe. Fox reports that over the course of the third quarter of 2019, Fox has founded the fully owned Hungarian subsidiary called **FOX AUTOMOTIVE HUNGARY ZRT**. The Hungarian subsidiary is headed by Mr. Ekkehard Philipp as CEO. Mr. Philipp was until 2017, Managing Director and Chief Financial Officer of Mercedes-Benz Manufacturing Hungary and built up its Hungarian manufacturing plant under his leadership and direction. This Mercedes plant started from greenfield and now produces 200,000 vehicles annually.

The Manufacturing site of the new MIA production plant is located in the western part of Hungary and in the logistically favourable triangle of Austria-Slovakia-Croatia.

During the summer months, Fox provided full support to legal due diligence and adapting financials statements from Swiss Accounting Standards to IFRS. The audit of the accounts of Fox is being carried out by Davidson & Company LLP, Chartered Professional Accountants, Vancouver, Canada. Fox confirms the company continues to proceed with the proposed reverse takeover transaction of Phoenix Gold Resources Corp. (the "**Transaction**") previously announced in a joint press release dated July 3, 2019, and will sign a definitive agreement once legal documentation and related work is completed.

Fox is raising funds in Europe to raise equity financing of a minimum of \$3,000,000 to a maximum of \$9,000,000 as previously disclosed in the July 3, 2019 press release to satisfy working capital requirements for Fox's business plans to support its application to become a Tier 1 Listed Issuer under the policies of the TSX Venture Exchange (the "**TSXV**") with the trading symbol, "FOXEX".

Fox also wishes to announce its management is presently in negotiating potential strategic partnerships with automotive industry suppliers and financial groups in Korea, India, Germany, Hungary and the Middle East. These parties have met in person in Hungary with test drives of the MIA EV 1.0 in Budapest. Fox will announce further details as to material developments as negotiations proceed.

About Fox

Fox is incorporated under the laws of Switzerland having its address at St. Gallerstrasse 49, Herisau, Switzerland CH-9100, and is engaged in the commercialization of electric vehicles under the MIA[®] Electric Vehicle brand. It has a full-fledged assembly line, which is expected to be capable of producing 12,000 EV cars per year as street certified cars for the European market by early 2020. Fox continues to advance its electric vehicle technology to increase mileage per charge to develop affordable mobility options in the electric vehicle space.

Additional disclosure about Fox, its business, management and financial performance, all as required under applicable securities laws and the policies of the TSXV, will be publicly disclosed in due course.

About Phoenix

Phoenix is a mineral exploration and development company. The business activity of the Company includes acquisition and exploration of the gold mineral rights located in Battle Mountain, Nevada, USA. It currently holds interests in the Plumas property, which consists of 2 patented lode mining claims with extra lateral rights covering an area of 40 acres, as well as 1 patented mill site claim consisting of 8.5 acres; and the Eldorado property comprising 1 patented lode mining claim covering an area of 20 acres located in Battle Mountain, Lander County, Nevada. The company is based in Vancouver, Canada.

General

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Phoenix should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

For more information, please contact:

Fox:

Andreas Kratzer
CEO, Fox Automotive Switzerland AG

St. Gallerstrasse 49
CH-9100 Herisau, Switzerland
Email: a.kratzer@fox-automotive.ch

Phoenix:

Andrew Lee
Director, Phoenix Gold Resources Corp.
Suite 210, 905 West Pender Street
Vancouver, British Columbia
Canada, V6C 1L6
Email: ys.andrew.lee@gmail.com
Telephone: (604) 720-2703

Neither the TSX Venture Exchange Inc. 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.

Forward-Looking Information

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking information is not representative of historical facts or information or current conditions, but instead represents only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information contained herein may include, but is not limited to, information concerning the Transaction and matters related thereto, expectations regarding whether the Transaction will be consummated, including whether conditions to the consummation of the Transaction will be satisfied, the timing for completing the Transaction, expectations for the effects of the Transaction or the ability of the Fox to successfully achieve its business objectives, its equity financing, and expectations for other economic, business, and/or competitive factors.

By identifying such information in this manner, the Company is alerting the reader that such information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information. In addition, in connection with the forward-looking information contained in this news release, the Company has made certain assumptions. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information is the following: the ability to consummate the Transaction and the Concurrent Financing; the ability to satisfy listing and other requirements of the TSXV, including the ability to obtain TSXV approval; the ability to obtain requisite regulatory and securityholder approvals and the satisfaction of other conditions to the consummation of the Transaction on the proposed terms and schedule; the ability to satisfy the conditions to the consummation of the Fox's equity financing; the potential impact of the announcement or consummation of the Transaction on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation; and the diversion of management time on the Transaction and the financing. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information is reasonable, undue reliance should not be placed on such information, and no assurance or guarantee can be given that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The forward-looking information contained in this news release is made as of the date of this news release, and the Company does not undertake to update any forward-looking information that is contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

(Not for dissemination in the United States of America.)



Phoenix Gold Resources Corp.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/48119>