

Phoenix Gold Signs Option to Acquire Past-Producing Copper-Zinc Mine in Newfoundland

Vancouver, British Columbia--(Newsfile Corp. - March 1, 2021) - Phoenix Gold Resources Corp. (TSXV: PXA) ("Phoenix Gold" or the "**Company**") is pleased to announce that it has entered into an option agreement with WBN Prospecting Group (the "Optionor") to acquire a 100% interest in the York Harbour Property ("York Harbour" or the "Property"), consisting of five mineral licences and 156 mineral claims totalling 3,900 hectares.

The Property is located 27 km west of the city of Corner Brook, Newfoundland and is accessible by a provincial highway (Route 450). The deposit at York Harbour comprises a series of stratabound, Cyprus-type volcanogenic Cu-Zn massive sulphide lenses, hosted by simply folded ophiolitic mafic volcanic rocks of the Bay of Islands Complex. Earliest reported production is from 1898 to 1913 which amounted to approximately 90,000 tons of ore grading 3-12% copper and 7% zinc being extracted according to the Mineral Occurrence Database System Report website for Labrador and Newfoundland¹.

Extensive exploration by various companies have been carried out on the Property including over 10,900 metres of underground drilling and 8,200 metres of drilling from surface; airborne and ground geophysical surveys; geological mapping; and geochemical sampling over the years which has resulted in the discovery of eleven lenses ("zones") of copper-zinc enriched massive sulphides for which several resource estimates have been calculated (Table 1)².

Table 1: Compiled historical estimated resources*

Year	Company	Estimated Resources (tonnes)	Cu (%)	Zn (%)	Ag (g/t)	Au (g/t)
1953-1954	Independent Mining Corp.	93,000	2.4	6.8		
1955	Big Nama Creek Mines Ltd.	176,000	2.65	8.25		
1969-1970	Long Lac Mineral Exploration Ltd.	198,000	2.68	8.25		
1977	York Cons. Expl. Ltd. (formerly Big Nama)	256,000 (with 20% dilution)	1.9	4.7		
1992	Noranda Exploration	200,000	2.68	8.25	68	<1

Table Source: 9th Year Assessment Report (2009 Work) Compilation, Prospecting, GPS from June 2009 to February 2010 on the York Harbour Property Licence 14755M (26 Claims)

*These resource estimates are historical in nature. A qualified person has not done sufficient work to classify these historical estimate as current mineral resources or mineral reserves, and Phoenix Gold is not treating them as such.

Historical exploration and mining have primarily focused on high-grade mineralized zones for copper and zinc. Samples of mined material and surface outcrops that were analysed by Messina Minerals (2009) returned concentrations of Cu ranging from 0.5 to 19.7%, Zn 0.1 to 34.0%, Ag 3 to 108 g/t, and Au 0.01 to 0.34 g/t. In addition to the high results for copper, zinc, and silver, the Messina (2009) analytical results showed noteworthy cobalt concentrations of 0.05 to 0.15%.

Phoenix Gold can acquire its 100% interest from the Optionor subject to a 2% net smelter returns royalty

("NSR") on the following terms:

- 1) payment of \$95,000 cash;
- 2) the issuance of 1,485,566 shares of Phoenix Gold; and
- 3) incurring \$3,000,000 in Exploration Expenditures as follows:
 - a. \$250,000 on or before the first anniversary;
 - b. \$750,000 accumulated total on or before the second anniversary; and
 - c. \$3,000,000 accumulated on or before the third anniversary.

The Company has the right to purchase from the Optionor 1% of the NSR, within one year of commencement of Commercial Production at a cost of \$1,000,000. The York Harbour transaction will be subject to review and acceptance of the TSX Venture Exchange.

"After reviewing many projects, I am very pleased we were able to close the option on York Harbour, as it holds significant exploration potential. York Harbour gives Phoenix direct exposure to the copper market, as well as being positioned with gold, silver, zinc and now possibly cobalt," stated Andrew Lee, Phoenix CEO. The Company will finalize review and data compilation and work towards designing and planning out an exploration program for 2021.

Neither the 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 press release.

John Langton (M.Sc., P.Geo.), a qualified person in accordance with National Instrument 43-101, has reviewed and approved the content of this news release.

Referenced information:

¹ <https://gis.geosurv.gov.nl.ca/mods/ModsCard.asp?NMINOString=012G%2F01%2FCu+002>

² https://gis.geosurv.gov.nl.ca/geofilePDFS/Batch2013/012G_0130.pdf

About Phoenix Gold

Phoenix Gold Resources Corp. is a mineral exploration and development company, focused on exploration, development and acquisition of mineral properties, especially gold and precious metals. The Company's Phoenix Gold Project is located in Lander County, Nevada within the Battle Mountain Mining District, which hosts a series of gold mines. The Phoenix Gold Project covers approximately 24.48 hectares, and consists of the Plumas Property and Eldorado Property. The Plumas Property consists of two patented mineral claims for a total of over 16.39 hectares with extralateral rights and one mill site claim covering approximately 8.5 acres. The Eldorado Property consists of one patented mineral claim, covering 8.09 hectares, adjacent to Newmont Goldcorp's Phoenix-Fortitude Mine.

Cautionary Statement Regarding Forward-Looking Information

This news release may contain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation. All information contained herein that is not historical in nature may constitute forward-looking information. Forward-looking statements herein include but are not limited to statements relating to the Company, and are necessarily based upon a number of assumptions that, while considered reasonable by management, are inherently subject to business, market and economic risks, uncertainties and contingencies that may cause actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements. Except as required by law, the Company disclaims any obligation to update or

revise any forward-looking statements. Readers are cautioned not to put undue reliance on these forward-looking statements.

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