



Phoenix Gold Launches Third Phase Drilling Program on York Harbour Property

VANCOUVER, British Columbia, January 25, 2022 -- **PHOENIX GOLD RESOURCES CORP.** (the “Company” or “Phoenix Gold”) (TSXV: PXA) (OTCPK: PGRCF) (Frankfurt: 5DE), is pleased to announce the commencement of its Phase 3 diamond drilling program on the York Harbour Property (the “**Property**”) in Newfoundland.

PHASE THREE EXPLORATION

The third phase of exploration drilling on the Property commenced on January 19, 2022 and is expected to be completed in March, with further follow-up drilling expected contingent on further favourable results. The current proposed program includes 22 drill holes, totalling 4,000 metres of NQ-size diamond drilling. To date, the Company has drilled 38 NQ-size drill holes, totalling 5,784 m resulting in 1,219 drill core samples comprising disseminated to massive sulfide mineralization.

The third phase drilling program will continue to explore the main historical mine area focusing on expanding the existing zones of volcanic-hosted massive sulfide (“VHMS”) copper-zinc-silver-cobalt mineralization along the known 450-metre strike length. In addition to defining mineralization along strike, this drilling will also test up and down dip extensions of the known mineralization, such as the 24.3m intersection in YH21-18. Figure 2 is a plan view of the proposed Phase 3 drill sites.

A 3D Borehole EM (‘BHEM’) geophysical survey program is being carried out concurrently with the drilling to aid in identifying mineralization that might be adjacent to a completed drill hole.

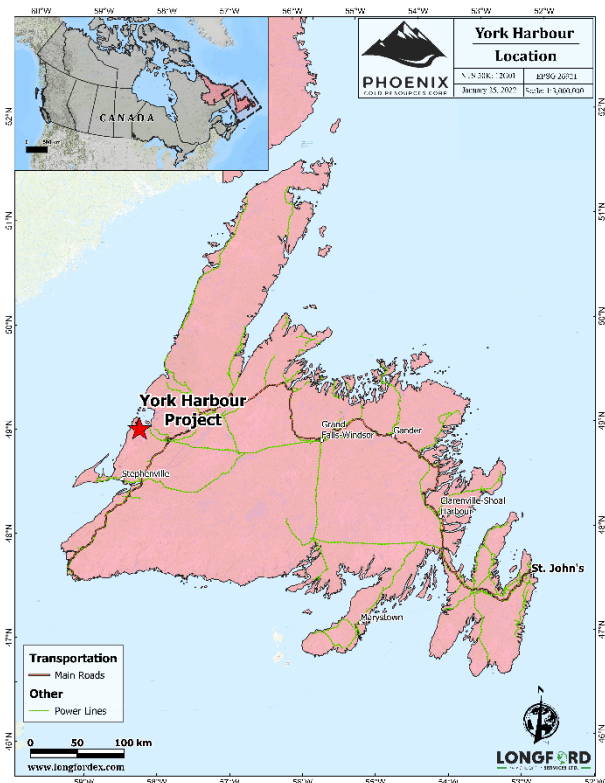


Figure 1. Newfoundland Map showing York Harbour Property Location

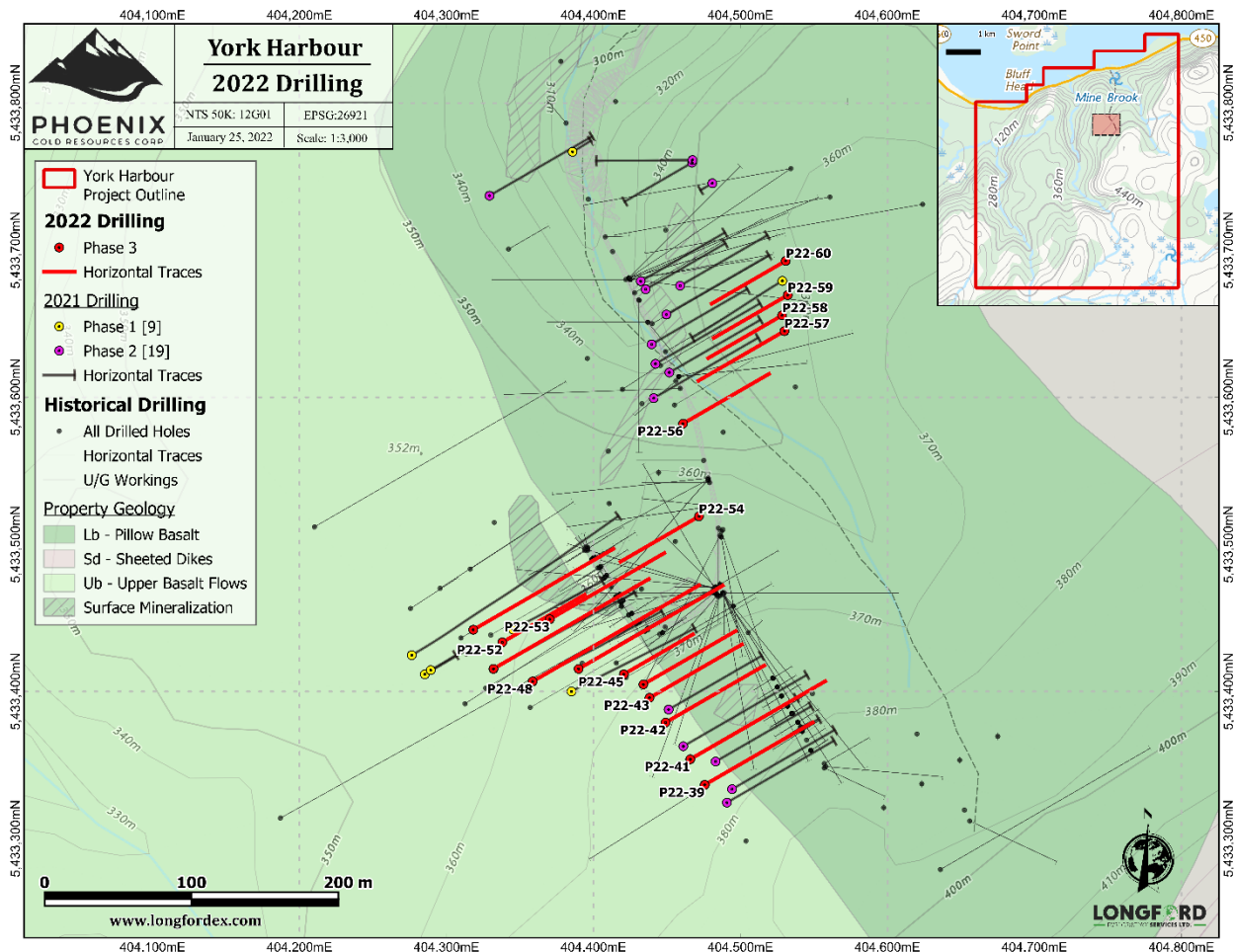


Figure 2. Map of Phoenix Gold completed drill holes and upcoming Phase 3 drill holes.

FINDINGS AND OUTLOOK

The Phase 1 diamond drilling program validated historical results within the 'A', 'G' and 'H' zones and beyond. It also confirmed the accessibility of mineralization from both the surface and from the existing underground workings. Nine diamond drill holes were completed in Phase 1 and 29 additional drill holes were completed in Phase 2 totalling 4,562m. Of the 38 holes drilled to date, 29 contain significant semi-massive or massive VHMS mineralization over drilling lengths of less than a metre to 26 m in drill hole YH21-18 (see the Company's news release from November 4th, 2021). Additional analytical results are still pending from the 2021 Phase 2 drilling and are expected in Q1 2022.

ABOUT THE YORK HARBOUR MINE PROPERTY

The Property is located 27 km west of the city of Corner Brook, Newfoundland. The initial Project area (Figure 3), on which the past producing York Harbour mine is located (Figure 2), has been the focus of documented exploration and production since 1893, with historic records from 19,323 m of drill core and 2,134 m of underground development available. The presence of copper-zinc-silver massive sulfide deposits are well established within the eleven zones historically sampled over a 600-metre strike length; records exemplify mineralization characteristics of classic mafic-

type flow dominated bi-modal mafic type (Cyprus) volcanogenic hosted massive sulphide deposits. Further exploration of the remaining known zones has not yet been completed; the exploration potential remains open for expansion on all the historically identified zones of mineralization.

Past exploration and mine development has occurred within 150 m of the surface, centered along a 350-metre section of the depositional contact between lower and upper basaltic units. A regional, slightly overturned synclinal fold is interpreted to extend and repeat the favourable mineralized horizons in the southern and western portions of the property where copper-zinc mineralization has been documented in outcrop but has received little or no modern exploration.

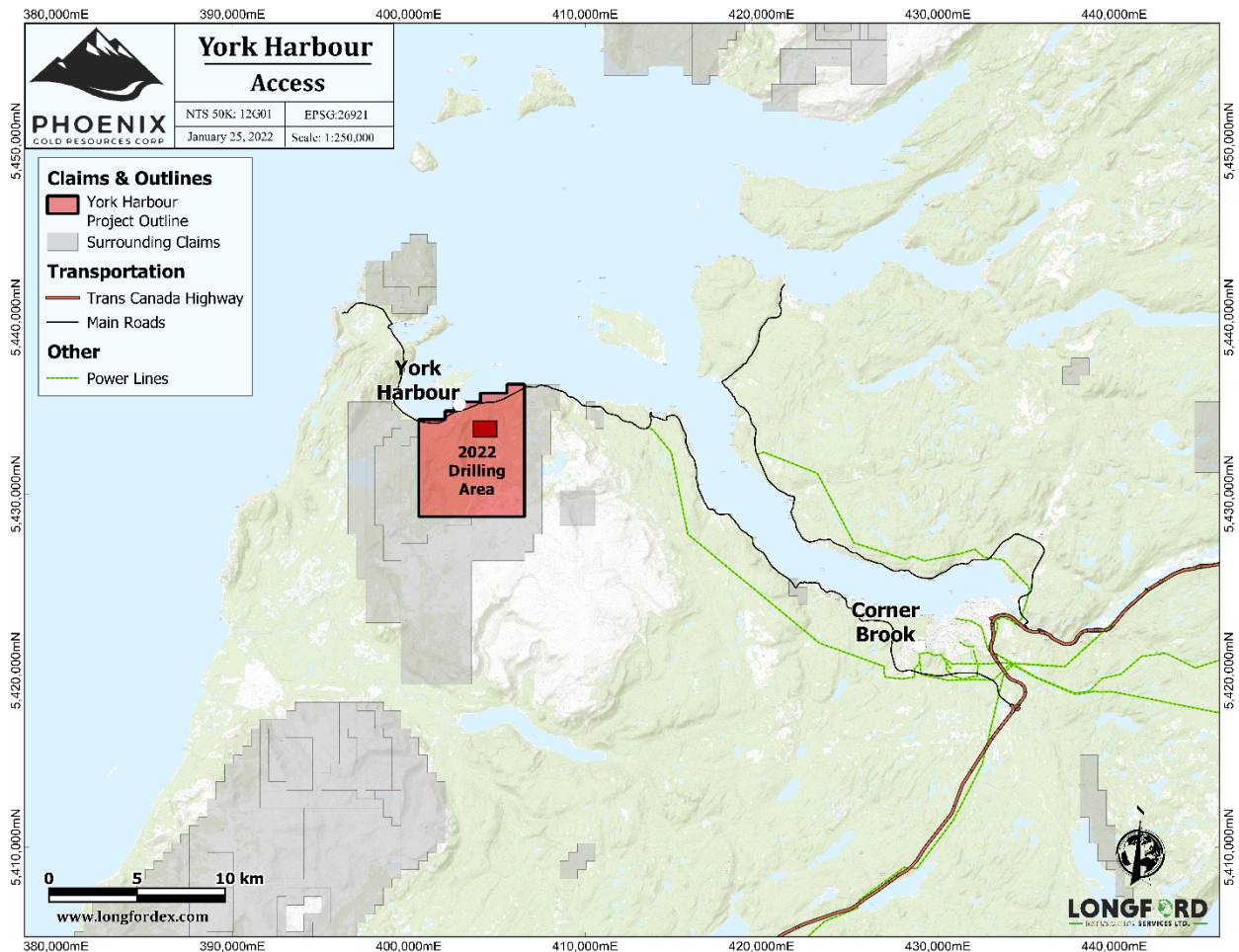


Figure 3. Map of Phoenix Gold's York Harbour Property showing initial project area containing past producing York Harbour Mine.

Qualified Person

Qualified Person: Luke van der Meer, P.Ge is an independent consultant for the Company and a Qualified Person as defined by National Instrument 43-101 Standards for Disclosure of Mineral Projects, and he has reviewed and approved the scientific and technical information in this news release.

About Phoenix Gold Resources Corp.

Phoenix Gold Resources Corp. is an exploration and development company focused on the York Harbour Copper-Zinc-Silver Project, a mineral property located approximately 27 km from Corner Brook, Newfoundland. The Company plans to continue drilling the 11 known mineralized zones and test other new massive sulphide targets, like the No 4 Brook showing, while focusing on gaining access to the 400-level and Sea Level adits.

The Company's Phoenix Gold Project is in Battle Mountain, Nevada, USA, and is described more thoroughly in the Company's geological technical report entitled, "NI 43-101 Technical Report on the Phoenix Gold Project, Lander County, Nevada, USA" dated effective September 15, 2020 by Yingting (Tony) Guo, P.Geo. Nevada is considered one of the most active mining jurisdictions globally, and the Battle Mountain Mining district is well-known for production of gold, copper and silver over the past few decades. As described in the technical report, the Phoenix Gold Project is located within 5 km of Nevada Gold Mines' (Newmont/Barrick JV) Phoenix/Fortitude open-pit mining operations.

For more information on Phoenix Gold Resources Corp. please email info@phoenixgoldresources.ca or by phone: +1-778-302-2257 or visit the website at phoenixgoldresources.ca

For the French version of this news release, past news releases, media interviews and opinion-editorial pieces by CEO and Chairman Andrew Lee.

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