

Waraba Gold Signs Definitive to Acquire Interest in Mali Gold Project

Toronto, Ontario – January 7, 2021 – Waraba Gold Limited (CSE:WBGD) (the “**Corporation**”) is pleased to announce that it has entered into a definitive agreement effective January 6, 2021 (the “**Agreement**”) with 1273795 B.C. LTD. (“**Mali HoldCo**”) pursuant to which the Corporation will acquire all of the issued and outstanding shares of Mali HoldCo (the “**Acquisition**”) by way of a three-cornered amalgamation.

Description of Mali HoldCo and its Business

Mali HoldCo is registered in British Columbia and holds a 75% interest in Gonka Gold Mali SARL (“**GGM**”).

GGM has entered into an agreement with Fokolore Mining SARL (the “**Purchase Agreement**”) to acquire the research permit to explore for gold in the Maligonga-Est (Cercle de Kéniéba) region of Mali (the “**Region**”), issued by the Government of Mali on June 10, 2016 under number 2016-2006/MM-SG (as renewed pursuant to ordinance number 2019-3557/MMP-SG on October 11, 2019, (the “**Mining Permit**”).

Under the terms of the Purchase Agreement, the parties must receive ministerial consent to the transfer of the Mining Permit to GGM and Mali HoldCo must pay a total consideration of US\$2,500,000, of which US\$250,000 has already been paid and an additional US\$1,000,000 is due by the end of March 2021, and the remaining US\$1,250,000 can be settled with shares of the Corporation. In addition, GGM will be required to pay an additional US\$1,000,000 upon proof, to an internationally recognized standard, that the area covered by the Mining Permit holds at least 1,000,000 ounces of gold; and an additional US\$1,000,000 upon proof, to an internationally recognized standard, that the area covered by the Mining Permit holds at least 1,500,000 ounces of gold.

Transaction Details

It is currently anticipated that the Acquisition will be effected by way of a three-cornered amalgamation involving a wholly-owned subsidiary of the Corporation and Mali HoldCo (the “**Amalgamation**”). The Corporation will issue 25,690,000 shares to shareholders of Mali HoldCo as consideration for all the issued and outstanding shares of Mali HoldCo, at a deemed price equal to the maximum discount allowed by the Canadian Securities Exchange at time of issuance. The final structure of the Acquisition will be determined by the parties following receipt of tax, corporate and securities law advice.

Additional Information

Investors are cautioned that any information released or received with respect to the Acquisition in this press release may not be complete and should not be relied upon. Trading in the Corporation’s shares should be considered highly speculative.

This press 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 jurisdiction in which such offer, solicitation or sale would be unlawful.

Completion of the Acquisition is subject to a number of conditions, including acceptance by governing regulatory bodies, if applicable. The Acquisition cannot close until the required

approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

For additional information, please contact:

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Forward-Looking Statements

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the proposal to complete the Acquisition and associated transactions. Any such forward-looking statements may be identified by words such as “expects”, “anticipates”, “believes”, “projects”, “plans” and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Statements about, among other things, the expected terms of the Acquisition, the number of securities of the Corporation that may be issued in connection with the Acquisition and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Acquisition will occur or that, if the Acquisition does occur, it will be completed on the terms described above. The Corporation assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.