

The Tlamino Project covers an area of approximately 200 km² in southern Serbia and is held by Medgold under two exploration licenses. Outcropping mineralization was first observed at the Barje Prospect by Yugoslav State agencies in the 1950's and 1960's when a short adit was opened but no drilling was carried out. The prospect was then held by private and public companies between approximately 2005 and 2012 during which time limited drilling failed to intersect significant mineralization.

Medgold Resources Corp. announced the initiation of a Preliminary Economic Assessment in respect to the Barje Prospect within the Tlamino Project in southern Serbia. The purpose of this study will be to constrain the self-standing economics of the Project, and most particularly its capacity to yield a marketable metal concentrate, to which end a program of metallurgical test work will be completed. Addison Mining Services Ltd. and Bara Consulting Ltd., both of the United Kingdom, have been appointed as leaders of the PEA and metallurgical studies. Reach Partners Limited, also of the United Kingdom, has been engaged to provide guidance in the fields of concentrate specification and marketing terms. Metallurgical test work will be performed by ALS Metallurgy, of Kamloops, BC. Completion of the PEA is anticipated in Q4, 2020.

The Tlamino Project

An Inferred Mineral Resource estimate containing approximately 570,000 oz Au and 8.6 Moz Ag (680,000 oz AuEq) in 7.1 Mt grading 2.5 g/t Au and 38 g/t Ag (3.0 g/t AuEq) was established for the Barje Prospect. Mineralization is at or near surface and with adjacent road and grid power access. As part of the Inferred Mineral Resource estimate, bulk rougher flotation tests were performed on two composite samples formed of 50.39 kg of core from the Company's 2018 drilling program at the Barje prospect. These samples yielded head grades of 2.04 g/t Au and 10.99 g/t Au and gold recoveries to concentrate of 88.2% and 90.5%, respectively, and silver head grades of 15.1 g/t Ag and 107.2 g/t Ag, and silver recoveries to concentrate of 88.2% and 96.4% respectively.

-Gold equivalent (AuEq) grade was calculated using the formula $AuEq = ((Ag \text{ g/t}) \times 0.012) + (Au \text{ g/t})$.

-A cut-off grade of 0.7 g/t AuEq was used for the Mineral Resource Estimate. This cut-off grade was calculated on the basis of the following assumptions: a gold price of 1350 USD/oz, a silver price of 16 USD/oz, mining costs of 3.30 USD/t, mining recovery and dilution of 5% and processing costs including tailings and concentrate handling of \$21/t. G&A costs were included within mining and processing costs. Per metallurgical test work completed to date, recovery to concentrate after flotation of 89.4% for gold and 92.3% for silver were assumed; metals were assumed to be 80% payable.

Medgold conducted mapping, surface sampling and geophysics (IP) followed by diamond drilling at the Barje Prospect in 2018 and 2019 which successfully intersected gold

mineralization in a shallowly inclined body of hydrothermal breccia below altered schist. The Inferred Mineral Resource at Barje extends from surface to a depth of approximately 110 m as a shallowly inclined zone over an area of approximately 600 m x 350 m. The true thickness of mineralization generally ranges between 10 m to 40 m.

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