

# FI<sup>Q</sup>RE GOLD

## FIORE GOLD REPORTS TWO YEAR MINE LIFE EXTENSION AT ITS PAN MINE, NEVADA

December 8, 2020

TSXV-F  
OTCQB-FIOGF

Vancouver, British Columbia – FIORE GOLD LTD. (TSXV: F) (OTCQB: FIOGF) (“Fiore” or the “Company”) is pleased to announce an updated resource and reserve estimate for its Pan open pit mine in White Pine County, Nevada.

### Highlights:

- Updated Proven and Probable mineral reserves of 24.0 million tons at a gold grade of 0.012 troy ounces per short ton (“oz/st”) or 0.41 grams per tonne (“g/t”) containing 290,500 ounces of gold (Table 1)
- The updated mineral reserve estimate represents a 6% increase in contained gold ounces and fully replaces reserves mined since the last reserve update in September 2018
- Updated Measured and Indicated mineral resources of 31.1 million tons at a gold grade of 0.014 oz/st (0.47 g/t) containing 427,400 ounces of gold (Table 2)
- The updated mineral resource estimate is 99% of the resource estimate (effective February 10, 2017) at Fiore Gold’s inception
- An updated Life of Mine (“LOM”) plan based on the updated reserve estimate extends the mine life at Pan by two years into 2025 at a mining rate of 14,000 tons per day of ore while maintaining a low life of mine strip ratio of 1.66:1

Tim Warman, Fiore’s CEO commented, “Fiore’s exploration team has once again added reserves and extended the mine life at the Pan Mine well into 2025. Our understanding of the geology and controls on mineralization at Pan has improved tremendously over the past three years and the team was able to successfully target new areas of mineralization particularly around the North Pit, as well as identifying potential new areas such as the Mustang target. The next program of resource and reserve expansion drilling is already underway at Pan, aimed at defining the resources that should see Pan continuing to operate for many years to come.”

The updated reserve and resource estimates continue to support our strategy of replacing ounces at the Pan Mine by methodically and prudently investing internal cash flow to extend the mine life. At Fiore Gold’s inception, the Pan Mine Proven and Probable mineral reserves and Measured and Indicated resources (effective February 10 and March 16, 2017 respectively) were 318,000 ounces and 430,000

ounces, respectively. Despite approximately three years of mining depletion, the updated 2020 Proven and Probable reserves and Measured and Indicated resources are 290,500 ounces (91% of original reserve) and 427,400 ounces (99% of original resource), respectively. The reserve and resource replacement has been achieved while spending approximately \$1.5 million on exploration annually over the past three years. Importantly, we have achieved these results without diluting shareholders through additional equity raises or taking on corporate debt since the formation of the Company in 2017. We believe this disciplined approach distinguishes us from many of our peers.

The goal of the recent drilling program and related reserve and resource update was primarily to convert Inferred ounces to reserve ounces. Pan Mine Proven and Probable mineral reserves now represent 77% of the Measured and Indicated resources, as compared to 61% of the last reserve update in September 2018. Future drilling programs will aim to replenish the Inferred category, particularly with newly identified targets like Mustang which to date are not included in any resource category. We believe our history of conversion and improved understanding of the geology bode well for our ability to convert Inferred resources going forward.

A Technical Report with the details of the updated resource and reserve estimate will be filed on SEDAR under the Company's profile within 45 days of the date of this news release.

### Reserve and Resource Update

Table 1. Pan Mine Reserve Statement (effective June 30, 2020)

Reserve	Tons (000s)	Grade (oz/st)	Grade (g/t)	Contained Gold (Au koz)
Proven	11,426	0.014	0.47	158.3
Probable	12,031	0.011	0.38	132.2
<b>Proven + Probable</b>	<b>23,457</b>	<b>0.012</b>	<b>0.42</b>	<b>290.5</b>
Probable Leach Pad Inventory (recoverable)				26
<b>Total Proven and Probable</b>				<b>317</b>

- Reserves stated in the table above are contained within an engineered pit design following the US\$1,575/oz Au sales price Lerchs-Grossmann pit. Date of topography is June 30, 2020;
- In the table above and subsequent text, the abbreviation "st" denotes US short tons;
- Mineral Reserves are stated in terms of delivered tons and grade before process recovery. The exception is leach pad inventory, which is stated in terms of recoverable Au ounces;
- Allowances for external dilution are applied.
- Costs used include an ore mining cost of US\$2.09/st, a waste mining cost of \$1.97/st, an ore processing and G&A cost of US\$3.13/st;
- Reserves for Argillic (soft) ore are based upon a minimum 0.003 oz/st Au internal cut off grade ("CoG"), using a US\$1,575/oz Au sales price and a Au Recovery of 80%;
- Reserves for Silicic (hard) ore are based upon a minimum 0.004 oz/st Au Internal CoG, using a US\$1,575/oz Au sales price and a Au Recovery of 60%;
- Mineral Reserves stated above are contained within and are not additional to the Mineral Resource, the exception being stockpile and leach pad inventory; and,
- Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding.

Gold prices have increased significantly from the \$1,250/oz level used in the previous reserve update in 2018 and we have reflected this increase in the \$1,575/oz gold price used in the 2020 reserve update. Using a higher gold price naturally pulled in some areas of lower grade ore which in turn resulted in a lower average grade for the reserve estimate than in the previous 2018 reserve estimate. The grade reduction is not expected to materially impact run-rate production in fiscal 2021.

Table 2. Pan Mine Resource Statement (effective June 30, 2020)

Resource (incl. reserve)	Tons/ (000s)	Grade (oz/st)	Grade (g/t)	Contained Gold (Au koz)
Measured	11,416	0.015	0.53	175
Indicated	19,714	0.013	0.44	252
<b>Measured + Indicated</b>	<b>31,130</b>	<b>0.014</b>	<b>0.47</b>	<b>427</b>
Inferred	3,726	0.016	0.56	61

- *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that any part of the Mineral Resources estimated will be converted into Mineral Reserves;*
- *In the table above and subsequent text, the abbreviation "st" denotes US short tons;*
- *Resources stated as contained within a constrained pit shell; pit optimization was based on an assumed gold price of US\$1,700/oz, Silicic (hard) ore recoveries of 60% for Au and an Argillic (soft) ore recovery of 80% for Au, an ore mining cost of US\$2.09/st, a waste mining cost of \$1.97/st, an ore processing and G&A cost of US\$3.13/st, and pit slopes between 45-50 degrees;*
- *Resources are reported using an internal gold cut off grade of 0.003 oz/st Au for blocks flagged as Argillic altered or as unaltered and a cutoff of 0.004 oz/st Au for blocks flagged as Silicic altered.; and,*
- *Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding.*

The updated Pan Mineral Resource Estimate ("MRE") estimate was carried out by APEX Geoscience Ltd. ("APEX") as part of an updated Feasibility Study led by SRK Consulting (U.S.) Inc. ("SRK"), the same firm who completed the February 2017 Pan Mine Feasibility Study.

The difference in resource grade vs reserve grade is a result of dilution incorporated in the engineered pit design that constrains the reserve estimate.

Gold mineralization at Pan occurs in near-vertical pipes and bodies of silicified solution breccia localized at the Pilot Shale-Devils Gate Limestone contact adjacent to the Branham Fault, or in stratiform-like breccia bodies and zones that run parallel or sub-parallel to the folded Pilot Shale-Devils Gate contact.

The drillhole database used to calculate the resource and reserve estimates is comprised of 1,452 exploration drillholes completed from 1978 to 2016 by previous operators (totaling 380,081 ft) and 267 holes completed from 2018 to 2020 by Fiore Gold (totaling 107,460 feet), yielding a total of 95,181 sample/interval entries.

The MRE was calculated using a block model size of 20 ft (X) by 20 ft (Y) by 20 ft (Z). APEX estimated the gold grade for each block using Ordinary Kriging with locally varying anisotropy to ensure grade continuity in various directions is reproduced in the block model. The block model was partially diluted by estimating a waste grade for the portions of the outer blocks overlapping the edge of the estimation domain boundaries using composites within a transition zone along the outer edge of the mineralized estimation domains. The waste grade was then proportionately combined with the estimated grade for the portion

of the block within the mineralized domain to obtain a final grade for each overlapping block. The partially diluted block model was utilized for resource pit optimization. The MRE is reported as undiluted and only includes blocks or portions of blocks within the estimation domains.

Details regarding the methodology used to calculate the MRE and the reserve estimate will be documented in a Technical Report which will be filed on SEDAR and available on the Company's website within 45 days.

### **Technical Disclosure**

The scientific and technical information relating to Fiore Gold's properties contained in this press release was approved by J. Ross MacLean, Fiore Gold's Chief Operating Officer and a "Qualified Person" under National Instrument 43-101, except for the information relating to the Pan Mine reserve and resource updates.

Michael B. Dufresne, M.Sc., P.Geol., P.Geo., President and Senior Principal of APEX Geoscience Ltd. and a 'Qualified Person' for the purpose of National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian securities administrators ("NI 43-101") has approved the disclosure of the scientific and technical information regarding the Pan Mine Resource update in this news release.

Justin Smith, P.E. Mining BSc., SME-RM, a Senior with SRK Consulting (U.S.) Inc. and a 'Qualified Person' for the purpose of National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian securities administrators ("NI 43-101") has approved the disclosure of the scientific and technical information regarding the Pan Mine Reserve update in this news release.

A description of the key assumptions, parameters and methods used to estimate mineral reserves and resources at the Pan Mine, as well as data verification procedures and a general discussion of the extent to which the estimates of scientific and technical information may be affected by any known legal, political or other relevant factors relating to the potential development of the mineral resources or mineral reserves, will be included in the report titled "NI 43-101 Updated Technical Report on the Pan Gold Mine, White Pine County, Nevada", with an effective date of June 30, 2020, which is being prepared by Michael Dufresne, P.Geol., P.Geo., Justin Smith, P.E., RM-SME., Deepak Malhotra, RM-SME, Valerie Sawyer, RM-SME, Fredy Henriquez, MSc., RM-SME, and Michael Iannacchione, P.E..

### **Corporate Strategy**

Our corporate strategy is to grow Fiore Gold into a 150,000 ounce per year gold producer. To achieve this, we intend to:

- continue to grow gold production at the Pan Mine, while increasing the resource and reserve base
- advance exploration and development of the nearby Gold Rock project
- acquire additional production or near-production assets to complement our existing operations

### **On behalf of FIORE GOLD LTD.**

*"Tim Warman"*

Chief Executive Officer

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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 release.

### **Cautionary Note Regarding Forward Looking Statements**

*This news release contains “forward-looking statements” and “forward looking information” (as defined under applicable securities laws), based on management’s best estimates, assumptions and current expectations. Such statements include but are not limited to, statements regarding extending the mine life at Pan, resource and reserve estimates, including estimated tons, grade and contained metal, future strip ratios, potential to increase the resource and reserve base with additional drilling, future replacement of depleted resources and reserves, a drilling program in 2019 aimed at further increasing the reserve base, expectations for production at the Pan Mine, expectations regarding the next drilling program at the Pan Mine, anticipated Pan mine life, advancing exploration and development of the Gold Rock project, goal to become a 150,000-ounce producer, goal to acquire additional production or near production assets, and other statements, estimates or expectations. Often, but not always, these forward-looking statements can be identified by the use of forward-looking terminology such as “expects”, “expected”, “budgeted”, “targets”, “forecasts”, “intends”, “anticipates”, “scheduled”, “estimates”, “aims”, “will”, “believes”, “projects” and similar expressions (including negative variations) which by their nature refer to future events. By their very nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Fiore Gold’s control. These statements should not be read as guarantees of future performance or results. Forward looking statements are based on the opinions and estimates of management at the date the statements are made, as well as a number of assumptions made by, and information currently available to, the Company concerning, among other things, anticipated geological formations, potential mineralization, future plans for exploration and/or development, potential future production, ability to obtain permits for future operations, drilling exposure, and exploration budgets and timing of expenditures, all of which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Fiore Gold to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual results to vary materially from results anticipated by such forward looking statements include, but not limited to, risks related to the Pan Mine performance, risks related to the COVID-19 pandemic, including government restrictions impacting our operations, risks the pandemic poses to our work-force, impacts the pandemic may have on our ability to obtain services and materials from our supplier and contractors; risks related to the company’s limited operating history; risks related to international operations; risks related to general economic conditions, actual results of current or future exploration activities, unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in ore reserves, grade or recovery rates; uncertainties involved in the interpretation of drilling results, test results and the estimation of gold resources and reserves; failure of plant, equipment or processes to operate as anticipated; the possibility that capital and operating costs may be higher than currently estimated; the possibility of cost overruns or unanticipated expenses in the work programs; availability of financing; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in the completion of exploration, development or construction activities; the possibility that required permits may not be obtained on a timely manner or at all; possibility that the Gold Rock Record of Decision will be appealed and that such an appeal may be successful; changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which Fiore Gold operates, and other factors identified in Fiore Gold’s filing with Canadian securities authorities under its profile at [www.sedar.com](http://www.sedar.com) respecting the risks affecting Fiore and its business. Although Fiore has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking*

*statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking statements and forward-looking information are made as of the date hereof and are qualified in their entirety by this cautionary statement. Fiore disclaims any obligation to revise or update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements or forward-looking information contained herein to reflect future results, events or developments, except as require by law. Accordingly, readers should not place undue reliance on forward-looking statements and information.*