

## SILVER MOUNTAIN MINES INC. COMPLETES RTO TO BECOME NEVGOLD CORP. AND CLOSSES C\$6.3M FINANCING

Calgary, June 24, 2021 – Silver Mountain Mines Inc. (the “**Company**”) (TSXV), announces that it has completed the acquisition (the “**Transaction**”) of the privately held NevGold Corp. (“**NevGold**”). In accordance with the terms of the Transaction, NevGold has amalgamated with a wholly-owned subsidiary of the Company, 1288412 BC Ltd., pursuant to the terms of a definitive amalgamation agreement dated February 17, 2021, as amended, among NevGold, the Company and 1288412 BC Ltd., and the Company has changed its name to “NevGold Corp.” (the “**Name Change**”). The Transaction constitutes a reverse take-over of the Company pursuant to the policies of the TSX Venture Exchange (the “**Exchange**”). The common shares of the Company are expected to recommence trading on the Exchange at the opening of the markets on June 28, 2021 under the new ticker symbol “NAU”. The Transaction is subject to the final acceptance of the Exchange.

Brandon Bonifacio, President, CEO, and Director of NevGold, commented: “We are very pleased with the support from our existing and new shareholder base and the level of interest with a financing that was well over our minimum target. Our team is excited to advance and de-risk our highly prospective, district-scale asset base in Nevada and British Columbia by leveraging our strong operational track record of project development success to deliver value for all of our stakeholders. We now look forward to commencing our field programs at the Limousine Butte, Cedar Wash, and Ptarmigan properties over what will be a very active remainder of 2021 for NevGold.”

Steve Konopelky, President, CEO, and Director of Silver Mountain, and incoming Director of NevGold: “I’d like to thank NevGold’s team for all of their continued efforts and all SMM shareholders for their continued support in this transaction. We are very excited about the coming together of two great companies with untapped potential, and a driven management team. We can now move forward and deliver from our assets: people and projects.”

In connection with completion of the Transaction, NevGold completed a brokered financing (the “**Financing**”) through the issuance of 15,662,333 subscription receipts (each, a “**Subscription Receipt**”) at a price of \$0.40 per Subscription Receipt, for gross proceeds of **\$6,264,933.20** with Red Cloud Securities Inc. acting as lead agent, and a syndicate including Haywood Securities Inc. (collectively, the “**Agents**”). Immediately prior to completion of the Transaction, each Subscription Receipt was automatically converted into securities of NevGold, that were exchanged in the Transaction for one common share of the Company and one-half of one common share purchase warrant of the Company (a “**Warrant**”). Each Warrant is exercisable for a period of two years to acquire an additional common share of the Company at an exercise price of \$0.60. The proceeds of the Financing were released from escrow concurrently with the completion of the Transaction. Following the release of the proceeds, NevGold paid cash commission of \$234,135.90 to the Agents, and issued in aggregate 549,969 broker warrants (the “**Broker Warrants**”). Each Broker Warrant entitles the holder thereof to acquire one common share in the capital of the Company at an exercise price of \$0.40 until June 22, 2023.

Following completion of the Transaction, the Company has 49,634,552 common shares issued and outstanding. Following the Name Change, the CUSIP number of the Company’s common shares has changed to 641536107 and its ISIN to CA6415361071.

### Acquisition of the Limousine Butte and Cedar Wash Projects

Concurrently with the completion of the Transaction, the Company acquired the Limousine Butte and Cedar Wash projects in Nevada from McEwen Mining Inc. (“**McEwen**”) through the Company’s wholly-owned subsidiary NevGold USA Inc. pursuant to the terms of asset purchase and sale agreement dated December 14, 2020, as amended, between NevGold, McEwen and certain of McEwen’s affiliates, as further described in the Information Circular (as defined below). On closing of the Transaction, the Company issued to McEwen 4,963,455 common shares of the Company and common share purchase warrants of the Company exercisable to acquire 2,481,727 common shares of the Company, which warrants have an exercise price equal to \$0.60 per warrant share until June 22, 2023.

### **Board of Directors and Management**

Following completion of the Transaction, the board of directors of the Company has been reconstituted to consist of Giulio Bonifacio (Chairman), Brandon Bonifacio, Victor Bradley, Steve Konopelky, Greg French, Tim Dyhr, and Morgan Hay.

Management of the Company has also been reconstituted to consist of Brandon Bonifacio as President and Chief Executive Officer, Bob McKnight as Chief Financial Officer and Executive VP Corporate Development, and Catherine Cox as Corporate Secretary.

### **Grant of Stock Options**

In connection with the Transaction, the Company granted an aggregate of 3,800,000 stock options of the Company, effective as of the closing of the Transaction, to certain directors, officers and consultants of the Company as disclosed in the Information Circular. Each of the options is exercisable into one common share of the Company at an exercise price of \$0.40 per share for a period of five years following the Transaction. All of the options vested on the date of grant.

### **Information Circular**

The Company has filed an Information Circular on SEDAR ([www.sedar.com](http://www.sedar.com)) dated May 12, 2021, relating to the Transaction (the “**Information Circular**”). Readers are encouraged to review the Information Circular, which provides detailed information about the Transaction and the business of the Company. The Company is anticipated to be listed on the Exchange as a Tier 2 Mining Issuer, under the ticker symbol “NAU”. Trading in the common shares of the Company is currently halted pending completion of customary final filings with the Exchange in respect of the Transaction.

### **ON BEHALF OF THE BOARD**

*“Signed”*

#### **Brandon Bonifacio, President & CEO**

Steve Konopelky, Director

For further information, please contact Brandon Bonifacio at [bbonifacio@nev-gold.com](mailto:bbonifacio@nev-gold.com) or call 604-337-4997.

### **About the Company**

The Company is an exploration and development company targeting large-scale mineral systems in the proven districts of Nevada and British Columbia. NevGold owns a 100% interest in the Limousine Butte and Cedar Wash Projects in Nevada, and the Ptarmigan silver polymetallic project in Southeast BC that was owned by the former Silver Mountain Mines.

*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.* This news release does not constitute an offer to sell and is not a solicitation of an offer to buy any securities in the United States. The securities of the Company and NevGold have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws unless pursuant to an exemption from such registration.

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

*This news release contains forward-looking statements that are based on the Company’s current expectations and estimates. Forward-looking statements are frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “suggest”, “indicate” and other similar words or statements that certain events or conditions “may” or “will” occur, and include, without limitation, statements regarding the anticipated date that the Company’s common shares will recommence trading on the Exchange and the final approval of the Exchange to the Transaction. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements, such as the Company not obtaining final Exchange acceptance. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.*