



## NEVGOLD ANNOUNCES CLOSING OF OPTION AGREEMENT WITH EAGLE PLAINS RESOURCES

Vancouver, British Columbia – August 1, 2023 – NevGold Corp. (“NevGold” or the “Company”) (TSXV:NAU) (OTCQX:NAUFF) (Frankfurt:5E50) is pleased to announce that it has closed an Option Agreement (the “Option Agreement”) that was previously announced on May 31, 2023. This Option Agreement is part of a larger transaction that contemplated, firstly, the establishment of a new British Columbia subsidiary, 1416753 B.C. Ltd. (“SubCo”) to focus on its high-grade Ptarmigan silver-copper-lead-zinc project in southeastern BC and, secondly, enter into the Option Agreement.

The Option Agreement provides for SubCo the option to acquire a portfolio of advanced exploration assets (subject to the terms of the Option Agreement), including two copper-gold-silver projects and three lithium projects in British Columbia (collectively, the “Option Projects”) from Eagle Plains Resources Ltd. (“EPL” or the “Optionor”, TSXV:EPL). The Option Agreement and Option Projects are described in more detail below.

NevGold intends to prepare SubCo for a future subsequent going public transaction through either a spin-out, merger, or sale.

### **Highlights**

- **Unlocks immediate value from Ptarmigan with 25 million shares of SubCo issued to NevGold to the benefit of NevGold shareholders;**
- Further exposure for NevGold shareholders to five promising copper, gold, silver, and lithium projects through the Option Agreement with EPL;
- Large land positions totalling over 310 km<sup>2</sup> (or 31,028 hectares) in highly prospective districts in Southeast British Columbia, Toodoggone, and Atlin (see Figure 2);
- Ptarmigan (NevGold), Lost Horse (Option Project), and Acacia (Option Project) have numerous “drill-ready” targets;
- Operating partnership between experienced NevGold and EPL teams on BC projects;
- **Allows NevGold to maintain 100% focus on Western USA oxide, heap-leach gold projects including Nutmeg Mountain (Idaho), Limousine Butte (Nevada), and Cedar Wash (Nevada)**

**NevGold CEO, Brandon Bonifacio, comments:** *“Completing the formation of our BC SubCo and the closing of the Option Agreement with Eagle Plains is the first of many positive steps. The transaction extracts immediate value for our shareholders with 25 million shares issued to NevGold, and it also allows the NevGold platform to remain laser focused on being one of the go-to companies for oxide, heap-leach gold in the Western USA. We have made many positive advancements with respect to our Western USA projects over recent months, specifically on the inaugural Mineral Resource Estimate at Nutmeg Mountain in Idaho, which will be released imminently.”*

### **The Option Agreement**

Subject to the terms and conditions of the Option Agreement, the Optionor granted to SubCo the sole and exclusive irrevocable right and option (the “Option”) to acquire an undivided 100% interest in the Option Projects free and clear of any encumbrance, other than certain net smelter return (“NSR”) royalties.

In connection with the Option Agreement, NevGold transferred its Ptarmigan property to SubCo in consideration for 25,000,000 SubCo common shares, representing 100% of the outstanding share capital before the share issuances under the Option Agreement.

SubCo may exercise the Option at its sole discretion by completing the following:

1. Issuing the following SubCo shares to EPL (the Optionor):
  - (i) on or before the Option closing date, 5,000,000 SubCo shares (complete); and
  - (ii) on or within 10 business days of the closing of a going public transaction involving SubCo, an additional 5,000,000 SubCo shares; and
2. Incurring the minimum expenditures on the Option Projects:
  - (i) on or before December 31, 2023, \$500,000 of expenditures; and
  - (ii) on or before December 31, 2024, \$500,000 of additional expenditures.

Upon the exercise of the Option, SubCo has agreed to grant EPL a 2% NSR royalty on certain Option Projects without underlying royalties, with a buy-down option for SubCo of a 1% NSR royalty for C\$1,000,000. Some of the Option Projects are subject to underlying royalties. The NSR royalties on each individual project will be capped at an aggregate 2% NSR.

Upon SubCo completing a going public transaction, EPL has agreed to enter into an Investor Rights Agreement with the resulting issuer in which EPL will agree to certain resale conditions on the shares it holds of the resulting issuer for as long as it holds greater than 5% of the outstanding shares. If SubCo does not complete a going public transaction by June 30, 2024, or such later date agreed between the parties, EPL may terminate the Option Agreement and the Option Projects will revert to EPL.

The SubCo shares issued under the terms of the Option Agreement will be subject to an indefinite hold period under applicable securities laws that will expire four months and one day after the later of the date of issuance of the SubCo shares and the date that SubCo has become a reporting issuer in any jurisdiction of Canada.

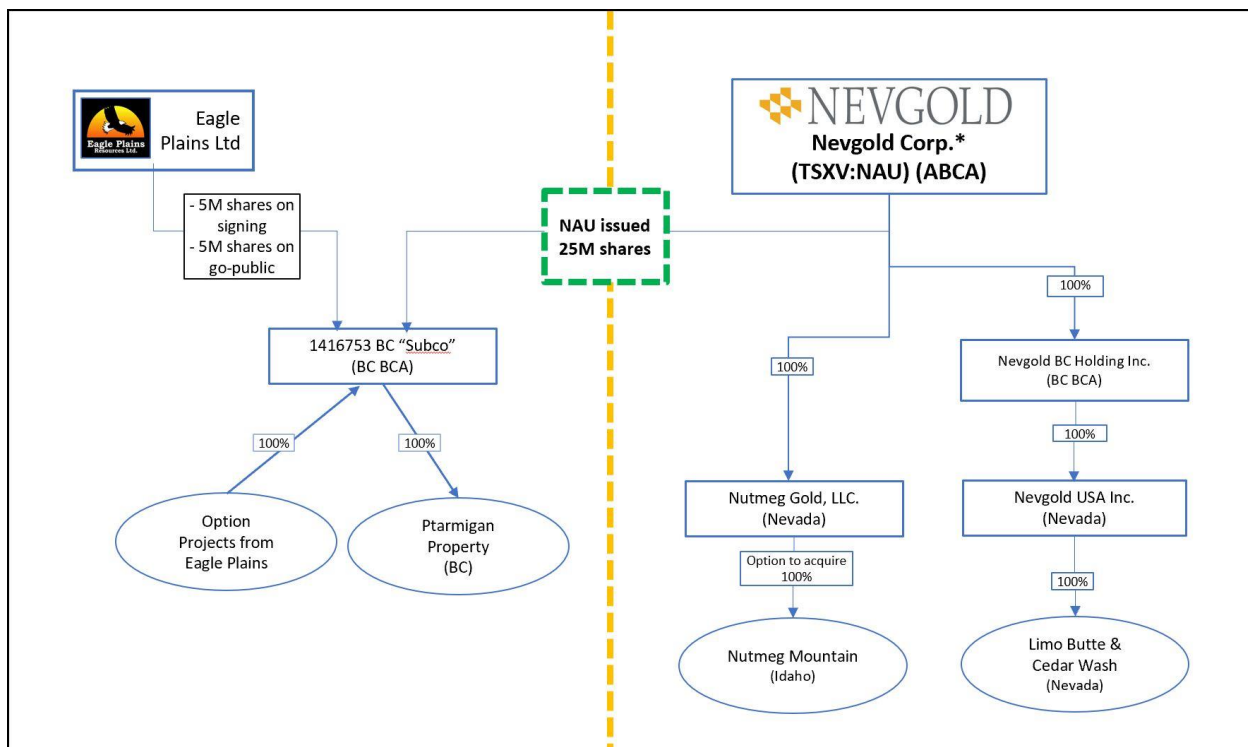


Figure 1 – Arrangement Structure.  
[To view image please click here](#)



During the term of the Option Agreement, EPL will act as the operator on the Option Projects based on work programs that are approved by SubCo, and SubCo will reimburse EPL for all expenditures that are incurred in accordance with the work programs. As consideration for acting as operator, EPL will be entitled to receive a management fee of 5% on all expenditures (other than its management fee) incurred by or on behalf of SubCo on the Option Projects.

NevGold has received conditional approval of the TSX Venture Exchange to the Option Agreement. SubCo has completed the first issuance of 5,000,000 SubCo shares to EPL under the terms of the Option Agreement.

As of the closing of the Option Agreement, EPL holds 5,000,000 SubCo shares representing approximately a 16.7% interest in SubCo. NevGold currently holds 25,000,000 SubCo shares. Within 10 business days of the completion of a future going-public transaction of SubCo, EPL will receive an additional 5,000,000 SubCo shares under the Option Agreement resulting in approximately a 28.6% total interest in SubCo. The foregoing percentages are calculated prior to the issuance of any other SubCo shares.

### **Option Projects**

The Option Projects comprise over 20,000 hectares and are currently held by Eagle Plains Resources, and are summarized below:

<b>Property Name</b>	<b>District</b>	<b>Commodity</b>	<b>Geology</b>	<b>Area (Ha)</b>
Lost Horse	Central BC	Au, Cu	Epithermal Au, Porphyry Cu	2,170
Acacia	Central BC	Au, Ag, Zn, Pb, Cu	VMS	4,857
Findlith	SE BC	Lithium	Lithium-pegmatite	2,307
Toodoggone	N. Central BC	Lithium	Lithium-pegmatite	7,154
Surprise Lake	Atlin	Lithium	Lithium-pegmatite	4,492
<b>Total Option</b>				<b>20,980</b>
Ptarmigan	SE BC	Ag, Au, Zn, Pb, Cu	CRD, Porphyry Cu	10,048
<b>Total</b>				<b>31,028</b>

Technical information contained in this news release has been reviewed and approved by Derick Unger, CPG, the Company's Vice President, Exploration, who is NevGold's qualified person under National Instrument 43-101 and responsible for technical matters of this release.

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

*"Signed"*

**Brandon Bonifacio, President & CEO**

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

### **About the Company**

NevGold is an exploration and development company targeting large-scale mineral systems in the proven districts of Nevada and Idaho. NevGold owns a 100% interest in the Limousine Butte and Cedar Wash gold projects in Nevada, and has an option to acquire 100% of the Nutmeg Mountain gold project in Idaho.

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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 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. Forward-looking statements in this news release include statements regarding the completion of the conditions to exercise the Option, regulatory approval for the Option Agreement, the nature and the intention to complete a going public transaction of SubCo and future exploration and development programs of the Company and SubCo. 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 risks include the ability of SubCo to complete all option conditions to acquire the Option Projects, obtaining all regulatory approval for the Option and uncertainties relating to the proposed going public transaction of SubCo and exploration and development activities. 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.*