



1911 Gold Enters into Agreement with Grid Metals for Lithium Spodumene Concentrate Production at True North Mill

TORONTO, Ontario, July 18, 2023 – **1911 Gold Corporation ("1911 Gold" or the "Company") (TSX-V: AUMB; OTC: AUMBF)** is pleased to announce the signing of a letter agreement (the "**Agreement**") with Grid Metals Corp. ("**Grid**") to lease the True North mill complex for future processing of spodumene pegmatite (lithium ore) from Grid's Donner Lake Lithium Project in southeastern Manitoba, Canada.

Highlights:

- **Significant cash payments on signing and throughout the leasing arrangement.** Execution of the agreement includes an upfront cash payment of C\$750,000, with an additional C\$1,000,000 cash payment due in 90 days upon completion of further technical due diligence. The lease arrangement involves milestone payments, a net smelter royalty of 1%, and ongoing payments to cover operating and depreciation costs during the term.
- **Capital investment into the True North mill and tailings facilities.** Grid intends to upgrade and modify the current mill configuration to provide for the processing of spodumene-bearing ore in addition to gold ores. They have engaged Primero Group Ltd. ("**Primero**"), one of the pre-eminent engineering consulting firms in the lithium industry, to complete a scoping study over the first 90 days to assess the viability of modifying the current mill configuration to handle spodumene-bearing ore.
- **Toll milling agreement to process future 1911 Gold ore during the lease term.** The Agreement includes the terms for a toll milling agreement to facilitate the processing of 1911 Gold ores during the lease period. With this agreement 1911 Gold will maintain flexibility to phase-in gold ores from the True North mine and other potential ore sources on its 63,000-hectare property.

"We are pleased to be entering into this agreement with Grid Metals to utilize the existing infrastructure at True North." Shaun Heinrichs, President and CEO, stated, "Our focus will continue to be on growing the existing True North resource, through exploration and acquisitions, as well as further advancing the Central Manitoba project to assess its potential for future high-grade gold production. This agreement with Grid provides us with a valuable partner in maintaining our assets — a partner that is focused on strategic metals and is backed by experienced management and long-term investors. The investments made into our infrastructure under this agreement will ultimately support our own return to production and we will work with our new partners to scale the facilities as required."

The Agreement contains the primary terms which, upon completion of the 90-day due diligence period, will form the basis of a Definitive Lease Agreement between 1911 Gold (lessee) and Grid (lessor). Primero has been engaged by Grid to complete a detailed engineering analysis of the existing 1,300 ton per day mill to assess the extent of the upgrades and modifications that will be required to support the processing of spodumene-bearing pegmatite ore. A preliminary assessment has already been completed by Primero in order to support the signing of this Agreement and make the required advance payments noted below.

Summary of the Terms

The key terms of the Agreement are as follows:

- Initial lease term of 5 years and a 2 year notice period for cancellation of the lease following the initial lease term. The lease can be extended by mutual agreement for an additional 5 years.

- During the term of the lease, Grid shall have the right to reconfigure the mill and process spodumene-bearing (lithium) ore, and to discharge from the mill to the existing tailings facility.
- Toll milling agreement terms for the processing of 1911 Gold ores during the lease period, to be incorporated into the Definitive Lease Agreement.
- Grid will make the following initial payments to 1911 Gold on signing of the Agreement:
 - An upfront non-refundable payment of C\$300,000; and
 - An equity investment of C\$450,000 within 90 days, subject to the applicable regulatory approvals. If regulatory approval cannot be obtained, Grid shall make a corresponding cash payment to 1911 Gold.
 - Unless terminated within 90 days by Grid, an additional C\$1,000,000 will be paid to 1911 Gold comprised of a C\$250,000 lease payment and a C\$750,000 financial assistance payment. Financial assistance payments are non-interest bearing but secured by the True North mill, such security to be released upon termination of either the Agreement or, once completed, the Definitive Lease Agreement.
- Grid will make the following payments to 1911 Gold on signing and during the term of a Definitive Lease Agreement:
 - Financial assistance payment of C\$1,000,000 to 1911 Gold's financial security obligations to the Province of Manitoba (relating to the mine closure plan for the True North complex) for the period ending December 31, 2023, with an additional C\$1,000,000 due by the end of 2024 and a final C\$900,000 due by the end of 2025.
 - C\$1,000,000 upon commencement of commercial production by Grid at the mill, defined as the processing of at least 200,000 tonnes of spodumene-bearing ore.
 - Monthly payments for operating costs incurred in support of milling activities.
 - A 1% net smelter return royalty in favour of 1911 Gold, subject to Grid receiving a right of first refusal on any disposition by 1911 Gold.
 - A depreciation fee payment of \$7.50 per tonne of lithium ore processed through the True North mill.
- If Grid elects to extend the lease agreement for an additional 5-year period, subject to 1911 Gold's option to terminate the agreement with 2 years' notice, the following additional payments will be made:
 - Up to C\$10,000,000 for the full five-year lease extension towards any increased financial security costs arising from increased closure costs, prorated in the event that 1911 Gold exercises the option to terminate the lease.
 - C\$1,000,000 on each of the fifth and sixth anniversaries of the lease.
- The Agreement will automatically terminate upon written notice from Grid for a period of up to 90 days from date of signing provided the initial payments have been completed. Thereafter Grid may terminate the Agreement once it has made a cumulative total of C\$2,500,000 in total payments.
- Following the 90-day due diligence period and additional required payments, 1911 Gold shall permit Grid to register a floating charge security interest on the True North mill assets in an amount representing Grid's total financial assistance payments and capital expenditures.

Grid is pursuing a two stage permitting process at Donner Lake. An Advanced Exploration Permit ("AEP") application is expected to be submitted which will enable a bulk sample of up to 50,000 tonnes from Donner Lake. The second permitting step is an application for an Environmental Act Licence (mining permit). The True North complex will require an amendment to its existing permits in order to enable the processing of spodumene pegmatite (lithium ore) as well as for any increase in existing tailings capacity that will be required.

About 1911 Gold Corporation

1911 Gold is a junior explorer that holds a highly prospective, consolidated land package totalling more than 63,000 hectares within and adjacent to the Archean Rice Lake greenstone belt in Manitoba, and also owns the True North mine and mill complex at Bissett, Manitoba. 1911 Gold believes its land package is a prime exploration opportunity, with potential to develop a mining district centred on the True North complex. The Company also owns the Apex project near Snow Lake, Manitoba and the Tully and Denton-Keefer projects near Timmins, Ontario, and intends to focus on both organic growth and accretive acquisition opportunities in North America.

1911 Gold's True North complex and exploration land package are located within the traditional territory of the Hollow Water First Nation, signatory to Treaty No. 5 (1875-76). 1911 Gold looks forward to maintaining open, co-operative and respectful communication with the Hollow Water First Nation, and all local stakeholders, in order to build mutually beneficial working relationships.

ON BEHALF OF THE BOARD OF DIRECTORS

Shaun Heinrichs
President and CEO
(604) 674-1293
sheinrichs@1911gold.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This news release may contain forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

All forward-looking statements reflect the Company's beliefs and assumptions based on information available at the time the statements were made. Actual results or events may differ from those predicted in these forward-looking statements. All of the Company's forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions listed below. Although the Company believes that these assumptions are reasonable, this list is not exhaustive of factors that may affect any of the forward-looking statements.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about exploration plans and the timing and results thereof, are forward-looking statements. Although 1911 Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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SOURCE: 1911 Gold Corporation