



## Unigold Announces Updated Mineral Resource Estimate for Candelones Oxide Project

- Over 80% conversion of Inferred oxide resource to Measured and Indicated categories;
- Pit constrained Measured and Indicated Oxide Resource of 3.43 M tonnes averaging 0.84 g/t Au (92,000 ozs Au contained) in a low strip starter pit;
- Inferred Oxide Resource of 1.61 M tonnes averaging 0.74 g/t Au (38,000 ozs Au) within the same starter pit;
- Waste : Resource ratio of oxide starter pit is 0.2:1.0;
- Exploration drilling has resumed at the Candelones Extension;

TORONTO, Aug. 27, 2020 -- Unigold Inc. ("Unigold" or the "Company") (TSX-V:UGD) is pleased to announce an updated mineral resource estimate for the Candelones Project, part of the Company's 100% owned Neita Concession in the Dominican Republic.

The updated mineral resource estimate was completed by Mr. W. Lewis, P.Geo. and Mr. A. San Martin, MAusIMM (CP) of Micon International Limited. ("Micon"). Micon is independent of Unigold and Messrs. Lewis and San Martin meet the requirements of a "Qualified Person" as established by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves (May, 2014).

Key methodology and assumptions utilized in estimating the mineral resource is provided in Table 1.0 below.

Joe Hamilton, Chairman and CEO of Unigold notes: "One of the key objectives for our initial 2020 exploration program was to upgrade a significant portion of the inferred oxide resource to the measured and indicated classification in preparation for completing economic studies. The work we completed over the past year has successfully converted over 80% of the historic oxide resource to the measured and indicated classification in addition to adding almost 10% more ounces to the global oxide resource.

Over the rest of 2020 we plan to advance towards a pre-feasibility study that will evaluate the economics of the oxide resource. When considered in conjunction with the efficient metallurgical recoveries suggested by the test work to date we believe that there is a justifiable economic opportunity for a low cost starter pit. Our intent is to continue working towards de-risking the oxide resource through additional metallurgical testing and preliminary engineering studies with the objective of establishing a maiden reserve estimate for the oxide mineralization in 2021.

It is important to note that the sulphide resource is based on drilling up to 2015. The sulphide resource estimate **does not** include any of the recent, high grade, drill results collected from interpreted epithermal feeder systems that have been a focal point of our exploration programs since late 2015. We plan to update the sulphide resource on completion of our recently announced follow up drill program scheduled to commence by the end of August. Our initial drill holes will focus on increasing the geological confidence of the high grade epithermal systems through infill drilling before transitioning to expanding the limits of these same systems along strike and down dip. Our objective is to increase the geological confidence of the inferred sulphide resource in a similar fashion to what we accomplished for the oxide component of the resource, converting a significant portion of the inferred mineral resource to a measured and/or indicated classification.

I am very pleased to announce that we have completed refurbishing both our diamond drills currently in-country and mobilized these into the field this week. We have also commenced refurbishing two additional drills recently purchased in Canada and we are targeting to have those drills operational in early Q4, 2020, allowing us to target the epithermal feeder systems at depth."

The following table summarizes the updated mineral resource estimate for the Candelones Project. A NI43-101 compliant report will be filed within 45 days. The Company expects to update the sulphide resource estimate, utilizing high-grade intercepts from 2015 to 2020 and assuming underground mining techniques, after the current 15,000 meter drill program is complete.

**Table 1.0 – Mineral Resource Estimate – Candelones Project**

Description	Mineralization Type	Classification	Deposit	Tonnes (x 1,000)	Au (g/t)	Au ozs (x 1,000)	Strip Ratio
Pit Constrained	OXIDE	MEASURED	Main & Connector	1,835	0.84	49	0.2
		INDICATED	Main & Connector	1,595	0.83	43	0.2
	<b>SUBTOTAL</b>	<b>M &amp; I</b>	<b>Main &amp; Connector</b>	<b>3,430</b>	<b>0.84</b>	<b>92</b>	<b>0.2</b>
	OXIDE	INFERRED	Main & Connector	1,069	0.62	21	0.2
	TRANSITION	INFERRED	Main & Connector	545	0.97	17	0.2
	<b>SUBTOTAL</b>	<b>INFERRED</b>	<b>Main &amp; Connector</b>	<b>1,614</b>	<b>0.74</b>	<b>38</b>	<b>0.2</b>

Pit Constrained	SULPHIDE	INFERRED	Main & Connector Extension	4,622	1.26	188	1.1
				24,822	1.67	1,330	9.2
	<b>SUBTOTAL</b>	<b>INFERRED</b>		<b>29,444</b>	<b>1.61</b>	<b>1,518</b>	<b>7.9</b>
Underground	SULPHIDE	INFERRED	Main & Connector Extension	598	2.25	43	NA
				3,247	2.42	252	NA
	<b>SUBTOTAL</b>	<b>INFERRED</b>		<b>3,845</b>	<b>2.39</b>	<b>295</b>	<b>NA</b>

#### Notes relating to Mineral Resource Estimate

Mineral resources were estimated by Mr. W. Lewis, P. Geo. and Mr. A. San Martin, MAusIMM(CP) of Micon International Limited. ("Micon"), a Toronto based consulting company, independent of Unigold. Both Mr. Lewis and Mr. San Martin meet the requirements of a "Qualified Person" as established by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (May 2014) ("the CIM Standards"). The estimate is based on a long term gold price of US\$ 1,500 per ounce and economic cut-off grades 0.30 g/t Au (OXIDE), 0.60 g/t (TRANSITION AND SULPHIDE) and 1.30 g/t (UNDERGROUND SULPHIDE). Pit constrained resources are reported within an optimized pit shell; underground resources are reported within continuous and contiguous shapes which lie adjacent to and below the ultimate open pit shell and interpreted to be recoverable utilizing standard underground mining methods.

The mineral resource estimate has an effective date of August 17, 2020.

The mineral resource estimate is based on a long term gold price of US\$ 1,500 per ounce and economic cut-off grades of 0.30 g/t Au (OXIDE PIT CONSTRAINED), 0.60 g/t (TRANSITION AND SULPHIDE - PIT CONSTRAINED) and 1.30 g/t (SULPHIDE - UNDERGROUND). Pit constrained resources are reported within an optimized pit shell; underground resources are reported within continuous and contiguous shapes which lie adjacent to and below the ultimate open pit shell and interpreted to be recoverable utilizing standard underground mining methods.

The estimate assumes the following metallurgical recoveries that are based on completed test work to date: Oxide 90%, Transition 50%, and Sulphide 84%.

The estimate assumes the following costs: Mining (Pit) US\$ 2.50/tonne, Mining (Underground) US\$ 30.00 Oxide Processing (Heap Leach) US\$7.00 / t, Transition Processing (Heap Leach) US\$ 7.00/t, Sulphide Processing US\$ 18.00/t ((Leach) and G&A US\$ 5.00/t.

The pit constrained resource is reported within an optimized pit shell that assumed a maximum slope angle of 45 degrees. Open pit mining recovery was assumed to be 100%. Open pit dilution was assumed to be 0%. Underground mining recovery was assumed to be 100%. Underground dilution was assumed to be 0%.

Micon has not identified any legal, political, environmental or other risks that could materially affect the potential development of the mineral resource estimate.

The mineral resource estimates are classified according to the CIM Standards which define a Mineral Resource as "a concentration or occurrence of solid material of economic interest in or on the earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge including sampling. Mineral resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories. An inferred mineral resource has a lower level of confidence than an indicated mineral resource. An indicated mineral resource has a higher level of confidence than an inferred mineral resource but has a lower level of confidence than a measured mineral resource."

The CIM Standards define an inferred mineral resource as: "that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration."

All procedures, methodology and key assumptions supporting this mineral resource estimate shall be fully disclosed in a Technical Report that shall be available on SEDAR and the Company's website within forty five (45) days of the effective date of the mineral resource estimate.

The reader is reminded that mineral resources are not mineral reserves and therefore do not have demonstrated economic viability.

QA/QC

Diamond drilling utilizes both HQ and NQ diameter tooling. Holes are established using HQ diameter tooling before reducing to

NQ tooling to complete the hole. The core is received at the on-site logging facility where it is, photographed, logged for geotechnical and geological data and subjected to other physical tests including magnetic susceptibility and specific gravity analysis. Samples are identified, recorded, split by wet diamond saw, and half the core is sent for assay with the remaining half stored on site. A minimum sample length of 0.3 meters and a maximum sample length of 1.5 metres is employed with most samples averaging 1.0 meters in length except where geological contacts dictate. Certified standards and blanks are randomly inserted into the sample stream and constitute approximately 5-10% of the sample stream. Samples are shipped to a sample preparation facility in the Dominican Republic operated by Bureau Veritas. Assaying is performed at Bureau Veritas Commodities Canada Ltd.'s laboratory in Vancouver, B.C. Canada. All samples are analyzed for gold using a 50 gram lead collection fire assay fusion with an atomic adsorption finish. In addition, most samples are also assayed using a 36 element multi-acid ICP-ES analysis method.

W. Lewis P.Geo, and A. San Martin MAusIMM (CP), of Micon have reviewed and approved the contents of this press release.

Wes Hanson P.Geo., Chief Operating Officer of Unigold has reviewed and approved the contents of this press release.

#### **About Unigold Inc. – Discovering Gold in the Caribbean**

Unigold is a Canadian based mineral exploration company traded on the TSX Venture Exchange under the symbol UGD, focused primarily on exploring and developing its gold assets in the Dominican Republic.

#### **Forward-looking Statements**

Certain statements contained in this document, including statements regarding events and financial trends that may affect our future operating results, financial position and cash flows, may constitute forward-looking statements within the meaning of the federal securities laws. These statements are based on our assumptions and estimates and are subject to risk and uncertainties. You can identify these forward-looking statements by the use of words like "strategy", "expects", "plans", "believes", "will", "estimates", "intends", "projects", "goals", "targets", and other words of similar meaning. You can also identify them by the fact that they do not relate strictly to historical or current facts. We wish to caution you that such statements contained are just predictions or opinions and that actual events or results may differ materially. The forward-looking statements contained in this document are made as of the date hereof and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ materially from those projected in the forward-looking statements. Where applicable, we claim the protection of the safe harbour for forward- looking statements provided by the (United States) Private Securities Litigation Reform Act of 1995.

Neither 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.

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