



NEWS RELEASE

Pasofino Gold Adds Intersections to the Extensive Thickened Zone of Mineralisation at Dugbe F and Provides Further Results for Other Infill Drilling Holes at This Deposit

7/6/2021

Toronto, Ontario--(Newsfile Corp. - July 6, 2021) - Pasofino Gold Limited (TSXV: VEIN) (OTCQB: EFRGF) (FSE: N07) ("Pasofino" or the "Company") is pleased to announce that it has received results from a further 22 infill holes drilled at the Dugbe F deposit including promising results for the 800 m by 100 m thickened zone, first reported in June[1]. Dugbe F is one of two deposits on the Dugbe Gold Project, in which the Company is earning a 49% economic interest.

Highlights

- Intersections from the thickened zone include the following and are considered as being close to true thickness:
 - DFDC412 returned 33.0 m grading 1.76 g/t gold from 49.7 m downhole and a second interval of 12.4 m grading 1.74 g/t gold from 99.7 m downhole
 - DFDC411 returned 36.5 m grading 1.27 g/t gold from 89.5 m downhole
 - DFDC410 returned 13.6 m grading 2.79 g/t gold from 103.2 m downhole
- The thickened zone is controlled by a fold and has an approximate extent of 800m by 100m within the southern part of the Dugbe F. In addition to the increased thickness, grades are slightly higher within this zone. The recognition and drilling of the fold is expected to benefit the updated Mineral Resource Estimate (MRE) which is planned to be completed in August 2021 . It may also provide advantages for mining such as a reduced strip-ratio and the opportunity to focus on higher grade material early in the life of a potential mine.



- Intersections from elsewhere across the deposit are all mineralised except for 2 holes, further demonstrating the good continuity of the mineralised sheet. Intersections include:
 - DFDC398 returned 9.6 m grading 1.92 g/t gold from 51.0 m downhole
 - DFDC405 returned 7.5 m grading 1.35 g/t gold from surface and a second interval of 3.0 m grading 1.64 g/t gold from 17.5 m downhole
- DFDC069 and DFDC169 were old holes now deepened to test for mineralisation below the previous end-of-hole. Both were successful.
 - DFDC169 was drilled in 2011 and intersected 16.5 m grading 1.53 g/t gold from 59.4 m downhole. The hole was recently deepened intersecting a second interval with 6.0 m grading 1.46 g/t gold from 126.5 m downhole.
 - DFDC067 intersected 4.9 m grading 1.36 g/t gold from 104.5 m downhole, also below the 2011 end-of-hole.

Ian Stalker, CEO, commented; "Dugbe F continues to deliver on grade and thickness especially the thickened zone given the higher grades and 10-30 m thick intersections. We are confident that this will benefit the updated Mineral Resource Estimate ("MRE") which is planned to be completed in August of this year".

Figure 1. Plan view map showing the Dugbe F deposit and drillholes and the thickened zone. Figure 2 provides a 'zoomed-in' map of the thickened zone.

To view an enhanced version of Figure 1, please visit:

https://orders.newsfilecorp.com/files/6283/89476_8a042095248ca992_001full.jpg

The Thickened Zone

The thickened area in the southern part of the deposit is interpreted to be due to recumbent folding of the mineralized layer so that it is repeated and thickened as shown in figure 3 and appears to be associated with slightly higher gold grades. The newly understood folding and the recent targeted drilling within this 800 m by 100 m area should bring additional material into the update to the Duge F MRE which is expected to be completed in August.

Dugbe F deposit

The deposit length as defined by the dimensions of the conceptual pit is 2.5 km (figure 1). The width of the deposit ranges from 1.3 km in the south to 200-300 m in the north. The deposit is an undulating gently dipping sheet which

outcrops for its entire length along its western side and dips gently eastwards. The host rock is orthopyroxene gneiss with increased sulphide content (visible pyrrhotite, arsenopyrite and pyrite) and seems to be a largely stratiform layer close to the contact with overlying quartz biotite gneiss.

The mineralized layer is mostly continuous except where cut by cross-cutting pegmatite intrusions or where it comes to surface and has been eroded. The eastward sloping topography has the effect of minimizing the depth to the mineralized layer in some areas which would support a favorable strip ratio if mined.

Figure 2. Close-up plan view map of the southern part of Dugbe F showing the approximate extent of the thickened zone. The cross section indicated is provided in figure 3. Note that the thin intersection in DFDC413 falls outside of the thickened zone the hole being inclined -60 to the SW.

To view an enhanced version of Figure 2, please visit:

https://orders.newsfilecorp.com/files/6283/89476_8a042095248ca992_002full.jpg

Figure 3. Section through a portion of the southern part of Dugbe F showing the sheet-like mineralized layer and the fold structure at the SW end of the section.

To view an enhanced version of Figure 3, please visit:

https://orders.newsfilecorp.com/files/6283/89476_8a042095248ca992_003full.jpg

Dugbe F deposit

The current Inferred Mineral Resource Estimate at Dugbe F is 16.3 Mt with an average grade of 1.57 g/t Au and has contained gold of 823 k oz. The Indicated Mineral Resource Estimate at Dugbe F currently stands at 5.8 Mt with an average grade of 1.46 g/t Au containing 273 k oz gold.

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eastward sloping topography has the effect of minimizing the depth to the mineralized layer in some areas which would support a favorable strip ratio if mined.

The Infill Drilling program

Since 21 January 2021 approximately 6,925 meters have been drilled at Dugbe F for the completion of 82 drillholes. This includes 2 previous holes that were deepened. Infill holes are positioned between existing holes to increase the density intersections within the areas of the deposit that fall within a conceptual mining pit-shell. The objective is to upgrade a large portion of the Inferred Mineral Resource Estimate to Indicated, to increase the resource base for the Feasibility Study. The results of the infill drilling to date are encouraging supporting both grade and continuity.

Table 1. All intersections (not highlights) from the additional 22 new drillholes with assay results. Drillholes are estimated to be close to true thickness (within approximately 10%). DFDC067 and DFDC169 were 2011 holes deepened, the new intersections being below the previous end-of-hole.

BHID	From (m)	To (m)	Interval (m)	Grade Au (g/t)
DFDC067	104.5	109.4	4.9	1.36
and	112.5	115.5	3.0	1.25
DFDC169	126.5	132.5	6.0	1.46
DFDC368	55.8	56.3	0.5	2.88
DFDC394	11.7	20.2	8.5	0.94
DFDC395	61.1	65.0	3.9	1.60
DFDC397	21.6	24.6	3.0	0.92
DFDC398	51.0	60.6	9.6	1.92
DFDC399	13.0	17.0	4.0	1.10
DFDC400	67.5	69.0	1.5	1.28
and	99.3	102.3	3.0	2.10
DFDC402	No significant intersection (NSI)			
DFDC404	17.0	20.0	3.0	1.60
DFDC405	0.0	7.5	7.5	1.35
and	17.5	20.5	3.0	1.64
DFDC406	25.5	33.0	7.5	1.05
DFDC407	15.5	18.5	3.0	0.69
DFDC408	13.5	16.5	3.0	0.74
DFDC409	111.7	126.0	14.3	0.88
DFDC410	103.2	116.9	13.6	2.79
DFDC411	66.0	71.3	5.3	0.52
and	76.9	78.5	1.7	1.52
and	89.5	126.0	36.5	1.27
DFDC412	49.7	82.6	33.0	1.76
and	99.7	112.1	12.4	1.74
DFDC413	57.0	60.0	3.0	1.19
and	113.2	114.3	1.1	0.96
DFDC414	NSI			
DFDC415	7.0	11.5	4.5	1.73

Figure 4. Dugbe Gold Project Mineral Development Area.

To view an enhanced version of Figure 4, please visit:

https://orders.newsfilecorp.com/files/6283/89476_8a042095248ca992_004full.jpg

Drilling procedure and Quality Assurance and Quality Control (QAQC)

The new holes were positioned using a handheld GPS and lidar data for elevation. Downhole orientation surveys were completed for all holes and core was oriented to assist with interpretation. All drilling and logging was completed in adherence to industry standard operating procedures. Core recovery is over 95% for all mineralized intersections. Core was drilled HQ (65 mm diameter) through the overburden typically 2-10 m depth, then NQ (47 mm diameter) size. Samples were all half core and were prepared by Liberia Geochemical Services in Monrovia then sent for analysis at ALS Kumasi in Ghana, a facility compliant to ISO 17025:2005 for the analytical methods used for the samples. Samples range from 1 kg to over 5 kg depending on the length of each sample. Within every 20 core samples submitted a certified standard and blank was inserted. The results of these samples show acceptable levels of variance. Duplicate (other half of the core) samples were inserted 1 in every 20 core samples to check on precision. Sample weights on dispatch and received sample weights were examined to monitor for sample swaps. All samples were stored and transported to the laboratory securely and accompanied by a company representative until arrival at the laboratory. Similar QAQC measures were undertaken for the previous drillholes reported herein; those samples were analyzed by ALS in Loughrea, Ireland which is an ISO 17025:2005 compliant facility for the analytical methods used for the samples. All samples were analyzed by fire assay with atomic absorption finish on a sample with 50g nominal weight.

Table 2. Collar positions of the drillholes reported herein. Coordinates are in UTM zone 29N, WGS84 datum.

BHID	Easting	Northing	Elevation	Total length	Incl.	Azimuth
DFDC368	550585	562239	91.0	92.5	-80	295
DFDC394	550058	562305	94.0	44.8	-80	295
DFDC398	550283	562138	99.0	85.6	-65	165
DFDC407	550747	562863	84.3	41.7	-65	312
DFDC406	550806	562878	84.6	71.6	-80	295
DFDC405	550658	562970	99.5	35.5	-90	295
DFDC408	550715	563002	88.2	38.5	-80	295
DFDC397	550706	563136	100.6	50.5	-80	295
DFDC399	550718	563209	99.4	53.8	-80	295
DFDC402	550766	563422	111.2	47.5	-80	295
DFDC404	550750	563334	105.9	44.3	-80	295
DFDC400	550923	563444	125.7	134.6	-80	295
DFDC395	550147	562122	97.7	95.7	-70	205
DFDC409	549897	561933	123.8	152.2	-60	10
DFDC410	549897	561933	123.8	146.2	-70	205

DFDC411	549791	562015	136.0	164.4	-65	225
DFDC413	549967	561813	116.0	152.6	-60	250
DFDC412	549967	561813	116.0	140.0	-60	330
DFDC067	550239	562050	132.0	40.2	-60	295
DFDC169	549902	561854	118.0	61.5	-60	295
DFDC414	550442	562549	134.0	50.3	-55	260
DFDC415	550432	562478	126.0	32.3	-60	295

Qualified Persons Statement

Scientific or technical information in this disclosure that relates to exploration results was prepared and approved by Mr. Andrew Pedley. Mr. Pedley is a full-time consultant of Pasofino Gold Ltd.'s wholly-owned subsidiary ARX Resources Limited. He is a member in good standing with the South African Council for Natural Scientific Professions (SACNASP) and is as a Qualified Person under National Instrument 43-101.

About the Dugbe Gold Project

The 2,559 km² Dugbe Project is located in southern Liberia and situated within the south westmost part of the Birimian Supergroup, which is host to the majority of West African gold deposits. To date, two gold deposits have been identified on the Project; Dugbe F and Tuzon. The deposits are located within 4 km of the Dugbe Shear Zone which is thought to have played a role in large scale gold mineralization in the area. A large amount of exploration in the area was conducted by Hummingbird, including 74,497 m of diamond coring. 70,700 m of this was at the Dugbe F and Tuzon deposits, discovered by Hummingbird in 2009 and 2011 respectively. Both deposits outcrop at surface and may be amenable to open-cut mining. In addition, there are a number of prospects within the Project, including 'Sackor' where gold mineralization has been intersected in drill-holes and where additional drilling is planned. No other prospects have been drill-tested to date. At some prospects extensive trenching identified anomalous levels of gold that require drill-testing. An aggressive exploration program to test the prospects is planned by the Company. In 2019, Hummingbird signed a 25-year Mineral Development Agreement ("MDA") with the Government of Liberia providing the necessary long-term framework and stabilization of taxes and duties. Under the terms of the MDA, the royalty rate on gold production is 3%, the income tax rate payable is 25% (with credit given for historic exploration expenditures), the fuel duty is reduced by 50%, and the Government of Liberia is granted a free carried interest of 10% in the Project. Over \$70 million has been spent by Hummingbird on the Project.

Table 3. Mineral Resource Estimate for the Dugbe Gold Project using a 0.5 g/t Au cut-off grade

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Category	Tonnes (million)	Au Grade (g/t)	Contained Gold (000 ounces)
Tuzon Deposit			
Indicated	41.9	1.51	2,032
Inferred	10.4	1.31	439
Dugbe F Deposit			
Indicated	5.8	1.46	273
Inferred	16.3	1.57	823
Totals			
TOTAL INDICATED	47.7	1.51	2,304
TOTAL INFERRED	26.7	1.47	1,262

1. Rounding errors may be evident when combining totals in the table but are immaterial.
2. The effective date of the Mineral Resource Estimate is August 19, 2020 as reported in "Dugbe Gold Project, Liberia NI 43-101 Technical Report, Effective Date 19 August 2020," a report prepared by SRK Consulting (UK) Limited.
3. The Qualified Person is Mr. Martin Pittuck (CEng, MIMMM).
4. The Mineral Resource has been classified under the guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council (2014), and procedures for classifying the reported Mineral Resources were undertaken within the context of the Canadian Securities Administrators National Instrument 43-101 (NI 43-101).
5. The estimates are stated using a 0.5 g/t Au cut-off grade.
6. Mineral Resources are not Mineral Reserves and have no demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.
7. Mineral Resource estimates are stated within conceptual pit shells that have been used to define Reasonable Prospects for Eventual Economic Extraction (RPEEE). The pit shells used the following main parameters: (i) Au price of US\$1700/ounce; (ii) plant recovery of 90%; and (iii) mean specific gravity of 2.78 t/m³ for fresh rock and 1.56 t/m³ for oxide material for Tuzon, and for Dugbe F a mean specific gravity of 2.73t/m³.

About Pasofino Gold Ltd.

Pasofino Gold Ltd. is a Canadian-based mineral exploration company listed on the TSX-V (VEIN). Pasofino, through its wholly-owned subsidiary, is earning a 49% economic interest (prior to the issuance of the Government of Liberia's 10% carried interest) in the Dugbe Gold Project

For further information, please visit www.pasofinogold.com or contact:

Ian Stalker, President & CEO

T: 604 367 8110

E: istalker@pasofinogold.com

Cautionary Statements Regarding Forward-Looking Statements

This news release contains "forward-looking statements" that are based on expectations, estimates, projections and interpretations as at the date of this news release. Forward-looking statements are frequently characterized by words such as "aim", "plan", "expect", "project", "seek", "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 ability to raise the funds to finance its ongoing business activities including the acquisition of mineral projects and the exploration and development of its projects. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors may include, but are not limited to, the ability to successfully file and obtain approval for the Qualifying Prospectus, the ability to obtain all requisite regulatory approvals in respect of the Qualifying Prospectus, the results of exploration activities; the ability of the Company to complete further exploration activities; timing and availability of external financing on acceptable terms and those risk factors outlined in the Company's Management Discussion and Analysis as filed on SEDAR. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.

[1] Pasofino Announcement dated 7th June 2021

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