



NEWS RELEASE

Pasofino Gold Provides Results for Trenches Defining New Targets on Strike from Tuzon

5/18/2021

Toronto, Ontario--(Newsfile Corp. - May 18, 2021) - Pasofino Gold Limited ("Pasofino" or the "Company") (TSXV: VEIN) (OTCQB: EFRGF) (FSE: N07) is pleased to announce that it has received positive results for trenches on strike from the Tuzon deposit at its Dugbe Gold Project, in which the Company has an option to earn a 49% economic interest (prior to the issuance of the Government of Liberia's 10% carried interest). The trench results support Pasofino's view that there are opportunities to add to the existing deposits.

Highlights

- A 6 km long Au in soil 'trend' extending south-westwards 'on-strike' from the 2 Moz (Indicated Mineral Resource Estimate see below) Tuzon deposit was recognized in January 2021. Three 'first pass' trenches were completed in February 2021 to test the trend. All three returned anomalous Au results - up to 2 g/t Au in bedrock and an interval of 36 m grading 0.6 g/t Au.
- These trench results are important as there has been no drilling on this trend; the soil anomaly is relatively subtle and was not targeted previously.
- At the west end of the trend there are two trenches dating from 2011 that have not been drill-tested to date, despite having a best interval of 26 m grading 0.79 g/t Au.
- These results highlight the potential for new discoveries within relative proximity to the existing deposits,

within a trucking distance of the planned processing plant at Tuzon.

Ian Stalker, CEO, commented; "The trench results suggest that the mineralized layers hosting the Tuzon deposit may be more extensive than currently defined and provide us with some promising new drill targets. That these results are within 6 km of the 2.3 Moz's Indicated Resources we have at the Tuzon and Dugbe F deposits makes it all the more meaningful and supports our view that there is more to be found on the 2,559 km² land package."

Trench	Interval start (m)	Interval end (m)	Length (m)	Grade Au (g/t)	Material
TZTR085	38.0	90.0	52.0	0.18	Mottled zone (cover)
including	50.0	66.0	16.0	0.25	Mottled zone (cover)
TZTR087*1	0.0	10.0	10.0	0.13	gneiss bedrock
TZTR091	32.0	68.0	36.0	0.60	gneiss bedrock
including	34.0	40.0	6.0	1.48	gneiss bedrock
KHTR008*2	52.0	78.0	26.0	0.79	unknown
KHTR007*2	116.0	126.0	10.0	0.95	unknown

*1 trench started in the anomalous zone

*2 untested 2011 Trenches shown on figure 1

The Trenching

Pasofino recently completed a re-analysis of all historic soil geochemical data, taking into account structure and topography. This work highlighted several weak to moderate strength anomalies on strike of Tuzon. To test these, three trenches were completed during February 2021. They are variably spaced along a 6 km subtle Au-in soil anomaly defined by the 10 ppb contour, extending southwest from the 2 Moz (Indicated) Tuzon deposit (Fig. 1). This 6 km long trend was not tested until now as the Au in soil values are less obvious than others on the project area. Drilling is required to firm up on the concept but the trench results support the possibility of a 'belt' of mineralization extending southwestwards from Tuzon, located just north of the Dugbe Shear Zone. The anomaly is subdivided into the Tuzon South Target and the Dugbe Shear Target (DSZ target). At the western end of the trend trenches KHTR007 and KHTR008 dating from 2011 returned excellent results (best being 26 m grading 0.79 g/t Au) but were never followed up. New trench TZTR085 is encouraging being only 500 m southwest of the Tuzon deposit. The 52 m interval grading 0.18 g/t Au in this trench was sampled from mottled zone regolith as bedrock was not reached. A program to follow-up on the trenches will be implemented.

Figure 1. Map showing all trenches and Au in soil. New trenches TZ005, TZ087, TZ091 and 'historic' (2011) trenches KHTR007 and KHTR008 are labelled.

To view an enhanced version of this graphic, please visit:

https://orders.newsfilecorp.com/files/6283/84412_e5dfdc00c48968b0_001full.jpg

Sampling procedure and Quality Assurance and Quality Control (QAQC)

The trench start (collar) positions were determined using a handheld GPS and lidar data for elevation. Trenches were dug to 3 m or to 'refusal' (if bedrock reached) and were 200-204 m in length. Samples were all 2 m in length and taken from a horizontal channel 0.1 m above the trench floor. If an interval had bedrock in the floor of the trench small chips were taken with a chisel along the interval. Samples were prepared at Liberia Geochemical Services (Inc. in Monrovia) and analyzed by ALS in Burkina Faso, a facility compliant to ISO 17025:2005 for the analytical methods used for the samples. A certified standard was inserted into every 100 samples and a blank was inserted every 50 samples. A duplicate trench sample was collected every 75th sample. The results of the QAQC samples are acceptable. All samples were stored and transported to the laboratory securely and accompanied by a company representative until arrival at the laboratory. All samples were analyzed by fire assay with atomic absorption finish on a sample with 50g nominal weight. The Qualified Person has been unable to review QAQC data for the 2011 trenches but has observed them in the field.

Trench ID	Length (m)	East	North	Azimuth
TZTR085	202	554080	561895	295
TZTR087	204	553610	561471	295
TZTR091	200	549400	559681	360
KHTR007	324	548028	559876	295
KHTR008	314	548076	559735	295

Table 2. Collar positions of the trenches. Coordinates are UTM zone 29N, WGS84 datum.

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 2,355 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 area (Fig. 2). 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.

Figure 2. Dugbe Gold Project Mineral Development Area and targets.

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

Table 4. Mineral Resource Estimate for the Dugbe Gold Project using a 0.5 g/t Au cut-off grade

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, has an option to earn a 49% economic interest (prior to the issuance of the Government of Liberia's 10% carried interest) in the Dugbe Gold Project.

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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 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.

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