



PASOFINO GOLD

NEWS RELEASE TSX-V:VEIN

PASOFINO GOLD LIMITED COMMENCES EXPLORATION PROGRAM

*PRIORITY EXPLORATION TARGETS ON DUGBE GOLD PROJECT
READY TO MOBILISE RIG TO THE TIEHNPO TARGET*

Toronto, Ontario--(Newsfile Corp. - October 20, 2020) - Pasofino Gold Limited (TSXV: VEIN) (FSE: N07) ("Pasofino" or the "Company") is pleased to announce the start of the exploration at its Dugbe gold project ("Dugbe") with an extensive program of step-out drilling, drilling of new targets and large scale regional soil sampling. This is the first stage of a major exploration and mineral resource drilling program aimed at substantially increasing the already large mineral resource at Dugbe. Over the coming months, Pasofino will provide the results of the exploration program to the market. Since 2009, only 3 areas on the 2,355 km² property have been drilled, two of these becoming the Tuzon and Dugbe F deposits. The planned program aims to add to these deposits.

Highlights

- **Drill crews on the ground:** Drill crew and exploration teams on the ground are preparing for drilling:
 - At the Tiehnpo target to follow up on gold in trenches completed in 2012; planned start during November 2020.
 - Teams are also planning the mobilisation of a rig to the Dugbe F deposit to get the resource drilling there underway.
- **New targets being assessed:** Two new regional targets with clear discovery potential identified on key structural trends, both with artisanal activity as identified from recently acquired satellite data. Teams mobilised to begin soil sampling grids in October 2020 over these and other targets on the 2,355 km² property.
- **Tuzon Expansion and ‘Satellite deposit’ potential:** Gold in soil anomalies suggestive of possible ‘satellite’ mineralisation northeast *and* southwest of the Tuzon deposit have been delineated and will be drilled in Q1/2021.
 - These targets are *in addition* to the possible immediate strike extension of the existing deposits which will be the subject of a separate market announcement.
- **Sackor Extension:** Further drilling at Sackor is planned in 2021 to potentially extend the prospective Sackor target where gold was intersected in 2012.

Ian Stalker, CEO - Africa Operations, commented; “Drill testing of just three of the many gold targets previously identified on the project led to the discovery of the large Tuzon and Dugbe F deposits. These host Indicated and Inferred Mineral Resources of 2.3 and 1.3 Moz respectively, and our objective is to grow this resource by discovering new deposits and extending the existing resources. We are now ready to roll out a program to test the best of 100+ targets present, some of which are ‘new’ and have obvious discovery potential; and drill possible extensions of the existing deposits.”

New targets with the right 'signs'

Pasofino's geological team has completed a target generation exercise by compiling and interpreting the large amount of exploration data collected by Hummingbird Resources PLC ("Hummingbird") between 2006 and 2014 and have added new data notably from recent satellite images of the project. Those targets that rank most highly are shown in (Fig 1). Of particular interest are two 'new' targets named Gmayenken and Jaedae East. No exploration has been carried at either of these areas to date.

At Gmayenken, extensive artisanal gold mining operations are exploiting alluvial gravels along a 5 km length of a stream channel. The excavated areas are up to 200 m wide (Fig. 2) and are within a 4 km by 2 km drainage area over which a soil sampling grid will be completed during October-November aimed at identifying the source of the alluvial gold.

The Jaedae East target is 9 km east of the Tuzon deposit and bears many similarities to Tuzon, being on a secondary 'splay' structure just north of the Dugbe Shear zone (Fig. 3) and with a northeast-southwest orientation. Artisanal workings visible on satellite data support the possible presence of gold mineralisation. An extensive soil sampling grid will cover this area, the area between it, and the Tuzon deposit (labelled 'DSZ East soil grid' on Figure 3) as soon as access can be established. This area was not covered by previous soil sampling grids.

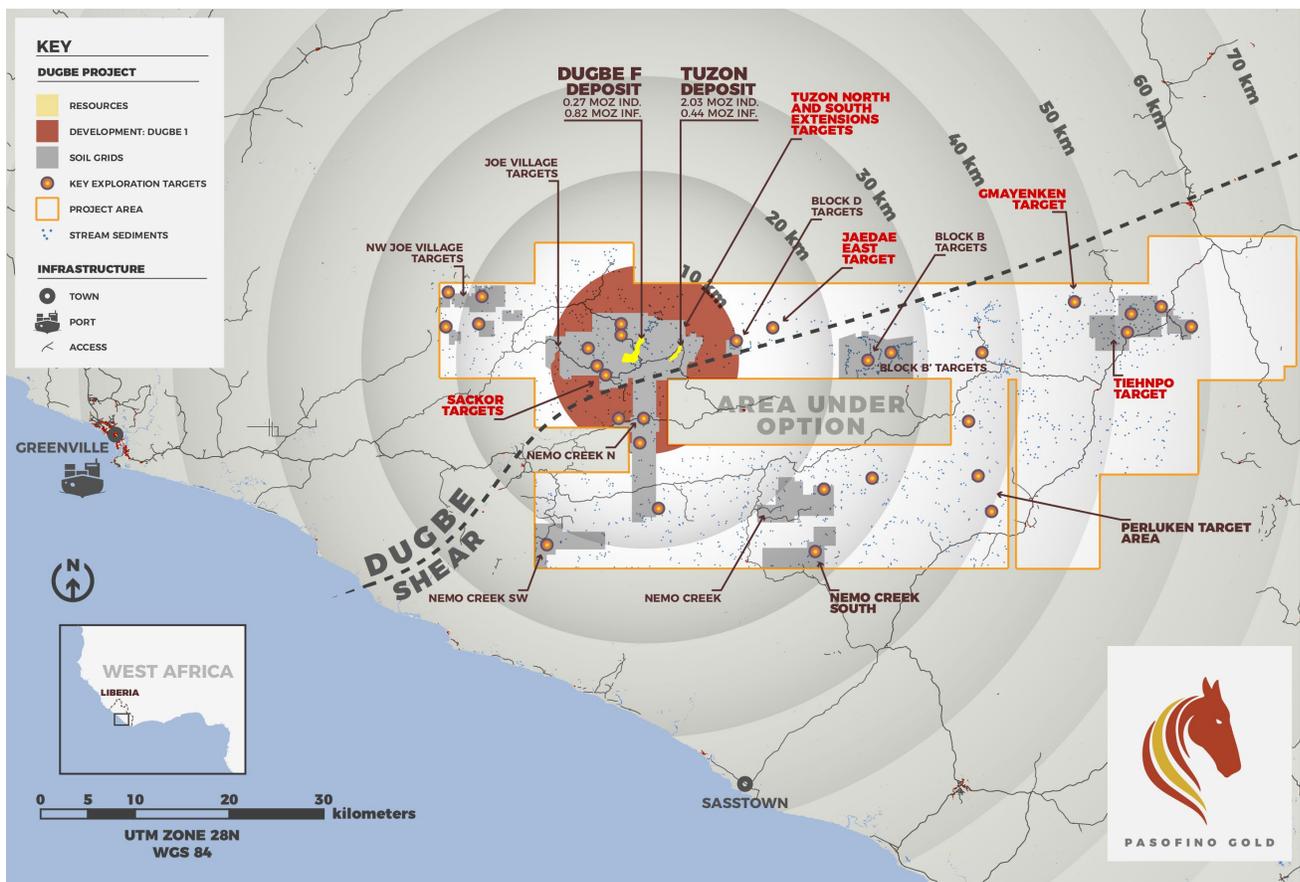


Figure 1. Map showing the project area and the location of gold deposits and targets. Targets referred to in the text are labeled with red font.

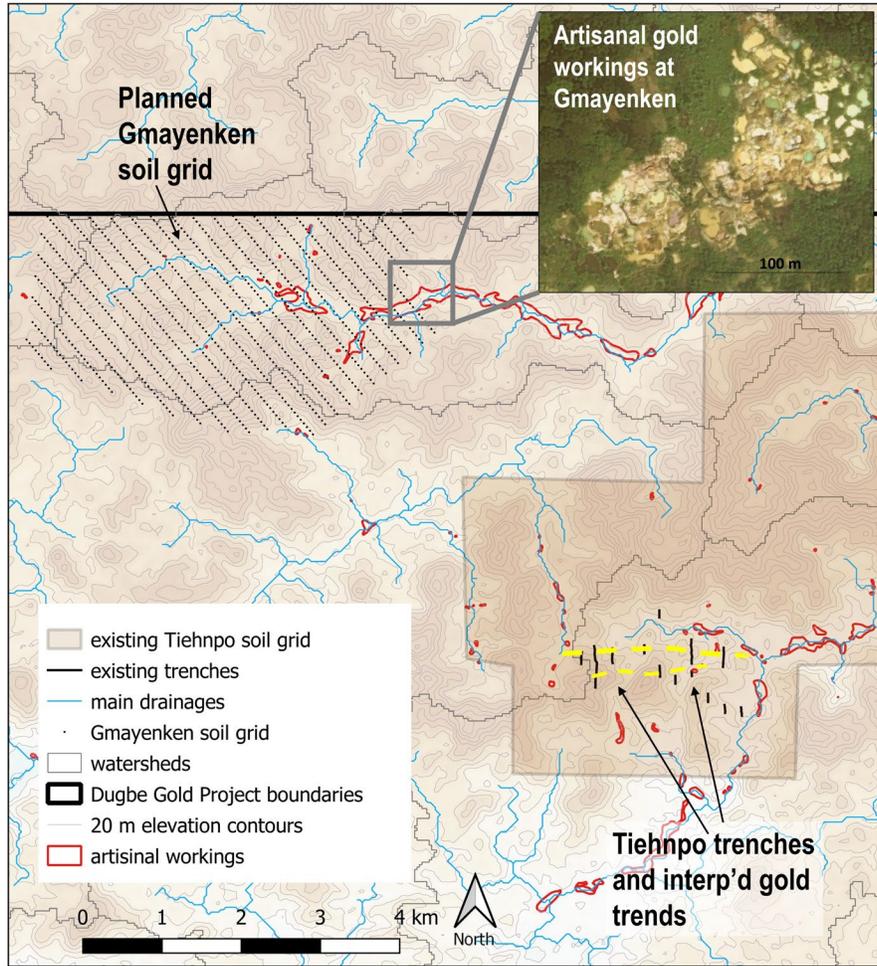


Figure 2. Gmayenken and Tiehnpo target areas

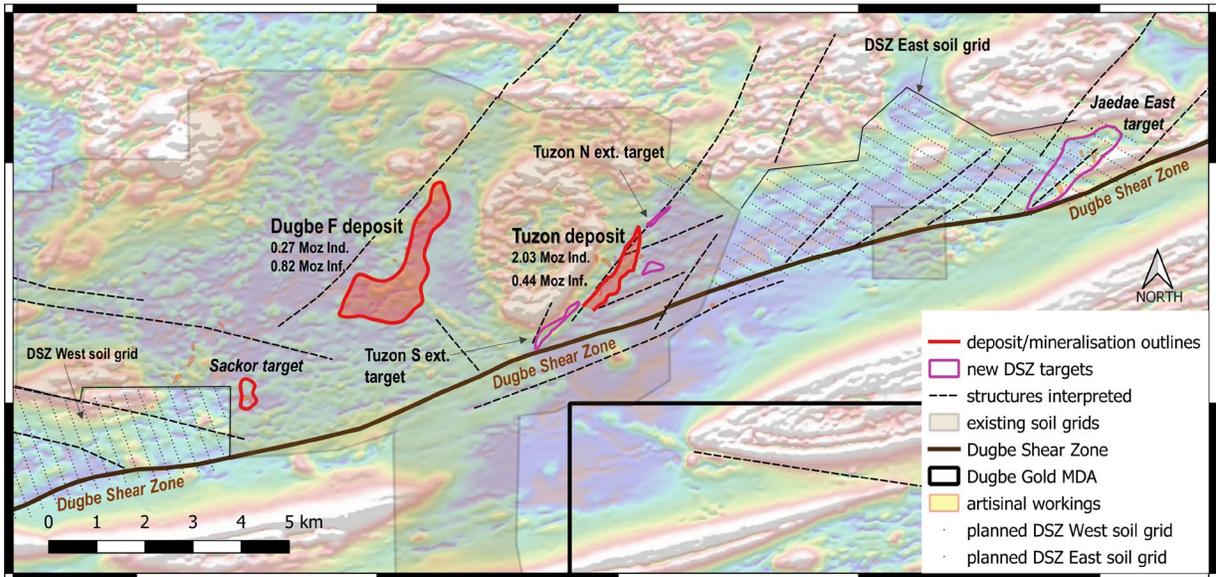


Figure 3. Map showing the area adjacent to the Dugbe Shear Zone (DSZ) close to which the Tuzon and Dugbe F deposits are located. The Jaedae East, Tuzon north and south extension and the Sackor targets are labeled.

Tuzon extension targets – targeting satellite deposits

Also shown in Figure 3 are the ‘Tuzon north and south extension targets’ where soil samples with between 0.1 and 0.5 g/t Au may reflect new zones of mineralisation on strike from the main deposit. These targets will be drill-tested in early 2021.

In addition, drilling will target the areas of the Tuzon deposit which are ‘open’ particularly the ‘high grade zone B’ which already hosts an Indicated resource 1.05 Moz gold with an average grade of 1.72 g/t Au¹. This will be discussed in a separate market announcement.

Tiehnpo target – a 2.5 km gold trend

Drilling will begin at Tiehnpo as it is ‘drill-ready’. A 1200m drilling program has been designed to test gold anomalies in trenches completed by Hummingbird in 2012 the highlights of which are listed in Table 1. At least two gold ‘trends’ up to 2.5km in length have been interpreted from the trench data (Fig. 2). Drilling at Tiehnpo is planned to commence in November 2020.

Table 1. Selection of trench results from the Tiehnpo target¹

| Trench ID | m From | m To | Interval Width (m) | Au (g/t) |
|------------|--------|------|--------------------|----------|
| TPTR008 | 24 | 26 | 2.0 | 8.34 |
| TPTR002 | 36 | 50 | 14.0 | 0.32 |
| <i>and</i> | 414 | 418 | 4.0 | 0.68 |
| TPTR001 | 426 | 440 | 14.0 | 0.22 |
| TPTR004 | 46 | 60 | 14.0 | 0.13 |
| <i>and</i> | 188 | 190 | 2.0 | 7.93 |
| TPTR010 | 80 | 82 | 2.0 | 1.86 |

Sackor target – drilling test extension of mineralisation

Sackor is the only other area along with the Tuzon and Dugbe F deposits that has been drilled on the project. Twenty holes were drilled by Hummingbird at Sackor in 2012, highlights of which are presented in Table 1 below. An additional 2500m of drilling is planned for 2021 to test the potential extension of the mineralisation and possibly support a maiden mineral resource estimate.

Table 2. All intersections at Sackor which meet the criteria: intersections of at least 10 meters of mineralization with a minimum average grade of 0.5 g/t.¹

| Hole_ID | mFrom | mTo | Interval Width (m)* | Au (g/t) |
|------------|-------|-------|---------------------|----------|
| SKDC002 | 57.7 | 103.5 | 45.8 | 1.06 |
| <i>and</i> | 116.8 | 133.0 | 16.2 | 1.18 |
| SKDC004 | 1.0 | 14.0 | 13.0 | 0.84 |
| SKDC003 | 14.0 | 29.0 | 15.0 | 0.95 |
| <i>and</i> | 72.0 | 83.0 | 11.0 | 3.21 |
| SKDC006 | 38.8 | 49.0 | 10.2 | 0.81 |
| SKDC007 | 8.0 | 21.0 | 13.0 | 1.33 |
| SKDC007 | 38.8 | 50.0 | 11.2 | 1.05 |
| SKDC008 | 61.2 | 74.0 | 12.8 | 1.90 |

Note* While attempts were made to orient holes orthogonally to the mineralized layer, the intersections may not reflect the true width of the mineralization.

¹ Dugbe Gold Project, Liberia NI 43-101 Technical Report dated 19 September 2020, a report by SRK Consulting.

Qualified Persons Statements

Scientific or technical information in this disclosure that relates to the Company's exploration activities and Mineral Resources estimates is based on information compiled or approved by Mr. Andrew Pedley. Mr. Pedley is a full-time consultant of Pasofino Gold Ltd. He is a member in good standing with the South African Council for Natural Scientific Professions (SACNASP) and has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101. Mr. Pedley consents to the inclusion in this disclosure of the information, in the form and context in which it appears.

About the Dugbe Gold Project

The 2,355km² 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 mineralisation 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. Hummingbird engaged Wardell Armstrong International ("WAI") in 2013 to produce a Preliminary Economic Assessment ("PEA") for the Dugbe F and Tuzon deposits and further work was carried out subsequently including metallurgical, geotechnical and hydrological work, which will provide a foundation for the recently initiated Feasibility Study. In addition, there are a number of prospects within the Project, including 'Sackor' where gold mineralisation 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.

About Pasofino Gold Ltd.

Pasofino Gold Ltd. is a Canadian-based mineral exploration company listed on the TSX-V (VEIN) and FSE (N07). Through its recently announced acquisition of ARX Resources Limited, Pasofino has an option to earn a 49% economic interest (prior to the issuance of the Government of Liberia's carried interest) in the Dugbe Gold Project.

Pasofino is also earning a 50% interest in the advanced-stage Roger Gold-Copper Project located in Quebec's prolific Abitibi Greenstone Belt.

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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 "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.