



NxGold Closes Mega Uranium Option Agreement

VANCOUVER, B.C. - June 18, 2020 – NxGold Ltd. (“NxGold” or the “Company”) (TSXV: NXN) is pleased to announce that it has received approval from the TSX Venture Exchange (the “TSXV”) for the previously announced option agreement with Mega Uranium Ltd. (“Mega”) (TSX: MGA) to acquire a 100% interest in the Ben Lomond and Georgetown uranium projects in Australia (the “Option Agreement”).

In accordance with the Option Agreement, the Company issued 900,000 common shares in the capital of the Company (each, a “Common Share”) and 900,000 Common Share purchase warrants (each, a “Warrant”) to Mega. Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.30 per Common Share, for a period of 24 months, subject to an exercise restriction whereby any exercise of the Warrants that would result in Mega beneficially owning or having control or direction over ten percent (10%) or greater of the total issued and outstanding voting securities of the Company, immediately after giving effect to such exercise, is prohibited. In addition, the Company paid Mega a cash consideration in the amount of \$180,000. For further information on the Option Agreement, please refer to the Company’s news release dated May 14, 2020.

All securities issued in connection with the Option Agreement are subject to a restricted period of four months and one day from the date of issuance.

Philip Williams President and CEO commented “We are excited to take this first step into the uranium space as the commodity price has begun to recover. We commend our peers in the space who have persevered the bear market of the past decade and are excited to bring a new story and enthusiasm to the market. Anchored by the Ben Lomond project, a high grade, low capex, near term development opportunity, we look forward to becoming an active player in consolidating orphaned uranium projects in Australia and around the globe. We are particularly pleased with adding Mega Uranium as a shareholder with its long history and success in the space.”

Options Issued

In addition, the Company has granted an aggregate of 850,000 options (the “Options”) to purchase Common Shares, exercisable at a price of \$0.30 per Common Share for a period of five years from the date of issuance, to certain directors, officers and consultants of the Company. The Common Shares issuable upon exercise of the Options are subject to a four month and one day statutory hold period from the original date of grant.

About NxGold

NxGold is a Vancouver-based exploration company. The Company has recently entered into an option agreement with Mega Uranium Ltd. (TSX: MGA) to acquire a 100% interest in the Ben Lomond and Georgetown uranium projects in Australia and owns 80% of the Mt. Roe gold project located in the Pilbara region of Western Australia. The Company has also entered into an earn-in agreement with Meliadine Gold Ltd. to earn up to a 70% interest in the Kuulu Project (formerly known as the Peter Lake Gold Project) in Nunavut.

Philip Williams
President and Chief Executive Officer

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Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statement Regarding “Forward-Looking” Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. "Forward-looking information" includes, but is not limited to, statements with respect to activities, events or developments that the Company expects or anticipates will or may occur in the future including whether the proposed acquisition will be completed. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations 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" or the negative connotation thereof.

Such forward-looking information and statements are based on numerous assumptions, including among others, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms, and that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Company's planned exploration activities will be available on reasonable terms and in a timely manner. Although the assumptions made by the Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual events or results in future periods to differ materially from any projections of future events or results expressed or implied by such forward-looking information or statements, including, among others: negative operating cash flow and dependence on third party financing, uncertainty of additional financing, no known mineral reserves or resources, reliance on key management and other personnel, potential downturns in economic conditions, actual results of exploration activities being different than anticipated, changes in exploration programs based upon results, and risks generally associated with the mineral exploration industry, environmental risks, changes in laws and regulations, community relations and delays in obtaining governmental or other approvals.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws.