



MEXICAN GOLD MINING

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MEXICAN GOLD MINING ANNOUNCES THE COMMENCEMENT OF A 10,000 METER PROGRAM TO AGGRESSIVELY DRILL TEST ALL TARGETS AT LAS MINAS

Mexican Gold Mining Corp. (the “Company” or “Mexican Gold”) (TSXV: MEX) is pleased to announce that a 10,000 meter drill program is underway at Las Minas, designed to follow up on the discovery made in 2019 at the Cinco Senores Vein target, as well as to test 3 other high priority exploration targets at the project. Additionally, expansion and upgrade drilling is planned to optimize the current resource at El Dorado for inclusion in the upcoming Preliminary Economic Assessment (“PEA”).

Highlights:

- On July 1, drilling began at Las Minas to follow up on the new gold discovery made in 2019 at the Cinco Senores Vein target (5.2m of 8.7 g/t gold from 114m, including 2m of 21.37 g/t gold, estimated 85% true-width).
- Exploration drilling will test the Changarro gold target for the first time and follow-up on exciting results at both the Cinco Senores Skarn and Las Minillas targets.
- Expansion and upgrade drilling is planned to optimize the current resource at El Dorado for inclusion in the upcoming PEA Study.
- As detailed in a press release on June 9, 2020, CTA has now completed fieldwork for an environmental baseline study of the Las Minas project area.
- An expanded and enhanced metallurgical study is in process with ALS Laboratories in Kamloops, BC, and an airborne LiDAR survey is scheduled for the week of July 6 with LiDAR America of Ventura, CA

“We are excited to follow up on last year’s discovery of the Cinco Senores Vein target, where the Company intersected 2m of 21.37 g/t gold in a new zone. This discovery demonstrates the well-endowed nature of Las Minas and the potential for opening up another area of significant gold mineralization at the project. At the same time, we will be drilling brand new targets at Changarro, Cinco Senores Skarn, and Las Minillas, as well as drilling at El Dorado for resource expansion

and upgrading. Mexican Gold's 43-101 resource estimate published in October 2019 demonstrates a robust resource that will form the basis of our upcoming PEA Study" stated Philip O'Neill, Chief Executive Officer.

Drilling Program

Mexican Gold has begun its 2020 diamond drilling program which will include 10,000m of both resource and exploration drilling. Kluane Drilling Ltd, has been retained for this program.

A focus of the 2020 drilling is to expand and upgrade the current resource at El Dorado, which remains open in multiple directions. There are also several satellite intersections which may tie into the main resource area. Careful study of resource models is being used to optimize the results of this drilling for the upcoming PEA Study.

Drilling will also follow up the November 2019 discovery at Cinco Senores in hole LM-19-CS-13. At 114m vertical depth, a 5.2m shallow-dipping, pyrite-rich quartz vein was intersected which assayed 8.94 g/t gold, including 21.37 g/t gold over 2m. The true widths of the intersections are estimated to be 85% of the down-hole lengths. Drilling in 2020 will attempt to define the previously unknown veining and intersect further strong gold values.

Fieldwork from late 2019 at the Changarro prospect has defined 2 parallel, high-grade vein trends within a 25m wide, NNW-trending deformation corridor. From a newly rediscovered mine on the west vein, 3m-spaced chip samples averaging 0.65m in width returned an average of 8.82 g/t gold along the entire 52m drift. These recent results complement 2018 chip sampling on the east vein trend of 13.04 g/t Au over an 8m width. Drilling is planned to test the down-dip continuity and strike extent of this zone, the first clear drill target at Changarro.

The Cinco Senores skarn target, a continuation of the El Dorado zone, has been intersected by drilling over a continuous 235m E-W width and surface showings add a further 170m of E-W extent. The potential north and south extensions of the known mineralized skarn will be tested by the 2020 drilling program.

The Las Minillas skarn occurrence shows extensive mineralization on surface and underground, but has only been tested by 3 holes over a 400m width. Hole LM-11-LM-24 near the Minillas mine returned 7.52 g/t Au equivalent over 2m in very poor recovery. Recent hole LM-19-LM-03 450m from the mine averaged 100ppb Au over 42m of endoskarn, suggesting significant nearby exoskarn mineralization. Drilling in 2020 will target strong EM conductors and El-Dorado type skarn settings.

Environmental Baseline Study

Consultoría y Tecnología Ambiental has completed the fieldwork portion for an environmental baseline study at the Las Minas project and delivery of the full report is expected in July 2020. The surface water study included sampling nearby rivers and creeks to analyze concentrations of metals and mercury (total and dissolved) and other inorganic parameters (chlorides, pH, color, sulphates, hardness, dissolved oxygen, total suspended solids, and conductivity). The flora and fauna study included observations along transects in the project area of influence to identify

species of herpetofauna, birds, and flora, including possible protected species from these three groups. The work was carried out in June by specialist biologists.

This initial environmental baseline project will complement Mexican Gold's forthcoming preliminary economic assessment study in advancing the Las Minas project toward the feasibility stage.

Enhanced Metallurgical Study

The metallurgical work now in process expands the scope of the previous metallurgical study in 2015. Multiple portions of the deposit are being tested individually for ore-blending compatibility and further work on tailings characteristics, process refinement, and extraction of a subsidiary magnetite concentrate will follow. Results and reporting are expected in August, 2020.

LiDAR Digital Terrain Model

A digital terrain model ("DTM"), accurate to within 10cm, will cover 50 km² including and surrounding the Las Minas project. A terrain model is necessary for the upcoming PEA Study to support location and design of infrastructure and material transport options. The DTM will be produced using the airborne LiDAR method, which can precisely locate the ground surface through vegetation.

Quality Assurance/Quality Control

The technical information in this news release has been reviewed and approved by Sonny Bernales, P. Geo., a registered Professional Geoscientist in the Province of British Columbia and a qualified person as defined by NI 43-101. Mr. Bernales is responsible for logistics and supervision of all exploration activity conducted by Mexican Gold on the property.

The Company has implemented and adheres to a strict Quality Assurance/Quality Control program which includes inserting mineralized standards and blanks into the sample stream, about 1 for every 10 samples. The standards and blanks were obtained from CDN Resource Laboratories Ltd. of Langley, BC, Canada. Each sample bag is properly sealed and kept in a secured, restricted storage place prior to shipping to the lab. Samples are shipped directly by Mexican Gold or picked-up by the lab vehicle with chain of custody/sample submittal signed and dated. The Company sends its samples to SGS Mineral Services (ISO/IEC 17025) at Durango, Mexico, an accredited and independent laboratory.

About Mexican Gold Mining Corp.

Mexican Gold is a Canadian based mineral exploration and development company committed to building long-term value through ongoing discoveries and strategic acquisitions of prospective precious metals and copper projects in the Americas. Mexican Gold is exploring and advancing the Las Minas Project, which is located in the core of the Las Minas mining district in Veracruz State, Mexico, and is host to one of the newest, under-explored skarn systems known in Mexico.

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