# Algold Increases Gold Resources at Tijirit

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MONTREAL, Feb. 26, 2018 (GLOBE NEWSWIRE) -- Algold Resources Ltd. (TSX-V:ALG) (the “Corporation”) today announced an updated mineral Resource Estimate, prepared in accordance with the reporting guidelines as set out in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") as required by the Canadian Securities Administrators, for its Tijirit Property (“Tijirit” or “the Property”) in Mauritania. The 100%-owned Tijirit Mine Lease, which encompasses an area of more than 300 km $^2$, is situated approximately 25 kilometers southeast of Kinross’ Tasiast gold mine. Mineral resources were estimated as at January 19, 2018.

Highlights

- Eleonore resources increased from 357,920 ounces of gold at an average grade of 4.18 g/t Au in the inferred category to indicated resources of 94,250 ounces of gold at an average grade of 4.08 g/t Au and 394,690 ounces of gold in the inferred category at an average grade of 4.07 g/t Au.
- The updated NI 43-101 Resource Estimate is based on results of Algold’s successful exploration program, which included more than 50,000 meters of drilling from June 2016 to August 2017, and was prepared only nine months after reporting resources from an initial phase of 23,000 meters of drilling.

Table 1: Tijirit Resources - Base Case

| Zone | Classification | Au (g/t) | Tonnage (t) | Ounces (Au) |
|---|---|---|---|---|
| Eleonore | Indicated | 4.08 | 719,000 | 94,250 |
| Eleonore | Inferred | 4.07 | 3,016,000 | 394,690 |

| Zone | Classification | Au (g/t) | Tonnage (t) | Ounces (Au) |
|---|---|---|---|---|
| Sophie/Lily | Measured | 0.98 | 376,000 | 11,900 |
| Sophie/Lily | Indicated | 0.93 | 2,122,000 | 63,300 |
| Total Sophie/Lily | Measured + Indicated | 0.94 | 2,498,000 | 75,200 |
| Sophie/Lily | Inferred | 1.06 | 7,476,000 | 254,100 |

| Zone | Classification | Au (g/t) | Tonnage (t) | Ounces (Au) |
|---|---|---|---|---|
| Total Sophie/Lily/Eleonore | Measured | 0.98 | 376,000 | 11,900 |
| Total Sophie/Lily/Eleonore | Indicated | 1.72 | 2,841,000 | 157,550 |
| Total Sophie/Lily/Eleonore | Measured + Indicated | 1.64 | 3,217,000 | 169,450 |
| Total Sophie/Lily/Eleonore | Inferred | 1.92 | 10,492,000 | 648,790 |

1. Effective dates for Eleonore and Sophie/Lily resources are January 19, 2018.
2. The independent QP for this resources estimate is Yann Camus, Eng., SGS Canada Inc.
3. The mineral resources are presented at a 0.4 g/t Au cut-off grade in pits and 1.7 g/t Au cut-off grade under the pits, except Eleonore at a global cut-off 1.5 g/t Au.
4. The resources are presented without dilution.
5. Whittle pits have been utilized based on a gold value of US$1,500/oz.
6. Mineral resources that are not mineral reserves do not have demonstrated economic viability. This disclosure does not include economic analysis of the mineral resources.
7. Totals may not add up due to rounding.
8. No economic evaluation of the resources has been produced.

9. This Resource Estimate has been prepared in accordance with CIM definition (2014).
10. Density used is between 2.0 and 3.0 depending on rock type and alteration based on measurements.
11. Capping varies from 3.5 g/t Au (Lily) to 45 g/t Au (Eleonore) depending on extreme local grade.

The overall high-grade nature of the Eleonore deposit allows for various cut-off grade parameters to be applied, thus allowing Algold to choose between various potential mining scenarios as future drilling provides better definition of width, depth and strike extension.

Eleonore Zone

- Algold’s base case using a cut-off grade (“COG”) of 1.5 g/t Au, without pit constraints, includes 94,250 ounces of gold at an average grade of 4.08 g/t Au in the indicated category and 394,690 ounces of gold at an average grade of 4.07 g/t Au in the inferred category.
- An alternate case, with a pit constrained COG of 1.0 g/t Au and 1.7 g/t Au COG under pits, includes indicated resources of 102,200 ounces of gold at an average grade of 3.45 g/t Au and inferred resources of 422,900 ounces of gold at an average grade of 3.49 g/t Au, (within a 0.4 g/t Au Whittle pit constraint).

Lily and Sophie Zones

- The base case using a pit constrained COG of 0.4 g/t Au and 1.7 g/t Au under pits, includes measured and indicated resources of 75,200 ounces of gold at an average grade of 0.94 g/t Au and inferred resources of 254,100 ounces of gold at an average grade of 1.06 g/t Au.
- The alternate case, with a COG of 1.5 g/t Au without pit constraints, includes measured and indicated resources of 22,410 ounces of gold at an average grade of 2.24 g/t Au and inferred resources of 112,820 ounces of gold at an average grade of 2.26 g/t Au.

The updated report takes into consideration 80,954 meters of reverse-circulation (“RC”) drilling and 14,704 meters of core drilling, approximately half of which were carried out on the Eleonore zone.

The base case resources by zone are shown in the following tables, at cut-off grades of 0.4 g/t Au COG in pits and 1.7 g/t Au COG under pits, with the exception of the Eleonore zone estimated using a global cut-off grade of 1.5 g/t Au. Alternate scenarios are presented at 1.5 g/t Au and 2.0 g/t Au COG without the use of pit constraints. Figure 1 shows the up-to-date drilling over the mineralized zones on a recent (April 2017) aerial image of Tijirit. Figures 2a, 2b, and 2c present longitudinal sections of the Eleonore North, Central and South gold zones.

Table 2: Tijirit Sensitivity Analysis (Mineral resources presented at various COGs - for comparison purposes only - without pit constraint.)
Eleonore

| Zone | COG (g/t Au) | Classification | Au (g/t) | Tonnage (t) | Ounces (Au) |
|---|---|---|---|---|---|
| Eleonore | 1.5 | Indicated | 4.08 | 719,000 | 94,250 |
| Eleonore | 1.5 | Inferred | 4.07 | 3,016,000 | 394,690 |
| Eleonore | 2.0 | Indicated | 4.88 | 535,000 | 84,010 |
| Eleonore | 2.0 | Inferred | 5.12 | 2,089,000 | 343,490 |

Sophie & Lily

| Zone | COG (g/t Au) | Classification | Au (g/t) | Tonnage (t) | Ounces (Au) |
|---|---|---|---|---|---|
| Sophie/Lily | 1.5 | Measured + Indicated | 2.24 | 311,000 | 22,410 |
| Sophie/Lily | 1.5 | Inferred | 2.26 | 1,551,000 | 112,820 |
| Sophie/Lily | 2.0 | Measured + Indicated | 2.74 | 158,000 | 13,890 |
| Sophie/Lily | 2.0 | Inferred | 2.97 | 682,000 | 65,100 |

Refer to base case table for assumptions. Detailed tables for separate measured and indicated resources

are presented in the full NI 43-101 report.

Table 3: Eleonore Zone Sensitivity Analysis - Various Cut-off Grades (within 0.4 g/t Au Whittle pit constraint)

| COG (In Pit) Au (g/t) | COG (Under Pit) Au (g/t) | Class Name | Au (g/t) | Tonnage (t) | Ounces (Au) | Comments |
|---|---|---|---|---|---|---|
| 0.4 | 1.7 | Indicated | 2.48 | 1,414,000 | 112,900 | |
| 0.4 | 1.7 | Inferred | 2.66 | 5,349,000 | 457,500 | |
| 0.6 | 1.7 | Indicated | 2.77 | 1,237,000 | 110,090 | COG different in pit and under pit |
| 0.6 | 1.7 | Inferred | 2.92 | 4,768,000 | 448,130 | |
| 1.0 | 1.7 | Indicated | 3.45 | 921,000 | 102,200 | |
| 1.0 | 1.7 | Inferred | 3.49 | 3,773,000 | 422,900 | |

Increasing Potential of the Tijirit Project
"The increase in gold ounces is primarily due to an increase in the mineral resources at the Eleonore zone over the previous 2017 Resource Estimate. The increase in resources and the high grade ounces, at over 4.0 g/t Au, continue to highlight the extensive high-grade gold mineralization at Tijirit,” said Algold CEO, Francois Auclair. “We continue to focus on building and expanding existing resources at Tijirit, which now consist of three larger main mineralized zones (Eleonore, Lily and Salma), all in close proximity, thus enabling many future operating synergies.”

Additionally, Algold is pleased to announce that drilling has commenced on the Salma zone and should be completed within the week. The objective of this drilling program is to further delineate the high-grade gold deposit on Salma and determine the key zones for further exploration along the ten-kilometer channel, as noted in Algold’s press release dated February 8, 2018.

Resources Modeling and Estimation
The resource estimation was prepared by SGS Canada Inc. – geological group Geostat ("SGS Geostat") with an effective date of January 19, 2018, using results from 627 RC drill holes totalling 80,549 meters, 91 diamond drill (“DDH”) holes totalling 14,704 meters and 17,090 meters of trenching carried out on the property both by Algold Resources in 2016, 2017, and 2018 and past operators Shield Mining and Gryphon Minerals from 2009 to 2012. The supporting NI 43-101 Technical Report will be posted on SEDAR at www.sedar.com and on the Company’s website at www.algold.com no later than 45 days after the date of this release.

The database contains 718 drill holes (DDH and RC) and 265 trenches with 76,297 assay results. (Details are provided in the table below.)

| Hole Types | Number of Drill Holes | Total Length (m) | Number of Assays | Sum of Assayed Length (m) |
|---|---|---|---|---|
| DDH | 91 | 14,704 | 10,276 | 10,706 |
| RC | 627 | 80,549 | 58,675 | 80,337 |
| Trenches | 265 | 17,090 | 7,346 | 11,524 |
| Total | 983 | 112,343 | 76,297 | 102,567 |

A modeling cut-off grade of 0.3 g/t Au, a minimum thickness of two meters and a minimum accumulation of 1.2 m.g/t were used to delineate mineralized volumes. The 2,184 two-meter composites were capped at grades varying between 3.5 g/t Au and 45 g/t Au based on local extreme grades. Only 14 composites were capped. The gold loss due to the capping is 16% for the base case resource. Densities are based on 898 readings from DDH holes. A density of 2.00 t/$m^3$ was used for saprolite and fresh rock was set to 2.7 t/$m^3$ in the Lily zone, 2.8 t/$m^3$ in the Sophie III zone, 2.85 t/$m^3$ in the Sophie II zone, 3.0 t/$m^3$ in the Sophie I zone and 2.86 t/$m^3$ in the Eleonore zone.

The block model has a block size of 2 x 5 x 2.5 meters for the Sophie I-II-III and Eleonore, 2 x 5 x 5 meters for the Sophie III and 5 x 5 x 5 meters for the Lily. Except Lily, block models are turned to conform to the general orientations of the zones. Estimation was done by inverse distance squared with ellipsoid influenced distances. Kriging was also tested and general results were very comparable. A total of 220 separate volumes were estimated with 220 composite sets. Two estimation passes were used with ellipsoids of 75 x

75 x 25 meters and 150 x 150 x 50 meters. The first pass uses a minimum of four and a maximum of seven composites, with a limit of two per drill hole. The second pass uses a minimum two and a maximum of seven composites, with a limit of two per drill hole except for 35 volumes with a minimum of one. The smoothing of the estimation was tested in May of 2017 and was found to be adequate. The measured and indicated categories have been outlined by hand on longitudinal based on drilling density. Drilling every 40 meters (Eleonore and Sophie I), 45 meters (Sophie II-III) and 50 meters (Lily) was classified as indicated and drilling every 30 meters (all except Lily) and 35 meters (Lily) was classified as measured. Eleonore has a maximum interpolation up to 100 meters. Other zones have interpolation up to 200 meters. All zones have extrapolation limited to 45 meters.

Optimized open pits have been prepared to allow to constrain the resource estimate. The assumptions are a gold price of US$1,500/oz., mining recovery of 95%, mining dilution of 5% (for Sophie/Lily) and 10% (for Eleonore), processing recovery of 96% (for Sophie/Lily) and 97% (for Eleonore), a processing cost of $12.02/t, a G&A cost of $3.69/t and an open pit mining cost of $1.41/t. For underground mining costs, the current assumption is $40/t. Based on these assumptions; the economically viable cut-off grades are 0.4 g/t Au in open pits, and 1.5 g/t Au under the pits. Accordingly, Algold decided to retain COGs of 0.4 g/t Au in open pits and 1.7 g/t Au for Sophie/Lily and a global COG of 1.5 g/t Au for Eleonore. Alternative cases using higher COGs where also presented.

Quality Assurance / Quality Control (QA/QC)
Since the beginning of 2017, analytical work for drill core and reverse circulation chips, geochemical samples and rock chip samples has been carried out at the independent SGS Laboratories Ltd. in Bamako, Mali. The 50-gram fire assay with ASS finish analytical services are accredited by SANAS and are carried out with a quality assurance protocol in line with ISO 17025:2005. Prior to 2017, drill samples were prepared in the independent ALS Laboratory in Nouakchott, Mauritania and analysed at ALS Laboratories Ltd. in Loughrea, Co. Galway, Ireland, an ISO 17025 (2005) Certified Laboratory.

In both 2016 and 2017, samples were stored at the Company’ field camp and put into sealed bags until delivered by a geologist on behalf of Algold to the respective laboratory where samples are prepared and analyzed. Algold’s samples are logged in the tracking system, weighed, dried and finely crushed to better than 70%, passing a 2 mm (Tyler 9 mesh, US Std. No.10) screen. A split of 1,000 g is taken and pulverized to better than 85%, passing a 75-micron (Tyler 200 mesh) screen, and a 50-gram split is analyzed by fire assay with an AA finish. Selected samples may be re-analyzed using a 1 kg cyanide leach (Bottle Roll) using “LeachWELL” or a 1 kg screen fire assay method. These results automatically supersede the original 50g fire assay result. As part of Algold’s quality assurance and quality control (QAQC) procedures; blanks, duplicates and certified reference material (standards) are routinely inserted within the sample stream to monitor laboratory performance during the preparation and analysis.

This press release has been reviewed for accuracy and compliance under National Instrument 43-101 by Yann Camus, P.Eng., of the independent firm SGS Canada Inc. – geological group Geostat is the qualified person under NI 43-101 standards who supervised the preparation of the resource estimate and approved all resource-related material in this press release. Yann Camus has sufficient experience relevant to the styles of mineralization under consideration and to which the activities are being reported to qualify as the Qualified Person for the purposes of the announcement. Yann Camus has reviewed the results of the QAQC program at Tijirit, both during and prior to Algold's involvement, and is sufficiently satisfied with both the QAQC protocol as well as the performance of the QAQC measures to view the assay results reported in this release as both accurate and precise. Mr Camus visited the property from August 14 to 18, 2017 and from April 16 to 20, 2016, for current personal inspection requirements. All information supporting the resource estimation was verified for any inconsistencies. There was no limitation on the verification process.

André Ciesielski, DSc., PGeo., Algold Resources Ltd. Lead Consulting Geologist and Qualified Person, and Alastair Gallaugher, C.Geo. (Chartered Geologist and Fellow of the Geological Society of London), BSc. Geology, Algold’s Exploration Manager in Mauritania, Qualified Persons as defined by NI 43−101 Standards of Disclosure for Mineral Projects. André Ciesielski has further approved the scientific and technical disclosure in the news release. All information pertaining to the resource estimates have been reviewed for accuracy and compliance under National Instrument 43-101 by Yann Camus, P.Eng., SGS Canada Inc. and Qualified Person.

ABOUT ALGOLD
Algold Resources Ltd. is focused on the exploration and development of gold deposits in West Africa. The board of directors and management team are seasoned resource industry professionals with extensive

experience in the exploration and development of world-class gold projects in Africa.

FORWARD-LOOKING INFORMATION
This press release contains and refers to forward-looking information based on current expectations. All other statements other than statements of historical fact included in this release are forward-looking statements (or forward-looking information). The Corporation's plans involve various estimates and assumptions and its business is subject to various risks and uncertainties. For more details on these estimates, assumptions, risks and uncertainties, see the Corporation's most recent Management Discussion and Analysis on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. These forward-looking statements are made as of the date hereof and there can be no assurance that such statements will prove to be accurate. Forward-looking statements are subject to significant risks and uncertainties, and actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements that are included herein, except in accordance with applicable securities laws.

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