

# Fremont Gold Enters into Option Agreement to Acquire 100% of Advanced-Stage Cobb Creek Gold Project

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Vancouver, September 30, 2019 - [Fremont Gold Ltd.](#) (TSXV: FRE) (FSE: FR2) (OTC Pink: USTDF) ("Fremont") is pleased to announce that it has entered into an option agreement (the "Option Agreement") with Clover Nevada II, LLC ("Clover"), a wholly owned subsidiary of [Contact Gold Corp.](#) (TSXV: C), to acquire a 100% interest in the advanced-stage Cobb Creek gold project ("Cobb Creek") located in Elko county, Nevada.

## Cobb Creek highlights

- Historical mineral resource estimate: The McCall deposit, one target area within Cobb Creek, contains a historical mineral resource estimate (not NI 43-101 compliant) which is set out in the table below.

Resource Classification	Mineralized Zone	Cut-Off (opt)	Tons	Grade (opt)	Ounces Gold
Indicated	Oxide	0.01	1,362,233	0.04	54,864
Indicated	Sulphide	0.01	2,378,000	0.05	118,134

The historical mineral resource estimate ("Historical Estimate") was performed by and reported in a technical report prepared by Michael R. Pawlowski for Stacatto Gold Resources Ltd. and dated October 30, 2004<sup>1</sup>. The Historical Estimate is based on a total of 72 drill holes with continuous zones of gold assays above 0.01 opt gold that could be reasonably interpreted to be continuous in three dimensions based on the construction of nine cross sections, 200 feet apart. The methodology employed in the Historical Estimate is detailed in the 2004 technical report by Pawlowski<sup>1</sup>. A qualified person has not done sufficient work to classify the Historical Estimate as a current mineral resource or mineral reserve and Fremont is not treating the Historical Estimate as a current mineral resource or mineral reserve. In order to consider the Historical Estimate as current mineral resources or mineral reserves, Fremont needs to retain a qualified person to verify historical drilling and assaying methods and validate historical results, add any drilling and assaying or other pertinent geological information generated since the last estimation, and complete an updated resource estimate and a new technical report.

- Historical exploration: Cobb Creek has not been drilled since 1992 and most of the historical drilling (over 140 drill holes) was very shallow. Some of the better drill results include drill hole COBRC-3, which returned 15.3 metres of 2.86 g/t gold (from 13.7 metres to 29.0 metres), and COBRC-84, which returned 33.5 metres of 1.92 g/t gold (from 18.3 metres to 51.8 metres), including 12.2 metres of 4.09 g/t gold. See Table 1 for more drill results.
- Exploration potential: Cobb Creek is underexplored. It has been almost thirty years since Cobb Creek was last drilled. Fremont believes that there is significant potential to expand the Historical Estimate at McCall and for the discovery of a Carlin-type target. Additionally, several exploration targets (Beaver, Silica Ridge, O, and Van Duzer Ridge) have not been drilled or were not followed up despite returning very anomalous gold values (see Figure 1).
- Location: Cobb Creek is comprised of 167 unpatented mining claims and is located at the northern end of the Independence Trend, close to Highway 225 (see Figure 2). Western Exploration's new gold discovery, Gravel Creek, is located approximately 6 kilometres to the southeast. It has been reported that Gravel Creek "contains an in-place unclassified mineral inventory of 1.4 million ounces of gold and 21 million ounces of silver&hellip;". (Muntean, Davis, and Ayling, 2017, p. 22)<sup>2</sup>.

"With the recent sale of Gold Canyon to McEwen Mining, the timing is right to augment our existing property portfolio with advanced-stage gold projects," said Blaine Monaghan, CEO of Fremont. "With a historic resource, several promising exploration targets, and the possibility of a Carlin-type target, Cobb Creek is an exciting opportunity for Fremont and its shareholders. We continue to evaluate other opportunities and I

expect Fremont to make additional acquisitions over the coming months."

Figure 1: Cobb Creek exploration targets

To view an enhanced version Figure 1, please visit:

[https://orders.newsfilecorp.com/files/3169/48302\\_1d42cda064914910\\_002full.jpg](https://orders.newsfilecorp.com/files/3169/48302_1d42cda064914910_002full.jpg)

Figure 2: Cobb Creek location

To view an enhanced version of Figure 2, please visit:

[https://orders.newsfilecorp.com/files/3169/48302\\_1d42cda064914910\\_003full.jpg](https://orders.newsfilecorp.com/files/3169/48302_1d42cda064914910_003full.jpg)

### Cobb Creek geology

Cobb Creek gold mineralization is associated with quartz and calcite veins with widespread silicification and jasperoid development within greenstones and clastic sedimentary rocks of the Ordovician Snow Canyon formation in the upper plate of the Roberts Mountains thrust. Within a kilometre of McCall are exposures of silicified and quartz-veined lower plate Paleozoic Van Duzer limestone. Both upper and lower plate rocks are highly deformed and NE-SW and N-S regional fault trends project into the Cobb Creek area.

"Although McCall has been described as a pre-Tertiary orogenic vein system, there is evidence suggesting the presence of a Tertiary mineralization system," said Clay Newton, V.P. Exploration of Fremont. "There are extensive exposures of quartz-veined and brecciated jasperoid, which is strongly anomalous in gold and pathfinder elements, and the close proximity of outcropping silicified lower plate limestones supports the theory that a Carlin-type gold target exists at a relatively shallow depth. A target that has never been drill tested."

Table 1: Selected historic drill intercepts from Cobb Creek

Hole ID	From m	To m	Intercept m	Gold g/t
COBRC-3	13.7	29.0	15.3	2.86
COBRC-20	7.6	16.8	9.2	2.32
COBRC-23	22.9	36.6	13.7	1.78 which includes 6.1 m @ 2.59 g/t Au
COBRC-24	3.1	10.7	7.6	2.60
COBRC-26A	48.8	56.4	7.6	1.90
COBRC-40	53.4	62.5	9.1	3.25
COBRC-73	13.7	19.8	6.1	3.13
COBRC-86	19.8	24.4	4.6	3.17
COBDDH01	24.4	38.1	13.7	2.07
COBDDH03	29.0	36.6	7.6	2.97
COBRC-84	18.3	51.8	33.5	1.92 which includes 12.2 m @ 4.09 g/t Au
COBRC-85	21.3	25.9	4.6	3.66
COBRC-105	42.7	54.9	12.2	1.85

### Summary of the terms of the agreement

Fremont can acquire 100% of Cobb Creek by making payments totalling US\$370,000 over nine years from September 27, 2019 (the "Effective Date") and issuing 1,500,000 common shares of Fremont ("Fremont Shares") to Clover. In addition to the payments to Clover, Fremont will assume responsibility for making payments totaling US\$120,000 over four years to a previous underlying property owner ("Underlying Owner"). Lastly, Fremont will reimburse Clover for the related 2019-2020 land maintenance costs, and a portion of the 2018-2019 payments to the Underlying Owner. Fremont will be responsible for making all such future payments in order to keep the Option Agreement in good standing.

Fremont may accelerate the exercise of the Option Agreement and acquire 100% of Cobb Creek at any time by giving Clover ten days' notice and paying all of remaining payments in full.

Clover will retain a 2.0% net smelter return royalty on Cobb Creek and any new claims located within one-half mile of Cobb Creek. Fremont has the right to buy-down 1.0% of the royalty for US\$2,000,000.

The Option Agreement, including the issuance of Fremont Shares, is subject to approval by the TSX Venture Exchange ("Exchange"). The Fremont Shares will be subject to a statutory hold period.

#### Option payment summary

- 750,000 Fremont Shares to Clover following Exchange approval
- US\$30,000 to Underlying Owner by November 7, 2019
- US\$30,000 and 750,000 Fremont Shares to Clover on the first anniversary of Effective Date
- US\$30,000 to Underlying Owner by November 7, 2020
- US\$20,000 to Clover on the second anniversary of the Effective Date
- US\$30,000 to Underlying Owner by November 7, 2021
- US\$20,000 to Clover on the third anniversary of the Effective Date
- US\$30,000 to Underlying Owner by November 7, 2022
- US\$25,000 to Clover at the fourth anniversary of the Effective Date
- US\$35,000 to Clover at the fifth anniversary of the Effective Date
- US\$45,000 to Clover at the sixth anniversary of the Effective Date
- US\$55,000 to Clover at the seventh anniversary of the Effective Date
- US\$65,000 to Clover at the eighth anniversary of the Effective Date
- US\$75,000 to Clover at the ninth anniversary of the Effective Date

#### Qualified person

The content of this news release was reviewed by Maury C. Newton, III, Fremont's V.P. Exploration, a qualified person as defined by National Instrument 43-101.

#### About Fremont Gold

Fremont's mine-finding management team has assembled a portfolio of high-quality gold projects in Nevada's most prolific gold trends. Fremont's gold projects include Cobb Creek, Goldrun, Hurricane, and North Carlin. We are aligned with our shareholders: Insiders own over 20% of Fremont.

On behalf of the Board of Directors,

"Blaine Monaghan"

CEO

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<sup>1</sup> Pawlowski, M.R., 2004, Technical report on the Cobb Creek Property, McCall Area, Elko County, Nevada.

<sup>2</sup> Muntean, J.L., Davis, D.A., and Ayling, B., 2017, The Nevada Mineral Industry 2015, Special Publication MI-2015, Nevada Bureau of Mines and Geology.

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

#### Forward looking statements

Certain statements and information contained in this press release constitute "forward-looking statements" within the meaning of applicable U.S. securities laws and "forward-looking information" within the meaning of applicable Canadian securities laws, which are referred to collectively as "forward-looking statements". The United States Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for certain forward-looking statements. Forward-looking statements are statements and information regarding possible events, conditions or results of operations that are based upon assumptions about future economic conditions and courses of action. All statements and information other than statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as "seek", "expect", "anticipate", "budget", "plan", "estimate", "continue", "forecast", "intend", "believe", "predict", "potential", "target", "may", "could", "would", "might", "will", "hope", "will be", "expected" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking statements in this and other press releases include but are not limited to statements and information regarding a new Cobb Creek technical report, the potential to expand the historical mineral resource estimate at McCall, promising exploration targets at Cobb Creek, the potential for the discovery of a Carlin-type target at Cobb Creek, additional acquisitions over the coming months, and Exchange approval of the Option Agreement and the issuance of Fremont Shares. Such forward-looking statements are based on a number of material factors and assumptions and involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to differ materially from those anticipated in such forward-looking information. You are cautioned not to place undue reliance on forward-looking statements contained in this press release. Actual results and future events could differ materially from those anticipated in such statements. Fremont undertakes no obligation to update or revise any forward-looking statements included in this press release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

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