

Dixie Gold Inc. Announces 9,907 Acre Expansion of Red Lake Project, Becomes Largest Claim Holder in Dixie Gold District

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VANCOUVER, Jan. 14, 2020 - [Dixie Gold Inc.](#) (TSX VENTURE: DG) ("Dixie Gold" or the "Corporation") is pleased to announce that it has expanded its district-scale exploration project situated in the emerging Dixie Gold District near Red Lake, Ontario. The Corporation has purchased a total of 197 mining claims covering approximately 4,011 ha (9,907 acres) of additional exploration rights, all of which are contiguous to Dixie Gold's recently announced Red Lake Project (<https://dixiegold.ca/redlake>).

As a result of the transaction announced today, Dixie Gold has become the largest publicly-traded mineral claim owner in the developing Dixie Gold District.

"The magnitude of our claim position in the emerging Dixie Gold District is amplified by today's announcement. The addition of nearly 10,000 acres of incremental exploration potential is of a scale that mirrors the standalone size of many junior exploration projects in their totality. In the case of Dixie Gold, we now have more than 62,414 acres of mineral rights in the area making us the largest tenure holder in the Dixie Gold District. In relation to our tight share structure, being 25,662,187 shares currently outstanding, an investor gains exposure to the equivalent of one full acre of mining exploration rights in the Dixie Gold District for approximately 411 common shares of the company, which sets up what we believe to be one of the most compelling ratios of underlying mining rights per share outstanding of any exploration company in any Ontario mining camp," stated Ryan Kalt, Chairman and Chief Executive Officer of Dixie Gold.

Expansion of the Red Lake Gold Project

The Red Lake Gold Project held by Dixie Gold represents a district-scale exploration opportunity. The Corporation believes the project holds both gold and base metal (VMS) exploration opportunities.

The expansion of the Red Lake Gold Project increases the Corporation's tenure position in the Dixie Gold District by 197 mining claims underlying approx. 4,011 ha (9,907 acres) bringing the total project scale from 1,044 mining claims being approx. 21,258 ha (52,507 acres) to a new expanded total of 1,241 mining claims representing approx. 25,269 ha (62,414 acres).

Figure 1 – Expansion Claims – https://dixiegold.ca/files/Dixie_Gold_DG_Map_NewClaims.jpg

Figure 2 – Updated Project Map – https://dixiegold.ca/files/Dixie_Gold_DG_Map_Updated.jpg

The Dixie Gold District is an emerging exploration camp with contiguous property holders having had recent exploration success involving both gold and base metal exploration. To this point, Dixie Gold's new project is immediately adjacent to projects being advanced by [Great Bear Resources Ltd.](#) and [BTU Metals Corp.](#), situated northeast and east thereof respectively.

Dixie Gold has updated its website with maps relating to the expanded project, full link of which may be found at: <https://www.dixiegold.ca/>

The new 197 mining claims announced today were acquired at a cost equal to claim staking fees paid to the Government of Ontario. A pre-existing two percent royalty on the claims was assumed by the Corporation.

About Dixie Gold Inc.

