Update on the 2019 Field Investigation Program into Nalunaq’s Existing Infrastructure

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TORONTO, March 2, 2020 - AEX Gold Inc. ("AEX:" or the "Corporation")(TSXV:AEX) is pleased to provide an update on the Corporation's 2019 field investigation program on the existing infrastructure on its 100% owned Nalunaq Project in South Greenland. Nalunaq infrastructure is duly covered in the project technical report entitled "An Independent Technical Report on the Nalunaq Gold Project, South Greenland" dated March 20, 2017 (effective date of December 16, 2016), prepared for Nalunaq A/S by SRK Exploration Services Ltd. (the "Nalunaq Technical Report"). The Nalunaq Technical Report is available on SEDAR (www.sedar.com) under AEX's issuer profile.

Key Highlights:

- Process and mechanical audits were undertaken on the existing underground process plant and resulted in the identification of key features required to ensure process operability (i.e., process control and flexibility);
- The mechanical audit indicated the potential for partial recovery of existing processing equipment;
- The partial rehabilitation of the 9 kilometre mine access road was completed; and
- The installation of a pre-engineered and pre-fabricated 73-tonne capacity bridge in the Kirkespir Valley to support future development activities was completed.

Eldur Olafsson, CEO of AEX commented: ‘'A key part of our 2019 field activities was dedicated to the inspection of the existing infrastructure, an integral part of AEX's short-term objective to resuming operations at Nalunaq. The partial rehabilitation of the existing access road and the installation of a new bridge was necessary to ensure safe and secure access to the mine site from the harbour, and to support future development activities. I am pleased to report that the process and mechanical audits of the existing underground process plant resulted in a positive outcome, allowing the Corporation to continue planning for the resumption of on-site processing at Nalunaq in the near future."

AEX cautions that this production decision has been taken before the estimation of Mineral Reserves and is not based on a feasibility study of these Mineral Reserves demonstrating economic and technical viability resulting in significantly higher risk of economic and technical failure.

Underground Process Plant Audit - Processing

Early in 2019, AEX initiated a review of the historical data related to the processing of Nalunaq mineralized material; from 2004 and 2009 when the mineralized material was shipped offshore for processing by Crew Gold Corp. ("Crew"), and then during the time of Angel Mining PLC (‘'Angel Mining") between 2011 and 2013 when the mineralized material was processed on-site in the existing underground process plant. Table 1 summarizes the historical location of Nalunaq mineralized material processing:

Table 1 - Historical Nalunaq Processing

Operator	Year	Location of Processing
Crew	2004-2006	El Valle Plant, Spain
Crew	2007-2009	Nugget Pond Plant, Canada
Angel Mining	2011-2013	Nalunaq Plant, Greenland

As outlined in the Nalunaq Technical Report, past metallurgical test work clearly shows the mineralized material to be amenable to gravity concentration and to the leaching of gravity tailings, with total gold recovery ca. 95%. This process performance was fully evidenced during offshore processing at the El Valle and Nugget Pond plants with recoveries consistently exceeding 90%[1,2].

This contrasted significantly with the results obtained from the Nalunaq underground leaching plant constructed by Angel Mining in 2009 and operated from 2011 to 2013. Past operating reports and independent audits of the onsite process plant illustrated operational issues such as low gold recoveries and below target plant availability. After a thorough process investigation, the following key observations help explain the operational difficulties encountered at the Nalunaq processing facility between 2011 and 2013:

- Difficulty blending higher grade material with lower grade material resulting in the feed grade exceeding plant design, which ultimately resulted in gold losses to tailings;
- Limited metallurgical sampling throughout the process which hindered the ability of operators to routinely assess metallurgical performance;
- Innacurate equipment and materials selection, which impacted the overall availability of the process plant; and
- Lack of a preventive maintenance program and a low inventory of process critical spares, which contributed to long shutdowns and lower plant availability.

The design and operational issues resulted in poor throughput and gold recovery, ultimately contributing to the establishment of a tailings facility for AEX's benefit holding the existing Inferred Resource of 43,200 tonnes at a grade of 4 g/t gold[3].

It is AEX's opinion that upgrading the existing process plant and taking the proper corrective measures to mitigate the historical on-site processing issues would allow the Corporation to achieve processing performance at Nalunaq in line with the significantly higher offshore processing achieve by Crew. Re-design of the plant and the implementation of rigorous operational, sampling, and maintenance protocols will allow the on-site plant to achieve results in line with historical offshore processing both in terms of gold recovery and plant availability.

Underground Process Plant Audit - Mechanical

The mechanical audit of the Nalunaq underground process plant was performed at the mine site between September and November 2019. During the period, all existing underground process plant systems (i.e., crushing, milling, leaching, gold absorption, etc.) were evaluated. All of the equipment nameplates and specifications were recorded and will be used to evaluate the suitability of the existing equipment for resumption of operation at a nominal capacity of 300 tonnes per day.

The Corporation is currently assessing the risks and opportunities associated with the refurbishment of the existing process equipment. The results of the audit indicated that the Leach and Carbon-In-Pulp tanks and associated equipment require minimal refurbishment. Figure 1 and Figure 2 below illustrate the condition of the leach tanks and agitators.

Figure 1: Two of the three leach tanks, each having a live volume of approximately 150 m^3

Figure 2: Interior of an epoxy painted leach tank with dual-impeller agitator

Access Road

During the field season, the Corporation rehabilitated portions of the 9 kilometer mine access road which were historically damaged due to drainage issues. As such, ripraps and culverts were inserted in the damaged areas to lower the impact of erosion and water, as depicted on Figure 3:

Figure 3: Road rehabilitation - Installation of culverts

The partial rehabilitation of the access road is key in supporting the future development activities at Nalunaq.

New Bridge

Finally, AEX upgraded the Kirkespir River crossing with a pre-engineered and pre-fabricated bridge with a bearing capacity of 73 metric tonnes, enough to allow the safe and secure passage of personnel and equipment, as well as heavier traffic for future mining and construction activities. The upgraded bridge (shown in Figure 4) is a cornerstone to securing safe access to the mine site.

Figure 4: Kirkespir River bridge crossing

Qualified Person

The technical information presented in this press release has been approved by James Gilbertson CGeol, who is a full-time employee and Managing Director of SRK Exploration Services Limited and a Chartered Geologist with the Geological Society of London, and as such a Qualified Person as defined by NI 43-101.

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About AEX

AEX's principal business objectives are the identification, acquisition, exploration and development of gold properties in Greenland. The Corporation's principal asset is a 100% interest in the Nalunaq Project, an advanced exploration stage property with an exploitation license including the previously operating Nalunaq gold mine. AEX is incorporated under the Canada Business Corporations Act and wholly owns Nalunaq A/S, incorporated under the Greenland Public Companies Act.

Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable securities legislation, which reflects the Corporation's current expectations regarding future events and the future growth of the Corporation's business. In this press release there is forward-looking information based on a number of assumptions and subject to a number of risks and uncertainties, many of which are beyond the Corporation's control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to the factors discussed under "Risk Factors" in the Final Prospectus available under the Corporation's profile on SEDAR at www.sedar.com. Any forward-looking information included in this press release is based only on information currently available to the Corporation and speaks only as of the date on which it is made. Except as required by applicable securities laws, the Corporation assumes no obligation to update or revise any forward-looking information to reflect new circumstances or events. No securities regulatory authority has either approved or disapproved of the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX

Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

[1] Crew Gold Corp. Annual Reports (2004-2008)
[2] Independent review and resource estimate, Snowden (2005)
[3] Nalunaq Technical Report

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