New Jersey Mining Company Provides First Quarter 2020 Update on Operations and Corporate Activities

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COEUR D'ALENE, May 15, 2020 - New Jersey Mining Company (OTCQB:NJMC) ("NJMC" or the "Company") today announced its consolidated operating and financial results for the first quarter of 2020. The full version of the Company's interim unaudited consolidated financial statements and management's discussion and analysis (MD&A) can be viewed on the Company's web site, and EDGAR. All amounts are expressed in U.S. dollars unless otherwise specified.

Operational Highlights for 2020 include:

- For the quarter ending March 31, 2020 approximately 9,978 dry metric tonnes (dmt) were processed at the Company's New Jersey mill at a head grade of 3.37 grams gold per tonne (gpt) with gold recovery of 86.8%. Gold sales for the quarter were 1,094 ounces.
- Open pit mining progressed from the 994 bench to the 993 bench. Open pit mine production averaged 1,280 tonnes per day (mineralized material and waste).
- Underground mining focused on the 845 North and South stopes and the 836 North stope. The 836 North stope was extended 21 meters north of the previous stope mined by a lessor and showed good gold grades of 6.80 gpt over the extended strike length.
- Consolidated its Murray Gold Belt holdings with the purchase of the Alder Gulch property, comprised of 368 acres of patented mining claims in the Murray Gold Belt. Management believes this property package holds excellent potential for future gold exploration due to its favorable geologic environment and limited exploration over its 100-year history.

NJMC President and CEO, John Swallow stated, "The Company began the quarter under the normal playbook - winter work conditions, winter travel and road closures (and February is always dreary). We ended the quarter with the same winter playbook, but with a global pandemic as our new backdrop. Once again, we are fortunate to live and work where we do, however, like everyone else we are now in an era of constantly moving targets and under a set of rules being made up as we go.

Through our concentrate broker we ship concentrates to refineries located in Japan, S. Korea or China. In the long-ago days of February, we began to experience delays in shipping from Seattle to the overseas refineries. As the virus moved toward our shores, the next concern was the potential closure of the Port of Seattle. After a few tenuous weeks and a rolling shutdown of our country, it was deemed that mining is essential to the State of Idaho and that keeping commerce moving was of particular importance to everyone, everywhere. While we experienced our fair share of new challenges and delays that impacted the business, we had the good fortune to remain responsibly employed - and productive. Furthermore, we believe our focus on ‘stores of value regardless of the medium of exchange' will only increase in awareness in the months and years ahead. I believe I can speak for everyone in showing our appreciation for the dedication and resiliency of the folks involved with the success of our Company. It is from this base that we look to enter the new normal stronger and more relevant than at any time in our corporate history."

Corporate Highlights include:

- The Company achieved revenue from gold sales of $1,400,834 for the three-month period ending March 31, 2020 compared to $1,144,675 for the comparable period of 2019.
- The Company had a gross profit for the three-month period ending March 31, 2020 of $97,911 compared to a gross profit of $59,931 for the comparable period in 2019. Gross profit increased as a result of increased production from the underground operation, and higher gold prices.
- Cash costs and all in sustaining costs per ounce remained relatively consistent for the periods ending March 31, 2020 and 2019. Cash cost per ounce increased to $1,073 in 2020 compared to $974 in 2019. The all-in sustaining costs decreased to $1,198 in 2020 from $1,205 in 2019 per ounce for the three-month periods ending March 31.

- The Company had a net loss of $162,189 for the three -month period ending March 31, 2020 compared toa net loss of $223,122 in the comparable period of 2019.
- The consolidated net loss for the first three months included non-cash charges as follows: depreciation and amortization of $135,533 ($128,951 in 2019), write off of equipment of $9,537 (none in 2019), and accretion of asset retirement obligation of $2,355 ($2,218 in 2019).

Cash Costs and All-In Sustaining Costs Reconciliation to GAAP-Reconciliation of cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) to cash cost per ounce and all-in sustaining costs (AISC) per ounce (non-GAAP).

	2020	2019
Cost of sales and other direct production costs and depreciation and amortization	$ 1,302,923	$ 1,084,744
Depreciation and amortization	(135,533)	(128,951)
Change in concentrate inventory	6,292	(20,507)
Cash Cost	$ 1,173,682	$ 935,286
Pre-development expense	-	65,567
Exploration	41,678	72,882
Sustaining capital	11,549	36,208
General and administrative	86,488	49,296
Less stock-based compensation and other non-cash items	(2,355)	(2,218)
All in sustaining costs	$ 1,311,042	$ 1,157,020
Divided by ounces produced	1,094	960
Cash cost per ounce	$ 1,072.83	$ 974.26
All in sustaining cost (AISC) per ounce	$ 1,198.39	$ 1,205.23

The table above presents reconciliations between the most comparable GAAP measure of cost of sales and other direct production costs and depreciation, depletion and amortization to the non-GAAP measures of cash cost per ounce and all in sustaining costs per ounce for the Company's gold production in the three month period ending March 31, 2020 and 2019.

Cash cost per ounce is an important operating measure that we utilize to measure operating performance. AISC per ounce is an important measure that we utilize to assess net cash flow after costs for pre-development, exploration, reclamation, and sustaining capital. Current GAAP measures used in the mining industry, such as cost of goods sold do not capture all of the expenditures incurred to discover, develop, and sustain gold production.

Qualified person

NJMC's Vice President, Grant A. Brackebusch, P.E. is a qualified person as such term is defined in National Instrument 43-101 and has reviewed and approved the technical information and data included in this press release.

Production is not based on a feasibility of mineral study of mineral reserves demonstrating economic and technical viability, as a result there is increased uncertainty and economic and technical risks.

About New Jersey Mining Company

New Jersey Mining Company is headquartered in North Idaho, where it is producing gold at its Golden Chest Mine. Gold was first discovered in the Coeur d'Alene District within the Murray Gold Belt in 1879, but by 1888 mining declined as the center of activity and demand for labor shifted to the Silver Valley following the discovery of the Bunker Hill, Sunshine, Lucky Friday, and other iconic regional mines. The rebirth of the long-forgotten Murray Gold Belt has been led by NJMC, as evidenced by production from open-pit and underground operations at the Golden Chest Mine, its extensive land package and superior knowledge of the district gained from current development and production, and ongoing exploration activities.

NJMC has established a high-quality, early to advanced-stage asset base in three historic mining districts of Idaho and Montana, which includes the currently producing Golden Chest Mine. The Company's objective is to use its considerable in-house skill sets to build a portfolio of mining and milling operations, with a longer-term vision of becoming a mid-tier producer. Management is shareholder focused and owns more than 15-percent of NJMC stock.

The Company's common stock trades on the OTC-QB and the CSE Market under the symbol "NJMC."

For more information on New Jersey Mining Company go to www.newjerseymining.com or call:

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Forward Looking Statements

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended that are intended to be covered by the safe harbor created by such sections. Such statements are based on good faith assumptions that New Jersey Mining Company believes are reasonable, but which are subject to a wide range of uncertainties and business risks that could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such factors include, among others, the, the risk that the mine plan changes due to rising costs or other operational details, an increased risk associated with production activities occurring without completion of a feasibility study of mineral reserves demonstrating economic and technical viability, the risks and hazards inherent in the mining business (including risks inherent in developing mining projects, environmental hazards, industrial accidents, weather or geologically related conditions), changes in the market prices of gold and silver and the potential impact on revenues from changes in the market price of gold and cash costs, a sustained lower price environment, as well as other uncertainties and risk factors. Actual results, developments and timetables could vary significantly from the estimates presented. Readers are cautioned not to put undue reliance on forward-looking statements. NJMC disclaims any intent or obligation to update publicly such forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE: New Jersey Mining Company