

# **Orca Gold Revised Feasibility Study Demonstrates Improved Operating Costs and NPV at its Block 14 Gold Project in the Republic of the Sudan**

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VANCOUVER, Sept. 14, 2020 - [Orca Gold Inc.](#) (TSXV: ORG) ("Orca" or the "Company") is pleased to announce a Revised Feasibility Study indicating a material improvement in operating costs on the Company's 70%-owned Block 14 Gold Project in the Republic of the Sudan. The Revised Feasibility Study incorporates updated costs and other economics from the original Feasibility Study released on November 7, 2018.

#### REVISED FEASIBILITY STUDY HIGHLIGHTS (100% BASIS):

Probable Reserves	79.94Mt @ 1.11g/t for 2.85 Moz
Average Annual production:	
First 7 Years	5.8Mtpa @ 1.49g/t averaging 228,000oz Au/year
Life of Mine ("LOM") LOM	167,000oz Au/year
Mine Life	13.6 years
Cash Costs:	
LOM	\$676/oz
All-in Sustaining Costs ("AISC")	\$751/oz
Base Case Gold Price	\$1,350/oz
After-Tax Net Present Value ("NPV")	\$607 million
Discount rate: 5%	
After-Tax Internal Rate of Return ("IRR")	33.3%
Payback Period	2.9 years
Pre-Production Capital	\$321 million
Sustaining Capital	\$179 million
FINAL PERMITTING	In Progress

Note: All amounts stated are in US Dollars. Economic parameters are shown on a 100% basis

"The Revised Feasibility Study clearly demonstrates the improved economics and scope of the proposed development operation at Block 14 following the early works engineering and selection of LNG to fuel the power station. At a production of almost 230,000 ounces of gold per annum for the first seven years, a low production cash cost per ounce and a significant exploration upside, this project stands out on an international scale," commented Richard P. Clark, Chief Executive Officer. "With positive political change in Sudan progressing, the Company is confident of securing development financing in the next few months; discussions are ongoing."

Key Operating Parameters:

	Revised Feasibility Study (Sep 2020)	Feasibility Study (Nov 2018)
Milling Capacity	6.0Mtpa	6.0Mtpa
Probable Reserves:		
Tonnes (000)	79,943	79,943
Grade (Au g/t)	1.11	1.11
Mine Life	13.6 years	13.6 years
LOM:		
Average Annual Production (oz)	167,000	167,000
Recovery (%)	82	82
Cash Costs (\$/oz)	676	707
AISC (\$/oz)	751	783
Strip Ratio	1.49:1	1.49:1
Years 1-7:		
Average Annual Production (oz)	228,000	228,000
Grade (g/t)	1.49	1.49
Cash Costs (\$/oz)	673	697
AISC (\$/oz)	759	792

Note: All amounts stated are in US Dollars. Economic parameters are shown on a 100% basis.

#### Mineral Resources:

Mineral Resource Statement &#8211; September 19, 2018			
Classification	Tonnes (million)	Grade (g/t Au)	Contained Ounces (000)
Indicated	79.9	1.30	3,342
Inferred	18.5	1.2	711

1. CIM Definition Standards were followed for the classification of Mineral Resources
2. Mineral Resources are inclusive of Mineral Reserves
3. Mineral Resources are reported above a cut-off grade of 0.6g/t

#### Technical Report

The results of the Revised Feasibility Study will be published in a Technical Report prepared pursuant to Canadian Securities Administrators' National Instrument 43-101 which can be viewed on the Company's website at [www.orcagold.com](http://www.orcagold.com) and posted under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) today.

## FEASIBILITY STUDY DETAIL:

## Mineral Reserves:

Mineral Reserve Statement &#8211; November 7, 2018			
Classification	Tonnes (million)	Grade (g/t Au)	Contained Ounces (000)
Probable Reserves	79.943	1.11	2,853

1. CIM Definition Standards were followed for the classification of Mineral Reserves
2. Mineral Reserves were optimised using a gold price of \$1,100.
3. Mining Cut-off grades vary between 0.32g/t and 0.90g/t

## Capital Costs:

Pre-production capital costs are estimated at \$321 (\$328 Nov '18) million including \$34 (\$36 Nov '18) million in contingency and \$179 (\$181 Nov '18) million for LOM Sustaining Capital.

The construction period is estimated at 27 months. The pipeline and generator supply fall on the critical path.

	September 2020		November 2018	
	Pre-Production Capital	Sustaining Capital	Pre-Production Capital	Sustaining Capital
Mine	15	-	15	-
Process Plant	169	35	164	35
Generator	7	63	4	66
Water Pipeline	12	-	26	-
TSF	17	54	17	54
Camp	3	14	3	14
Infrastructure	12	-	12	-
EPCM	27	-	31	-
Owner	25	-	21	-
Closure	-	13	-	12
Contingency	34	-	36	-
Total	321	179	328	181

Generator and camp will be financed via BOOT contracts.

## Mining and Processing:

The preferred mining option for Block 14 is a conventional truck and shovel open pit operation feeding a mineral processing circuit incorporating primary crushing, SAG and Ball mill grinding followed by

carbon-in-pulp leaching, stripping and electrowinning.

Pre-production will enable the training of the mining crews and is estimated to produce 0.90Mt of waste stripping and 0.35Mt of ore, which will be stockpiled. The mining will be completed in eight years at an average mining rate of 22Mtpa. A low-grade stockpile (average 0.71g/t) will be created which enables processing of higher grade ore for the first 7 years of the mine life with an average grade of 1.49g/t. The stockpiled ore will be treated over the last 6.6 years.

77.3MT @ 1.07g/t will be mined from the GSS group of pits adjacent the processing plant. 2.6Mt @ 2.36g/t will be mined from the Wadi Doum satellite deposit and trucked 65km to the processing plant during the first five years of the mine life.

Operating costs are based on assumed fuel prices of \$0.60/l (\$0.70/l - Nov '18) for diesel and LNG price \$9.70/MMTU delivered to site (\$0.525/l for HFO380 - Nov '18). LOM power costs used equate to \$0.1083/kWhr (\$0.136/kWhr &#8211; Nov '18).

#### All-in Sustaining Costs:

	September 2020		November 2018	
	LOM (\$/oz)	LOM (\$/tonne)	LOM (\$/oz)	LOM (\$/tonne)
Mining	233	6.81	237	6.94
SP Re-handle	15	0.44	15	0.44
Processing	279	8.16	311	9.12
G & A	59	1.71	59	1.72
Refining	6	0.18	6	0.18
Silver Credit	(10)	(0.29)	(9)	(0.26)
Royalties	95 <sup>2</sup>	2.77	88 <sup>3</sup>	2.57
Total Cash Costs	676	19.78	707	20.69
Sustaining Capital	71	2.08	72	2.11
Closure	4	0.13	4	0.12
All-in Sustaining Costs <sup>1</sup>	751	21.99	783	22.92

1. Quoted All-in Sustaining Costs are presented as defined by the World Gold Council and include Total Cash Costs, G&A, Sustaining Capital and Closure Costs.

2. Gold Price \$1,350

3. Gold Price \$1,250

#### Production Profile:

		Total	-1	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Mined	Mt	79.9	0.4	7.5	9.8	9.9	10.3	12.2	12.2	13.1	4.6						
Grade	Au g/t	1.11	1.38	1.10	1.08	1.13	1.14	1.15	1.06	1.08	1.18						
Processed	Mt	79.9		4.8	5.8	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	3.3
Grade	Au g/t	1.11		1.43	1.44	1.45	1.51	1.64	1.48	1.49	1.14	0.74	0.68	0.68	0.62	0.55	0.49
Recovered	Au koz	2,341		193	229	230	235	251	227	232	175	116	109	109	100	89	47
	Ag koz	1,195		26	79	122	164	168	129	124	100	60	69	68	53	27	6

#### Gold Price Sensitivity Analysis:

	Low	Base	3-Yr Trailing	Spot (31/08/2020)
Gold Price (\$/oz)	1,250	1,350	1,410	1,950
Post Tax NPV <sub>5%</sub> (\$M)	467	607	691	1,445
Post Tax IRR (%)	27.5%	33.3%	36.8%	66.0%
Cash Cost (\$/oz)	669	676	679	713
AISC (\$/oz)	745	751	755	789

The Feasibility Study was completed by Lycopodium Minerals Pty Limited, Australia, with inputs from discipline specific Qualified Persons (QPs). The QPs are independent and have reviewed and approved this news release. The areas of responsibility for each QP involved in preparing the Revised Feasibility Study are:

#### Project Manager QP

Study Manager: Dr. Geoff Duckworth: Lycopodium Minerals Pty. Ltd.

#### Discipline Specific QPs:

Mineral Resource: Nicholas Johnson: Consulting Geologist, MPR Geological Consultants Pty Ltd.  
Mining: Chris Reardon: Country Manager, Orca Gold (previously Consultant, Deswik Europe Ltd.)  
Metallurgy: Mike Hallewell: Consultant, MPH Minerals Consultancy Ltd.  
Hydrogeology: Pieter Labuschagne: Consultant, GCS (Pty) Ltd.  
Environment: Carl Nicholas: Consultant, Mineesia Ltd.

On behalf of the Board of Directors,

"Richard P. Clark"

Richard P. Clark | CEO & Director | [Orca Gold Inc.](#) | 604.689.7842

## ABOUT ORCA GOLD INC.

[Orca Gold Inc.](#) (TSXV: ORG) is a Canadian resource company focused on exploration and development opportunities in Africa. Led by a board of directors made up of industry experts and a management team with a track record of discovering and building significant mines globally, Orca is developing one of the leading gold projects in Africa. The Company is currently focused on its 70%-owned Block 14 Gold Project in the Republic of the Sudan on which a Feasibility Study was completed in November 2018 and updated on September 14, 2020.

The technical contents of this release have been approved by Kevin Ross, BSc, MBA, a Qualified Person pursuant to National Instrument 43-101. Mr. Ross is the Chief Operating Officer of the Company, a European Engineer and a Member of the Institute of Materials, Minerals and Mining.

The Mineral Resource estimate was carried out by Nicholas Johnson of MPR Geological Consultants of Perth, Western Australia who is considered to be independent of [Orca Gold Inc.](#) Mr. Johnson is a member in good standing of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the commodity, style of mineralization under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101. Mr. Johnson consents to the inclusion in this press release of the information, in the form and context in which it appears. Samples used for the results described herein are prepared and analyzed by fire assay using a 50 gram charge at the ALS Chemex facility at Rosia Montana in Romania in compliance with industry standards. Field duplicate samples were taken and blanks and standards are added to every batch submitted.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This press release contains forward-looking information and forward-looking statements within the meaning of applicable Canadian securities laws, including statements regarding Orca's (the "Company", the "Corporation", "we" or "our") plans and expectations relating to the Block 14 project ("Block 14") in northern Sudan and the Revised Feasibility Study ("RFS"). These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute "forward-looking statements" to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. The assumptions, risk and uncertainties outlined below are non-exhaustive. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of the Corporation, or industry results, may vary materially from those described in this presentation.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including without limitation, assumptions about the following (the "Forward-Looking Factors"): future prices of gold and other metals; successful exploration, development, and production of Block 14; the timing and completion of the RFS; performance of contractual obligations by counterparties; operating conditions; political stability; obtaining governmental approvals and financing on time; financial projections and budgets; obtaining licenses and permits; government regulation of the Corporation's mining activities; environmental risks and expenses; market conditions; the securities market; price volatility of the Corporation's securities; currency exchange rates; foreign mining tax regimes; insurance and uninsured risks; financial projections and results; competition; availability of sufficient capital, infrastructure, equipment and labour; dependence on key personnel; dependence on outside parties; conflicts of interest; litigation; land title issues; local community issues; estimation of mineral resources; realization of mineral resources; timing and amount of estimated future production; the life of Block 14; reclamation obligations; changes in project parameters as plans continue to be evaluated; and anticipated costs and expenditures and our ability to achieve the

Corporation's goals. While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, many of which are based on factors and events that are not within the control of the Corporation and there is no assurance they will prove to be correct.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation known and unknown risks, uncertainties and other factors relating to the Forward-Looking Factors above, and those factors disclosed under the heading "Risk Factors" in the Corporation's documents filed from time to time with the securities regulators in the provinces of Canada.

In addition, a number of other factors could cause the actual results, performance or achievements of the Corporation to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information, and there is no assurance that the actual results, performance or achievements of the Corporation will be consistent with them. For further details, reference is made to the risk factors discussed or referred to in the Corporation's annual and interim management's discussion and analyses on file with the Canadian securities regulatory authorities and available electronically on the SEDAR website at [www.sedar.com](http://www.sedar.com). Although the Corporation has attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause actions, events, results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Such forward-looking statements and information are made or given as at the date of this presentation and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable securities law. The reader is cautioned not to place undue reliance on forward-looking statements or forward-looking information.

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