Antioquia Gold Cisneros Operations Update

07.10.2020 | Newsfile

Calgary, October 7, 2020 - Antioquia Gold Inc. (TSXV: AGD) (OTC Pink: AGDXF) ("Antioquia Gold" or the "Corporation") is pleased to provide a summary of September 2020 production results for its Cisneros mining operation, and to announce the progress of other ongoing projects.

Production Summary and Operations Update:

During September 1,873 troy ounces of gold were produced at the Cisneros mining operation. An average of 733 tonnes per day were processed with a recovery of gold to concentrate of 97.1% during the month.

		January	February	March	April	May	June	July	August	September
Mineral Processed	Dry Tonnes	14,349	8,936	12,081	13,329	11,077	14,262	17,216	25,190	22,012
Feed Grade	g/t Au	2.60	2.27	3.02	3.25	4.19	4.20	4.27	2.69	2.73
Gold Produced	Tr. Oz.	1,155	625	1,133	1,349	1,446	1,857	2,292	2,094	1,873
Total Recovery	%	96.4%	95.9%	96.5%	96.9%	97.0%	96.5%	97.0%	96.0%	97.1%
Worked days	Days	31	29	31	30	31	30	31	31	30
Average Processed	Dry Tonnes/Day	463	308	390	444	357	475	555	812	733

Below is additional important information associated with the current status of the operation:

- Plant expansion: Some issues with new pumps installed for the expansion made it difficult to achieve the scheduled treatment rate for the month, however these difficulties have been overcome and currently the processing rate is close to 1,000 dry metric tonnes per day.
- Third Party Mineralized Material: In September 1,080 tonnes with an average gold grade of 12.71 g/t were purchased from third parties, representing 23% of monthly production.
- New Mining Equipment: The company has selected the offer of Relianz Mining Solutions to provide a new fleet of CAT and Resemin underground mining equipment with very favourable financing terms. Delivery and commissioning of equipment will take place over the next four months.

"As we anticipated, production for the month decreased slightly due to mechanical issues in the process plant and the low mechanical availability of the mining equipment. The difficulties in the process plant have already been overcome and we are reinforcing the current mining fleet with eight new units of equipment that will allow us to reach the production goals we have projected," stated Mr. Gonzalo de Losada, president and CEO of Antioquia Gold.

Readers should be cautioned that the Corporation's decision to move forward with the construction and production of the Cisneros Mine is not based on the results of any pre-feasibility study or feasibility study of mineral resources demonstrating economic or technical viability. Readers are referred to the Cisneros Report for details on independently verified mineral resources on the Cisneros Project. Since 2013, the Corporation has undertaken exploration and development activities; and after taking into consideration various factors, including but not limited to: the exploration and development results to date, technical information developed internally, the availability of funding, the low starting costs as estimated internally by the Corporation's management, the Corporation is of the view that the establishment of mineral reserves, the commissioning of a pre-feasibility study or feasibility study at this stage is not necessary, and that the most responsible utilization of the Corporation's resources is to proceed with the development and construction of the mine. Readers are cautioned that due to the lack of pre-feasibility study or feasibility study, there is increased uncertainty and higher risk of economic and technical failure associated with the Corporation's decision. In particular, there is additional risk that mineral grades will be lower than expected, the risk that construction or ongoing mining operations will be more difficult or more expensive than management expected. Production and economic variables may vary considerably, due to the absence of a detailed economic and technical analysis in accordance with NI 43-101. Project failure may materially adversely impact the Corporation's future profitability, its ability to repay existing loans, and its overall ability to continue as a going concern.

Qualified Persons

Roger Moss, Ph.D., P.Geo., Consultant to Antioquia Gold, is the qualified person as defined by National Instrument 43-101 and has reviewed and approved the technical information provided in this news release.

For further information on Antioquia Gold Inc. contact:

Antioquia Gold Inc.
Email: info@antioquiagold.com
www.antioquiagoldinc.com

Reader Advisory Forward-Looking Statements:

This press release contains "forward-looking information" within the meaning of Canadian securities legislation. This information and these statements, referred to herein as "forward-looking statements", are made as of the date of this press release and the Corporation does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

Forward-looking statements relate to future events or future performance and reflect current expectations or beliefs regarding future events and include, but are not limited to, statements with respect to: the completion of the Rights Offering and the use of proceeds of the offering. 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, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "schedule" or variations thereof or stating that certain actions, events or results "may", "could", "would", "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 are made based upon certain assumptions by the Corporation and other important factors that, if untrue, could cause the actual results, performances or achievements of Antioquia to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business prospects and strategies and the environment in which Antioquia will operate in the future, including the accuracy of any resource estimations, the price of gold, anticipated costs and Antioquia's ability to achieve its goals, anticipated financial performance, regulatory developments, development plans, exploration, development and mining activities and commitments. Although management considers its assumptions on such matters to be reasonable based on information currently available to it, they may prove to be incorrect. Additional risks are described in Antioquia's most recently filed Annual Information Form, annual and interim MD&A and other disclosure documents available under the Corporation's profile at: www.sedar.com.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking statements will not be achieved or that assumptions do not reflect future experience. We caution readers not to place undue reliance on these forward-looking statements as a number of important risk factors could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates, assumptions and intentions expressed in such forward-looking statements.

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/65438