

Arizona Gold Receives Second Tranche of Project Financing - Executes 3 % Royalty Purchase Agreement - Appoints CFO

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TORONTO, Feb. 24, 2021 - [Arizona Gold Corp.](#) (TSX: AZG, OTCQB: AGAUF) ("Arizona Gold" or the "Company") is pleased to announce it has received the second installment of US\$6 million under the previously announced US\$18 million gold purchase and sale agreement ("Streaming Agreement") from Star Royalties Ltd. ("Star Royalties"). These funds will be used to finance the restart of underground operations and gold production at its 100 per cent owned Copperstone Gold Mine ("Copperstone") located in Arizona, United States.

The US\$18 million advance payment under the Streaming Agreement is being provided in three equal installments, with the first two US\$6 million installments having been received. The final US\$6 million installment is payable on or before April 30, 2021.

The Company is also pleased to report it has entered into an amended and restated royalty purchase agreement with Trans Oceanic Mineral Company Ltd. ("TOMCL") providing for the purchase of a three per cent (3%) gross production royalty on Copperstone for US\$2.5 million. Upon completion, the purchase will reduce the aggregate gross royalties on Copperstone from six per cent (6%) to three per cent (3%), consisting of a remaining one and a half percent (1.5%) royalty which will continue to be held by TOMCL and a one and a half percent (1.5%) royalty held by Angie Patch Survivor's Trust. Completion of the repurchase is subject to the satisfaction all conditions to the advance by Star Royalties of the third US\$6 million installment under the Streaming Agreement.

Giulio T. Bonifacio, Chief Executive Officer of Arizona Gold, stated: "We are pleased with receipt of the second tranche from Star Royalties and execution of our royalty purchase agreement which will allow Arizona Gold to significantly reduce the royalty burden on Copperstone, all of which will prove of great benefit to all stakeholders. We continue to be pleased with project developments at Copperstone as we advance detailed engineering and design for the pending restart of production at Copperstone. Our current drilling program also continues to delivers results that are expected to further expand our current resource while extending mine life."

In other business, Arizona Gold has recently appointed Mr. Dale Found as Vice President & Chief Financial Officer. Mr. Found has more than 30 years of international accounting and finance experience, of which the last 13 have been spent in progressively more senior roles within the mining industry. He has significant experience both in corporate and mine site operational finance, having been part of the senior leadership team at [Nevada Copper Corp.](#) that positioned the mine for the final construction phase. Additionally, he was a key member of the management team that took New Gold Inc.'s New Afton Mine through the construction phase and into commercial production, delivering the mine on time and on budget, immediately prior to that he was responsible for all financial matters for New Gold Inc. in Mexico. Mr. Found is a Chartered Professional Account, CA and a Fellow of the Institute of Chartered Accountants in England & Wales and has a wealth of experience in financial reporting, operational planning, treasury management and ERP/systems implementations.

The proposed royalty repurchase constitutes a related party transaction within the meaning of Multilateral Instrument 61-101 -- *Protection of Minority Security Holder in Special Transactions* (MI 61-101) as TOCML is owned by Fahad Al Tamimi, a director of the company and the beneficial owner of 63,273,463 common shares of the company, or approximately 20.3% of the total issued and outstanding common shares. The company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the consideration to be paid to TOMCL for the purchase of the royalty does not exceed 25 per cent of the market capitalization of the company, as determined in accordance with MI 61-101.

About Arizona Gold

Arizona Gold is an emerging American gold producer advancing the restart of production at its 100-per-cent-owned, fully permitted, past-producing Copperstone mine project, located in mining-friendly Arizona. The Copperstone mine project demonstrates significant upside exploration potential that has yet to be drilled within a 50 square-kilometre (12,258 acres) land package that includes past production of over 500,000 ounces of gold by way of an open-pit operation.

The company's current focus is on maximizing Copperstone's potential by defining and expanding current resources and further optimizing the mine's economics for purposes of the restart of gold production in 2021 as a result of the recent project funding transaction entered into with Star Royalties Ltd.

For further information please visit the [Arizona Gold Corp.](http://www.arizona-gold.com) website (www.arizona-gold.com).

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Cautionary Note Regarding Forward Looking Statements

This news release contains forward-looking information under Canadian securities legislation including statements regarding drill results, potential mineralization, potential expansion and upgrade of mineral resources and current expectations on future exploration and development plans. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to: the strength of the Canadian economy; the price of gold; operational, funding, and liquidity risks; reliance on third parties, exploration risk, failure to upgrade resources, the degree to which mineral resource and reserve estimates are reflective of actual mineral resources and reserves; the degree to which factors which would make a mineral deposit commercially viable are present, and the risks and hazards associated with underground operations and other risks involved in the mineral exploration and development industry. Risks and uncertainties about Arizona Gold's business are more fully discussed in the Company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Arizona Gold assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law.

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