Aguila American Gold Announces WUSA Drilling Results and Updates Exploration Program

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Vancouver, April 29, 2021 - Aguila American Gold Ltd. (TSXV: AGL) (OTCQB: AGLAF) (WKN: A2DR6E) ("Aguila" or the "Company") is pleased to announce results from the early winter drilling program completed at the Company's WUSA Gold Project in Oregon, USA. Assay results were delayed due to high workload and COVID-19 restrictions at the analytical laboratory. A total of four holes were drilled to test the recently discovered Scorpion-Cinnabar prospect that is defined by a gold-arsenic in soil anomaly which trends for over 2km south from the historic Black Butte mercury (Hg) mine.

Key Points

- 4 holes were drilled along 1.6km strike of prospective shear zone structure, all intersecting gold or epithermal pathfinder elements.
- Identification of a strike extensive epithermal system with gold discovered in 3 of 4 drill holes.
- Results confirm a low-sulphidation epithermal deposit style which is well known in Western USA with potential for high gold grades and grade variability.
- Mineral rights are secured for 8.5km of projected shear zone trend.
- Project remains highly under explored - one prior exploration drill hole known within 18km of current program.

Drill holes tested 1.6km of the soil anomaly trend and identified an extensive north-south striking low-sulphidation epithermal system associated with a shear and breccia zone up to 50m in width. Widespread argillic, iron oxide and silica alteration, open space vein textures, and carbonate-(barite) veins have been observed in mapping and drilling. These are positive indicators of an epithermal mineralization style, alongside the association with nearby mercury mines and occurrences to the north and south of the drilled area.

Drilling returned elevated pathfinder metals (As, Sb, Te, Cu) in all holes, while gold above 0.1 g/t was intersected in three holes across 1.6km (see Table 1). Notable intersections included:

SDH-02-20:	6.1m @ 0.17 g/t Au, 1.1 g/t Te from 50.3m
SDH-03-20:	1.5m @ 0.20 g/t Au from 184.4m
	2.7m @ 0.14 g/t Au from 213.4m
SDH-04-20:	4.9m @ 0.5% As from 203.9m
SDH-05-20:	1.2m @ 0.22 g/t Au, >1% As, 0.14% Sb

SDH-04-20 and SDH-05-20 were drilled in the south of the prospect area (Cinnabar) and intersected strongly leached and oxidized rocks lacking visible sulphide, apart from minor cinnabar (HgS), due to stronger weathering. Holes SDH-02-20 and SDH-03-20, and the previously drilled SDH-01-18 in the north (Scorpion) encountered sulphide veining and returned higher gold values (see Figure 1, 2, 3).

"We are early in the exploration cycle at the WUSA project but have achieved a number of discovery objectives from the drill program at Scorpion-Cinnabar. Prior to this program, we were aware of only one exploration drill hole within 18km, and have now discovered gold in multiple drill holes over 1.8km of strike. The extent of structural preparation and low-sulphidation alteration remains impressive and encouraging for the WUSA project more broadly.

The southernmost hole SDH-05-20 lies at the southern edge of our soil sampling grid and presents an immediate target for further mapping and sampling. Our mineral interests extend for a further 8.5km south along the Scorpion-Cinnabar structural trend, along which there has been little to no exploration work."

Host rock drilled at WUSA consists of homogeneous plagioclase porphyritic andesite, typical of the Western Cascade Ranges. A prominent north-south trending shear zone up to 50m wide transects the andesite pile, with a mapped extent exceeding 2km. Along the shear structure, rocks are strongly fractured and locally brecciated. When unoxidized, the shear structure hosts pyrite stringers and stockwork up to 2cm width. Alteration consists of argillic and iron oxide of varying intensity, and to a lesser extent silica.

Results to date indicate the shear structure is a hydrothermal conduit with potential for high level low-sulfidation epithermal mineralization. Such systems are well known from Nevada and around the Pacific Ring of Fire characterized by rapid vertical and lateral change in Au grade, and the potential for very high grades. Soil and rock sampling and drilling has shown gold to be present in the system along with As, Te, Sb and Se, all epithermal-associated pathfinder elements.

Drilling results along with previously reported sampling and a recently completed remote sensing structural and alteration study (see press release dated March 11 2021) provide a strong basis for on-going exploration work. Stream sediment and soil sampling is underway to definite targets to the south of Scorpion-Cinnabar and elsewhere on the property.

The WUSA Gold Project exceeds 70,000 Ha in area. As the surface and mineral rights for the WUSA Gold Project have been held by a single landholder without significant exploration for more than 150 years, historic exploration data is very sparse. Aguila's work is focused on identification and testing of high merit Au-Ag targets.

2021 Exploration Program

Aguila has commenced the 2021 field season at WUSA with semi-regional soil and stream sediment sampling. The 2021 program will include field checking and testing of the alteration and structural targets, and mapping and sampling at the Walker Creek prospect, in preparation for future drilling.

Target Areas

Scorpion-Cinnabar is a low-sulphidation mineralization system defined by a gold in soil geochemical anomaly across a 2.2 km long and up to 400-metre-wide area. More than 1200 soil samples have been collected associated with highly acid altered volcanic and volcaniclastic rocks. Gold in soil ranged from below detection limits (3 ppb Au) up to 5.51 g/t Au with 91 samples exceeding 0.1 g/t Au. The site lies only 1.8km south of the historic Black Butte mercury mine, providing strong evidence of the potential for epithermal mineralization. One hole was drilled at Scorpion in 2018 which intersected 0.6 metres @ 3.25 g/t Au, 27.3 g/t Ag, 6680 ppm As, 485 ppm Sb, 2.8 ppm Te from 21.3 metres. Aguila completed 4 holes to December 2020, all of which intersected gold or pathfinder mineralization.

Walker Creek is a high-level maar-type low sulphidation epithermal alteration developed over an area of more than 3 square kilometres. 10 vertical RC holes were drilled in early 1990's which intersected anomalous gold including 12.2m @ 1.41 g/t Au. No further work was completed after drilling.

The Cascade Range in Oregon is underlain by Eocene to Holocene intermediate to felsic volcanic and volcaniclastics rocks erupted along the western margin of North America. Immediately adjacent to the WUSA project lies a well-mineralized district containing multiple mineral deposits including polymetallic veins (Bohemia, a gold-rush mining area discovered in 1858) and historic hot-spring style mercury mines. Placer gold mining is still undertaken within the WUSA exploration area.

Technical Background

A diamond drill rig from American Drilling Corp of Spokane, Washington was used for the drill program. Core diameter is HQ, core recovery was close to 100% in all ground conditions, and core was orientated. Core was photographed and logged near the WUSA site, then marked for core cutting and sampling. Cutting and assaying of half core was completed by ALS Global in Reno, Nevada, with sample intervals averaging 1.52m (5 feet). The remaining half core is retained for verification and reference purposes. Samples were prepared

and analyzed for gold using the Au-ICP22 technique and 48 additional elements using the ME-MS61 technique. Certified standards of known gold content were inserted into the sample flow by Aguila at industry standard frequency. In addition, ALS Global insert blanks and standards into the analytical process.

The qualified person for the Company's projects, Mr. Mark Saxon, the Company's Chief Executive Officer, a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists, has reviewed and verified the contents of this release.

About Aguila American Gold Ltd (TSXV: AGL) (OTCQB: AGLAF) (WKN: A2DR6E)

Aguila American Gold is an emerging gold company enhancing shareholder value through exploration and discovery.

ON BEHALF OF THE BOARD,

"Mark Saxon"

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Certain information set out in this news release constitutes forward-looking information. Forward looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "believe" and similar expressions. Forward-looking statements are based upon the opinions and expectations of management of the Company as at the effective date of such statements and, in certain cases, information provided or disseminated by third parties. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, and that information obtained from third party sources is reliable, they can give no assurance that those expectations will prove to have been correct. Readers are cautioned not to place undue reliance on forward-looking statements.

These forward-looking statements are subject to a number of risks and uncertainties. Actual results may differ materially from results contemplated by the forward-looking statements. Accordingly, the actual events may differ materially from those projected in the forward-looking statements. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Company does not undertake to update any forward-looking statements, except as may be required by applicable securities laws.

DRILL HOLE	EAST	NORTH	AZIMUTH	DIP	TOTAL DEPTH (M)
SDH-02-20	495319	4822677	293	-80	119.0
SDH-03-20	495502	4822583	275	-50	240.0
SDH-04-20	495371	4821361	278	-50	237.0
SDH-05-20	495236	4821025	268	-65	52.0

Table 1: Drillhole Collar co-ordinates (NAD27 / UTM zone 10N)

Figure 1: Regional Setting of the Scorpion and Cinnabar Prospects, Western Oregon. The prospects lie along a north-south shear and breccia zone within an interpreted north-south domain characterised by mercury occurrences suggesting a high-level epithermal setting. The largest mercury occurrence is the Black Butte Mine. (NAD27 / UTM zone 10N)

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/7326/82171_4258bbc784a06a57_002full.jpg

Figure 2: Combined Drilling results from the Scorpion and Cinnabar Prospects, Western Oregon. Gold and pathfinder elements have been discovered over a 2km long strike length associated with epithermal vein and alteration textures. No surface sampling completed to south of Cinnabar Prospect.

To view an enhanced version of Figure 2, please visit:
https://orders.newsfilecorp.com/files/7326/82171_4258bbc784a06a57_003full.jpg

Figure 3: Example of Intense silica alteration associated with epithermal (open space) vein texture in drill core from Scorpion (scale = 5cm)

To view an enhanced version of Figure 3, please visit:
https://orders.newsfilecorp.com/files/7326/82171_4258bbc784a06a57_005full.jpg

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