Anaconda Mining Intersects 7.88 g/t Gold Over 7.9 Metres and 6.19 g/t Gold Over 2.6 Metres on Underground Targets at the Goldboro Gold Project

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TORONTO, October 12, 2021 - Anaconda Mining Inc. ("Anaconda" or the "Company") (TSX:ANX)(OTCQX:ANXGF) is pleased to announce results from an infill diamond drilling program (the "Infill Drill Program") completed at the Company's 100%-owned Goldboro Gold Project ("Goldboro", or the "Project"). The Infill Drill Program was designed to upgrade inferred mineral resources in an area of potential future underground development between the two open pits contemplated in the recently announced Preliminary Economic Analysis ("PEA"), comprising 19 drill holes totaling 2,585.0 metres (BR-21-290 to 308). The Infill Drill Program will also contribute to the optimization of open pit designs as part of the Feasibility Study anticipated in Q4 2021, part of Phase I of the long-term mine development plan which will focus exclusively on surface mining. Assay results have been received for 10 drill holes to date (Exhibit A), with assays for the remaining drill holes to be presented in an upcoming news release as results are received.

Selected composited highlights (core length) from the Infill Drill Program include:

- 7.88 grams per tonne ("g/t") gold over 7.9 metres (364.3 to 372.2 metres), including 21.38 g/t gold over 1.5 metres and 17.32 g/t gold over 1.5 metres in diamond drill hole BR-21-291;
- 6.19 g/t gold over 2.6 metres (94.6 to 97.2 metres), including 24.80 g/t gold over 0.6 metres in diamond drill hole BR-21-299;
- 3.67 g/t gold over 4.2 metres and 14.10 g/t gold over 0.5 metres within a broader zone consisting of 1.91 g/t gold over 12.6 metres (279.4 to 292.0 metres), in diamond drill hole BR-21-295;
- 6.75 g/t gold over 2.7 metres and 19.90 g/t gold over 0.5 metres within a broader zone consisting of 2.59 g/t gold over 8.0 metres (279.8 to 287.8 metres), in diamond drill hole BR-21-296; and
- 33.00 g/t gold over 0.5 metres within a broader zone consisting of 2.54 g/t gold over 8.2 metres (120.5 to 128.7 metres), in diamond drill hole BR-21-299.

"The recently announced Goldboro PEA outlines the capacity for a long mine life with estimated average gold production of 112,000 ounces over more than 17 years, generating an after-tax NPV of $547 million and an after-tax IRR of 24.4% using a US$1,550 gold price. Based on the technical and financial merits demonstrated by the PEA, the Company is undertaking a phased development approach which will initially focus on the surface mining phase of the mine plan, which is subject to an ongoing Feasibility Study expected to be released in Q4 2021.

While we remain focused on the Feasibility Study and the development of two open pits, we were recently presented with an opportunity to upgrade a specific area of inferred mineral resources located between the two open pits where there was limited drilling. The results of infill drilling between the two pits demonstrate excellent geological continuity at depth and the results are consistent with previous drilling in this area. We continue to execute the current 20,000 metre diamond drill program with the aim of further upgrading mineral resources within or adjacent to the two open pits. Since the open pit mineral resource at Goldboro was constrained using only Measured and Indicated mineral resources, any additional conversion of inferred resources within or adjacent to the open pits creates further additional value to the Project."

~ Kevin Bullock, President and CEO, Anaconda Mining Inc.

Highlights of the Goldboro Gold Project PEA

- After-tax Net Present Value at a 5% discount rate ("NPV 5%") of $547 million and an after-tax Internal Rate of Return ("IRR") of 24.4%, with an after-tax payback of 3.2 years based on a gold price of $2,000 per ounce (US$1,550 at an exchange rate of 1.29 C$:US$);

- Pre-tax NPV 5% of $805 million and a pre-tax IRR of 29.0%, with a pre-tax payback period of 2.9 years;
- Total gold recovered of over 1,950,000 ounces over a 17.6-year life of mine, based on 15.0 Mt at 2.09 g/t gold from surface mining, 6.0 Mt at 4.89 g/t gold from underground mining, and 3.2 Mt at 0.63 g/t gold from a low-grade stockpile;
- Goldboro will generate approximately $3.9 billion of gross revenue, approximately $ 1.6 billion in undiscounted pre-tax net cash flow, and over $481 million in federal and provincial tax payments;
- Initial capital cost ("Capex") of $286 million resulting in an after-tax NPV 5% to Capex ratio of 1.9;
- Average gold production of over 89,500 ounces per year over the first 7 years of production from surface mining, increasing to average annual production of over 120,000 ounces in years 8 through 18;
- Life-of-Mine Operating Cash Costs[1] of $862 (US$668) per ounce sold and All-In Sustaining Costs ("AISC") of $1,031 (US$799) per ounce sold;
- Mill capacity of 4,000 tonnes per day ("tpd") based on combined gravity and leaching circuit, demonstrating an average gold recovery of 96.4%; and
- At a gold price of $2,200 (US$1,705), Goldboro could generate cumulative after-tax net cash flows of approximately $1.4 billion, an after-tax NPV 5% of over $700 million and an after-tax IRR of 29.2%.

[1] Refer to Non-IFRS Financial Measures below.

* Cautionary statement NI 43-101: The PEA was prepared in accordance with NI 43-101. Readers are cautioned that the PEA is preliminary in nature. It includes inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral Resources that are not mineral reserves do not have demonstrated economic viability.

Table 1. Table of selected composites from the Goldboro Underground Infill Drill Program

Hole ID	From (m)	To (m)	Interval (m)	Gold (g/t)	Visible Gold
BR-21-291	55.4	55.9	0.5	5.42	VG
and	308.0	311.6	3.6	3.71	
and	316.2	321.5	5.3	2.20	VG
including	316.2	316.7	0.5	6.33	VG
and	340.0	341.0	1.0	3.46	
and	346.1	348.4	2.3	1.44	
and	364.3	372.2	7.9	7.88	VG
including	366.3	367.8	1.5	21.39	VG
including	370.7	372.2	1.5	17.32	VG
BR-21-292	59.3	60.3	1.0	4.26	
and	209.8	210.3	0.5	27.60	VG
and	264.5	265.5	1.0	2.74	
BR-21-294	67.3	67.8	0.5	1.18	VG
and	71.5	72.0	0.5	0.52	VG
and	74.0	75.0	1.0	4.13	
and					

131.7

133.7

2.0

2.64

and	163.4	164.4	1.0	6.08	VG
BR-21-295	35.0	35.5	0.5	1.99	VG
and	60.2	61.3	1.1	3.39	
and	279.4	292.0	12.6	1.91	
including	285.8	290.0	4.2	3.67	
including	285.8	286.3	0.5	14.10	VG
BR-21-296	149.5	151.0	1.5	5.57	VG
and	210.6	213.1	2.5	1.25	
and	249.5	250.0	0.5	4.69	
and	264.6	275.3	10.7	0.61	
and	279.8	287.8	8.0	2.59	VG
including	285.1	287.8	2.7	6.75	VG
including	287.3	287.8	0.5	19.90	VG
and	304.8	305.3	0.5	25.20	VG
BR-21-297	96.7	97.2	0.5	6.53	
BR-21-298	52.5	53.5	1.0	3.12	
and	73.0	74.0	1.0	3.63	
and	83.3	85.3	2.0	3.10	
and	88.5	89.0	0.5	0.81	VG
and	144.4	145.4	1.0	5.03	
and	243.5	246.5	3.0	1.73	
and	259.9	260.4	0.5	3.68	
BR-21-299	28.5	29.0	0.5	1.04	
and	94.6	97.2	2.6	6.19	
including	95.6	96.2	0.6	24.80	
and	100.1	101.6	1.5	1.29	
and	120.5	128.7	8.2	2.54	VG
including	123.4	123.9	0.5	33.00	VG
and	167.7	171.4	3.7	1.41	
and					

192.8

193.8

1.0

3.84

and	212.9	214.4	1.5	1.41

*Intervals are reported as core length only. True widths are estimated to be between 70% and 90% of the core length.

** All drill hole results are reported using fire assay only. See notes on QAQC procedures at the bottom of this press release.

Mineral Resource Statement for the Goldboro Gold Project (Previously Reported)

Resource Type	Gold Cut-off (g/t)	Category	Tonnes ('000)	Gold Grade (g/t)	Troy Ounces
Open Pit	0.44	Measured	6,137	2.73	538,500
		Indicated	5,743	2.99	551,300
		Measured + Indicated	11,880	2.86	1,089,900
		Inferred	1,580	1.75	89,000
Underground	2.60	Measured	1,384	7.36	327,700
		Indicated	2,772	5.93	528,600
		Measured + Indicated	4,156	6.41	856,200
		Inferred	3,726	5.92	709,100
Combined*	0.44/2.60	Measured	7,521	3.58	866,200
		Indicated	8,515	3.95	1,079,900
		Measured + Indicated	16,036	3.78	1,946,100
		Inferred	5,306	4.68	798,100

* Combined Open Pit and Underground Mineral Resources; The Open Pit Mineral Resource is based on a 0.44 g/t gold cut-off grade, and the Underground Mineral Resource is based on 2.60 g/t gold cut-off grade.

Mineral Resource Estimate Notes

1. Mineral Resources were prepared in accordance with NI 43-101 and the CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2019). Mineral Resources that are not mineral reserves do not have demonstrated economic viability. This estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. Open Pit Mineral Resources are reported at a cut-off grade of 0.44 g/t gold that is based on a gold price of CAD$2,000/oz (~US$1,550/oz) and a gold processing recovery factor of 96%.
3. Underground Mineral Resource is reported at a cut-off grade of 2.60 g/t gold that is based on a gold price of CAD$2,000/oz (~US$1,550/oz) and a gold processing recovery factor of 97%.
4. Assays were variably capped on a wireframe-by-wireframe basis.
5. Specific gravity was applied using weighted averages to each individual wireframe.
6. Mineral Resource effective date February 7, 2021.
7. All figures are rounded to reflect the relative accuracy of the estimates and totals may not add correctly.
8. Excludes unclassified mineralization located within mined out areas.

9. Reported from within a mineralization envelope accounting for mineral continuity.

The Company has critically considered logistical matters given the ongoing COVID-19 pandemic, to ensure that this Drill Program and any other programs are executed in a way that ensures the absolute health and safety of our personnel, contractors, and the communities where we operate.

Qualified Person and Technical Report Notes
A Technical Report prepared in accordance with NI 43-101 entitled "NI 43-101 Technical Report and Preliminary Economic Assessment for the Goldboro Gold Project, Easter Goldfields District, Nova Scotia." With an effective date of June 23, 2021, was file on SEDAR (www.sedar.com) on August 5th, 2021. Readers are encouraged to read the Technical Report in its entirety, including all qualifications, assumptions and exclusions that relate to the Mineral Resource. The Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context.

The Qualified Person responsible for the preparation of the June 2021 Goldboro Gold Project Mineral Resource Estimate is Glen Kuntz, P. Geo. (Ontario) of Nordmin Engineering Ltd. The Qualified Persons responsible for the preparation of the mine planning are Joanne Robinson, P.Eng. of Nordmin Engineering Ltd. (open pit) and Richard Jundis, P.Eng. of Optimize Group Inc. (underground). Tommaso Raponi, P.Eng., of Ausenco Engineering Canada Inc. is the Qualified Person responsible for processing and metallurgy. Timo Kirchner, P.Geo., of Lorax Environmental is the Qualified Person responsible for geochemistry. Steve Pumphrey, P.Eng. of Nordmin Engineering Ltd. is Qualified Person responsible for Surface Infrastructure (excluding process plant). Reagan McIsaac, Ph.D., P.Eng., of Knight Piésold Consulting is the Qualified Person responsible for design of the TMF, its water management infrastructure. Sheldon Smith, P.Geo., of GHD is the Qualified Person responsible for site water balance and surface water management.

Each of Mr. Kuntz, Ms. Robinson, Mr. Jundis, Mr. Raponi, Mr. Kirchner, Mr. Pumphrey, Mr. McIsaac and Mr. Smith are considered to be an "Independent Qualified Person" under NI 43-101.

All samples and the resultant composites referred to in this release are collected using QA/QC protocols including the regular insertion of standards and blanks within the sample batch for analysis and check assays of select samples. All samples quoted in this release were analyzed at Eastern Analytical Ltd. in Springdale, NL, for Au by fire assay (30 g) with an AA finish.

All assays in this press release are reported as fire assays only. For samples analyzing greater than 0.5 g/t Au via 30 g fire assay, these samples will be re-analyzed at Eastern Analytical Ltd. via total pulp metallics. For the total pulp metallics analysis, the entire sample is crushed to -10mesh and pulverized to 95% -150mesh. The total sample is then weighed and screened to 150mesh. The +150mesh fraction is fire assayed for Au, and a 30 g subsample of the -150mesh fraction analyzed via fire assay. A weighted average gold grade is calculated for the final reportable gold grade. Total pulp metallics assays for drillholes sited within this press release may be updated in a future news release.

The Drill Program is funded using existing flow through funds but has also benefited from a grant received from the Government of Nova Scotia through a Mineral Resources Development Fund, shared funding exploration grant MRDF-2021-SF-11.

This news release has been reviewed and approved by Paul McNeill, P. Geo., VP Exploration with Anaconda Mining Inc., a "Qualified Person", under National Instrument 43-101 Standard for Disclosure for Mineral Projects. A version of this press release will be available in French on Anaconda's website (www.anacondamining.com) in two to three business days.

ABOUT ANACONDA
Anaconda Mining is a TSX and OTCQX-listed gold mining, development, and exploration company, focused in the top-tier Canadian mining jurisdictions of Newfoundland and Nova Scotia. The Company is advancing the Goldboro Gold Project in Nova Scotia, a significant growth project with Measured and Indicated Mineral Resources of 1.9 million ounces (16.0 million tonnes at 3.78 g/t) and Inferred Mineral Resources of 0.8 million ounces (5.3 million tonnes at 4.68 g/t) (Please see The Goldboro Gold Project Technical Report dated March 30, 2021), which is subject to an ongoing Feasibility Study. Anaconda also operates mining and milling operations in the prolific Baie Verte Mining District of Newfoundland which includes the fully-permitted

Pine Cove Mill, tailings facility and deep-water port, as well as ~15,000 hectares of highly prospective mineral property, including those adjacent to the past producing, high-grade Nugget Pond Mine at its Tilt Cove Gold Project.

FORWARD-LOOKING STATEMENTS
This news release contains "forward-looking information" within the meaning of applicable Canadian and United States securities legislation. Forward-looking information includes, but is not limited to, disclosure regarding the economics and project parameters presented in the PEA, including, without limitation, IRR, all-in sustaining costs, NPV and other costs and economic information, possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action; the timing and costs of future development and exploration activities on the Company's projects; success of development and exploration activities; permitting time lines and requirements; time lines for further studies; planned exploration and development of properties and the results thereof; and planned expenditures and budgets and the execution thereof. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Anaconda to be materially different from those expressed or implied by such forward-looking information, including the risks outlined in this news release, risks associated with the exploration, development and mining such as economic factors as they effect exploration, future commodity prices, changes in foreign exchange and interest rates, actual results of current production, development and exploration activities, government regulation, political or economic developments, environmental risks, permitting timelines, capital expenditures, operating or technical difficulties in connection with development activities, employee relations, the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of resources, contests over title to properties, and changes in project parameters as plans continue to be refined as well as those risk factors discussed in Anaconda's annual information form for the year ended December 31, 2020, available on www.sedar.com. Although Anaconda has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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Exhibit A. The location of the drillholes and selected assay composites reported from the Infill Drill Program in relation to the western and eastern pit shells.

SOURCE: Anaconda Mining Inc.

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https://www.accesswire.com/667660/Anaconda-Mining-Intersects-788-gt-Gold-Over-79-Metres-and-619-gt-Gold-Over-2