

Ascot Resources Ltd. Provides Update on Premier Gold Project Financing and Development Plans

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VANCOUVER, April 04, 2022 - [Ascot Resources Ltd.](#) (TSX: AOT; OTCQX: AOTVF) ("Ascot" or the "Company") today provides an update on construction financing and development plans for its Premier Gold Project ("PGP" or the "project", located on Nisga'a Nation Treaty Lands in the prolific Golden Triangle of northwestern British Columbia. In December 2020, as part of a total construction finance package of US\$105M (see News Release dated December 10, 2020), the Company secured a US\$80M senior credit facility (the "Senior Facility") with Sprott Private Resource Lending II (Collector), LP ("Sprott"). After drawing down the initial US\$20M tranche under the Senior Facility, Ascot was required to satisfy various conditions before drawing down the remaining US\$60M. However, the Company has been unable to reach an agreement with Sprott on the satisfaction of the drawdown conditions for the remaining US\$60M of the Senior Facility. Therefore, the initial US\$20M drawdown will remain outstanding and Ascot will pursue alternative financing options to replace the remainder of the Senior Facility.

Until alternative financing can be secured Ascot will continue advancing the project with available liquidity. The Company anticipates that commencement of underground development and advancement of other key construction areas will continue as previously planned. However, certain work packages may be placed on hold until the Company is able to secure alternative funding. While the resulting implications to the project are uncertain at this time, it is possible that there will be a delay to the initial production target of Q1 2023.

Derek White, President and CEO, commented, *"Since the original Senior Facility agreement was signed in December 2020, we at Ascot have worked tirelessly to continue de-risking and advancing PGP. We made significant progress on the Early Works program last year. We obtained the Mines Act Permit and the Environmental Management Act Permit Amendments in December 2021 and January 2022, respectively, and successfully completed C\$145M in equity financing. However, we have not been able to come to an agreement with Sprott on the satisfaction of the drawdown conditions for the remaining tranches of the Senior Facility, and therefore have prudently begun pursuing alternative financing options.*

The Premier Gold Project remains one of the most advanced gold development projects in Canada. Given the significant de-risking that has been achieved so far, we believe the project presents an attractive financing opportunity for alternative funding. In the meantime, we will use our current cash balance of approximately C\$90M to continue advancing PGP including the commencement of underground development and other critical construction areas. As we pursue alternative funding options and progress construction concurrently, we will update the market in due course with respect to any impacts to project schedule and cost if applicable."

BACKGROUND ON THE SENIOR FACILITY

Upon closing of the Senior Facility agreement in December 2020, Ascot drew an initial tranche of US\$20M. The remaining US\$60M was to be drawn upon meeting various conditions including receipt of the Mines Act Permit and the Environmental Management Act Permit Amendments, obtaining additional funding necessary to reach project completion, and Sprott's approval of the detailed mine plan.

In a recent review of the detailed mine plan, Sprott proposed certain technical conditions to be achieved. In particular, one condition requires Ascot to have a significant portion of its 12-month ore inventory classified in the Proven Reserve category. Currently, all Reserves at PGP are classified as Probable. The Company cannot guarantee the reclassification of Reserves can be achieved in the required timeframe. Therefore, the Company considers it prudent to seek alternative financing options.

CURRENT FINANCIAL POSITION AND NEXT STEPS FORWARD

The Company currently has an unaudited cash balance of approximately C\$90M which will enable the progression of certain critical areas of project construction in 2022. In order to commit to the entire outstanding project scope, Ascot will pursue alternative financing options to make up for the unfunded balance. The Company will also be exploring various royalty and/or stream options at PGP as an additional source of funding.

The commencement of underground development into the Big Missouri deposit starting at the S1 portal remains on track for late April 2022 and will continue unabated for the time being. The progression of other key construction areas will also continue this year. Certain work packages may be put on hold until the Company is able to secure an alternative finance package.

The delay of any work packages may result in delays to the overall project and the start up of production beyond the previous target of Q1 2023. The impact of delays, however, could potentially be partially offset by the ramp up from initial production to commercial and full-scale production, which the Company anticipates will be accelerated as underground development continues on schedule.

Qualified Person

John Kiernan, P.Eng., Chief Operating Officer of the Company is the Company's Qualified Person (QP) as defined by National Instrument 43-101 and has reviewed and approved the technical contents of this news release.

On behalf of the Board of Directors of [Ascot Resources Ltd.](#)
"Derek C. White"
President & CEO

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About Ascot Resources Ltd.

Ascot is a Canadian junior exploration and development company focused on re-starting the past producing Premier gold mine, located on Nisga'a Nation Treaty Lands, in British Columbia's prolific Golden Triangle. Ascot shares trade on the TSX under the ticker AOT. Concurrent with progressing the development of Premier, the Company continues to successfully explore its properties for additional high-grade underground resources. Ascot is committed to the safe and responsible development of Premier in collaboration with Nisga'a Nation as outlined in the Benefits Agreement.

For more information about the Company, please refer to the Company's profile on SEDAR at www.sedar.com or visit the Company's web site at www.ascotgold.com, or for a virtual tour visit www.vrify.com under Ascot Resources.

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Cautionary Statement Regarding Forward-Looking Information

All statements and other information contained in this press release about anticipated future events may constitute forward-looking information under Canadian securities laws ("forward-looking statements"). Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeted", "outlook", "on track" and "intend" and

statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. All statements other than statements of historical fact included herein are forward-looking statements, including statements in respect of securing alternative financing options, the re-classification of categories of Resources and Reserves, drill results, the advancement and development of the PGP and the timing related thereto (including timeline for production), the exploration of the Company's properties and management's outlook for the remainder of 2022. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including risks associated with the business of Ascot; risks related to exploration and potential development of Ascot's projects; business and economic conditions in the mining industry generally; fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; the need for cooperation of government agencies and indigenous groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; risks associated with COVID-19 including adverse impacts on the world economy, construction timing and the availability of personnel; and other risk factors as detailed from time to time in Ascot's filings with Canadian securities regulators, available on Ascot's profile on SEDAR at www.sedar.com including the Annual Information Form of the Company dated March 21, 2022 in the section entitled "Risk Factors". Forward-looking statements are based on assumptions made with regard to: the estimated costs associated with construction of the project; the timing of the anticipated start of production at the project; the ability to maintain throughput and production levels at the Premier Mill; the tax rate applicable to the Company; future commodity prices; the grade of Resources and Reserves; the ability of the Company to convert inferred resources to other categories; the ability of the Company to reduce mining dilution; the ability to reduce capital costs; and exploration plans. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Although Ascot believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since Ascot can give no assurance that such expectations will prove to be correct. Ascot does not undertake any obligation to update forward-looking statements. The forward-looking statements contained in this news release is expressly qualified by this cautionary statement.

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