

Ascot Reports 2022 Annual Results

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VANCOUVER, March 23, 2023 - [Ascot Resources Ltd.](#) (TSX: AOT; OTCQX: AOTVF) ("Ascot" or the "Company") announces the Company's audited consolidated financial results for the year ended December 31, 2022. For details of the audited consolidated financial statements, Management's Discussion and Analysis, and Annual Information Form for the year ended December 31, 2022, please see the Company's filings on SEDAR www.sedar.com.

Derek White, President and CEO, commented, *"2022 was a pivotal year for Ascot as the Company commenced construction at the Premier Gold Project, progressed underground development into the Big Missouri deposit, and advanced exploration drilling on high-grade gold mineralization targets such as the Sebakwe Zone and the Day Zone. Amid challenging market conditions in 2022, the Company successfully concluded a re-financing process by securing approximately two hundred million dollars from like-minded partners to advance the Project into production. As we look ahead, we are eager to complete Project construction in 2023 and advance to initial gold production in early 2024 and thereby become Canada's next gold producer."*

All amounts herein are reported in \$000s of Canadian dollars ("C\$") unless otherwise specified.

2022 AND RECENT HIGHLIGHTS

- On January 19, 2023, the Company closed a previously announced financing package for completion of construction of the Project. The financing package consists of US\$110 million as a deposit in respect of gold and silver streaming agreements and a strategic equity investment (the "Strategic Investment") of C\$45 million, a portion of which is structured as Canadian Development Expenditures flow through shares, such that the total gross proceeds to the Company is C\$50 million. Concurrent with the closing of the financing package, the outstanding principal and accrued interest of the senior debt with Sprott Private Resource Lending II (CO) Inc ("Sprott Lending") was repaid and the Production Payment Agreement ("PPA") in connection with the senior debt was also terminated and the existing gold stream from the Red Mountain property with Sprott Private Resource Streaming and Royalty (B) Corp. ("Sprott Streaming") was terminated and replaced by the new gold and silver stream.
- After completion of the portal preparation work in April 2022, underground mine development work and installation of surface infrastructure at the Big Missouri commenced in May 2022. At the end of October 2022, a total of approximately 921 metres have been developed in all headings, including muck bays, sumps, ore access drift, and the main ramp. Ground conditions have been excellent and heading advancement and productivity have been going well. Development accessed initial ore in the A Zone of the Big Missouri deposit in August 2022 and sampling protocol has been developed for grade reconciliation to the block model.
- The surface infrastructure at the Big Missouri, S1 pit portal area was prepared for winter snow conditions, which commenced at the end of October 2022. The restart of mining development is planned for mid-2023.
- The Premier site was preserved and winterized in late 2022, as the company was pursuing refinancing for the Project. Shortly after the closing of the financing package in mid-January 2023, the Company recommenced its construction activities. Various construction contractors have been re-mobilized to site to complete the remaining scope on mill construction and piping. Earthworks on tailings and the construction of the new water treatment plant will commence in Q2 2023 once the snow has melted.
- On March 8, 2022, the Company closed a previously announced bought deal financing for total gross proceeds of C\$64 million. The net proceeds from the financing were used for capital costs at the Premier Gold Project ("PGP") for PGP's exploration program and for general corporate purposes.
- The Company's 2022 exploration drilling program ran from May to October. Exploration drill holes intercepted several zones of mineralization at the Sebakwe zone, where gold mineralization has now been traced over a strike length of over 300 metres with a vertical extent of about 80 metres. Exploration drilling at the Day zone intercepted additional mineralization, which remains open to the north and the south. In-fill drilling targeted areas of early planned stopes at the Big Missouri deposit, where drill intercepts largely confirmed the geological interpretations in the area. Drill results were announced between July 2022 and January 2023 (see full news releases at www.ascotgold.com).

- On October 17, 2022, the Company announced initial positive grade reconciliation between muck samples and the block model grade from underground development at the Big Missouri deposit at PGP. Combined results from ore drives 1 and 2 yielded overall 9% positive grade reconciliation from muck samples compared to the resource block model. As expected, the Company encountered high variability in development round grades often associated with high-grade epithermal gold deposits. Initial results suggested good potential to increase mined grades by continuously improving external mining dilution.
- On February 17, 2023, the Company reorganized its Board of Directors ("Board") by adding two new members: José Néstor Marún and Stephen Altmann, both of whom were appointed pursuant to the recently Strategic Investment with Ccori Apu S.A.C. The Company also reported the voluntary resignation of Ken Carter and James Stypula from Ascot's Board. As a result, Ascot's Board maintains its size of seven directors, and its gender diversity with 29% women.

FINANCIAL RESULTS FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2022

The Company reported a net loss of \$5,988 for Q4 2022 compared to \$170 for Q4 2021. The increase in the net loss is mainly attributable to financing costs of \$4,848 largely related to the senior debt expensed during the period, a \$3,083 increase in stock-based compensation expense due to accelerated vesting of Restricted Share Units (RSU) in Q4 2022, partially offset by a \$1,655 increase in other income primarily due to a higher gain on change in estimate of PPA liability as well as a higher flow-through premium recognition.

The Company reported a net loss of \$10,808 in 2022 compared to \$2,948 in 2021. The increase in the net loss is mainly attributable to financing costs of \$5,969 during the year, which include deferred costs of \$5,075 attributable to the cancellation of the undrawn portion of the senior credit facility, a \$3,694 increase in stock-based compensation expense due to accelerated vesting of RSUs in 2022 as well as stock options and units granted in 2022, a \$2,609 increase in foreign exchange loss, partially offset by a \$4,633 increase in other income primarily due to a higher flow-through premium recognition, and a higher gain on change in estimate of PPA liability.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2022, the Company had a cash & cash equivalents balance of \$7,474 and working capital of \$1,658 excluding the current portion of the credit facilities. On January 19, 2023, the Company closed a previously announced financing package of approximately \$200,000 for completion of construction of the Project. Concurrent with the closing of the financing package, the Company used US\$26 million of the gross proceeds to repay in full to Sprott Lending the outstanding principal and accrued interest of the senior debt, including a 2% prepayment fee and the termination fee for termination of the PPA

During 2022, the Company issued 59,510,018 common shares, 13,710,500 warrants, 13,049,779 stock options, 1,447,298 Deferred Share Units, 3,415,670 Restricted Share Units and 162,162 Performance Share Units. Also, 7,881,125 stock options expired and 62,000 Deferred Share Units, 122,964 Restricted Share Units and 54,054 Performance Share Units were exercised during 2022.

MANAGEMENT'S OUTLOOK FOR 2023

With the financing package closed on January 19, 2023, the Company believes that it has sufficient funding to complete construction of the Project and achieve first gold production in early 2024. The key activities for 2023 include:

- Construction of the process plant and associated surface infrastructure such that the plant is expected to be in pre-commissioning by the end of 2023
- Completion of the tailings dam improvements and start up of the new water treatment plant by Q4 2023
- Advancement of the Premier North Lights portal and underground development and additional underground development of the Big Missouri mine
- Maintaining a Health and Safety record of zero lost time incident and achieving the 2023 goals outlined in the Company's 2022 Sustainability Report
- Advancing the recruitment of site personnel in line with the site personnel plan by the end of 2023
- Maintaining permitting and environmental compliance so that there are no delays in the project construction schedule

- More exploration and infill drilling north and west of existing resources

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 the advancement and development of the PGP and the timing related thereto, the exploration of the Company's properties and management's outlook for the remainder of 2023 and beyond. 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 23, 2023 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 information contained in this news release is expressly qualified by this cautionary statement.

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