

Gold Mountain Enters into a Silver Royalty Agreement with Silver Crown Royalties Inc.

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VANCOUVER, May 12, 2023 - [Gold Mountain Mining Corp.](#) ("Gold Mountain" or the "Company") (TSX:GMTN)(OTCQB:GMTNF)(FRA:5XFA) is pleased to announce it has entered into a royalty purchase agreement (the "Royalty Purchase Agreement") with Silver Crown Royalties Inc. ("SCR") whereby, the Company sold to SCR a royalty (the "Royalty") on 45% of the aggregate gross proceeds of silver (the "Royalty Percentage") sold from the Company's Elk Gold project located in British Columbia, Canada (the "Property") for consideration of up to \$3,300,000. SCR has an option to increase the Royalty Percentage to 90% in the next ten business days through the payment of an additional \$1,250,000 in cash and increased contingent Production Bonuses (as defined below) of up to \$2,000,000.

The Agreement

Pursuant to the terms of the Royalty Purchase Agreement, SCR has paid the Company as the purchase price for the Royalty:

- \$1,250,000 in cash; and
- 250,000 units of SCR ("Units") at a deemed price per Unit of \$0.20 with each such Unit consisting of one common share in the capital of SCR (a "SCR Share") and one-half of one SCR Share purchase warrant exercisable to acquire one additional SCR Share for a period of 24 months from the date of issuance thereof at an exercise price of C\$0.40.

Additionally, pursuant to the terms of the Royalty, SCR will be required to:

- pay the Company up to eight bonus payments of \$250,000 each, for a total of \$2,000,000 in total bonus payments (the "Production Bonuses"), upon the Company achieving each of the production milestones set forth below measured on a trailing annualized basis for six consecutive calendar months (an "Annualized Basis"), including those months of production prior to the date of the Royalty Agreement:
 - Sale of 6,666 contained ounces of silver on an Annualized Basis;
 - Sale of 8,888 contained ounces of silver on an Annualized Basis;
 - Sale of 11,110 contained ounces of silver on an Annualized Basis;
 - Sale of 13,332 contained ounces of silver on an Annualized Basis;
 - Sale of 15,554 contained ounces of silver on an Annualized Basis;
 - Sale of 17,776 contained ounces of silver on an Annualized Basis;
 - Sale of 19,998 contained ounces of silver on an Annualized Basis; and
 - Sale of 22,220 contained ounces of silver on an Annualized Basis.
- in the event the Company files a technical report(s) disclosing aggregate measured, indicated and inferred silver ounces contained in the Property in excess of 2,210,000 ounces (the total number in-situ silver ounces as disclosed in the Company's existing technical report filed on January 21, 2022 (the "Existing Technical Report")), SCR will, within thirty (30) days of the filing of such technical report, pay the Company the lesser of: (i) C\$1.00; and (ii) 20% of the then average silver price, in respect of each ounce of Silver contained in the Property disclosed in any such technical report(s) which is in excess of the number of Silver ounces disclosed in the Existing Technical Report.

In addition, the Company granted SCR, an option exercisable at any time prior to 2:00 PM (Vancouver Time) on May 25, 2023, to increase the Royalty Percentage from 45% to 90% upon payment of an additional C\$1,250,000 in cash to the Company (the "Top Up Option"). In the event that SCR exercises the Top Up Option, each Production Bonus will increase from \$250,000 to \$500,000 for total consideration of up to \$4,000,000.

The Production Bonuses are due within sixty (60) days of the Company providing notice that it achieved the applicable production target on an Annualized Basis to SCR for the first Production Bonus and then within thirty (30) days of notice to SCR for the remaining Production Bonuses. The Production Bonuses are payable

in cash while SCR is private and in the event SCR goes public, SCR shall have the option to pay the Production Bonuses in cash or SCR common shares.

The Company retains the right to repurchase fifty (50%) of the Royalty at any time by making a payment in the amount of the purchase price and any bonuses paid to the Company at the time of this election.

SCR is a private revenue generating pure silver royalty company focusing on silver as byproduct credits. SCR aims to minimize the economic impact to mining projects while maximizing returns to shareholders. This inaugural transaction with Gold Mountain serves as a launching platform for SCR's pipeline of pure silver net smelter return royalties.

Qualified Person

The foregoing technical information was approved by Grant Carlson, P.Eng., a Qualified Person, as defined under National Instrument 43-101 and the Chief Operating Officer for the Company.

About Gold Mountain Mining

Gold Mountain is a British Columbia based gold and silver exploration and production focused on the development of the Elk Gold Project, located 57 KM from Merritt in South Central British Columbia. Additional information is available at www.sedar.com or on the Company's new website at www.gold-mountain.ca.

For further information, please contact:

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Forward-Looking Statements

This news release includes certain "forward-looking statements" under applicable securities laws. Forward-looking statements include statements that are based on assumptions as of the date of this news release and are not purely historical including any information relating to statements regarding beliefs, plans, expectations or intentions regarding the future and often, but not always, use words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements in this press release include the ability to hit the production milestones, SCR exercising the Option to increase the Royalty to 90% of silver revenue, the receipt of any consideration under the Performance Warrant, the ability of the Company to render Royalty payments, the future value of Silver and other metals and minerals, the value of any securities of SCR received by the Company, expectations regarding the results of any future exploration activities or technical reports undertaken by or prepared for the Company in respect of the Project and any payments that may be received by the Company as a result thereof, and the ability of the Company to exercise its repurchase option at any time.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: expectations regarding the Company's production at the Property; expectations regarding future Silver and other metals and mineral prices, assumptions regarding the business prospects of the Company and SCR (including with respect to the future value of any securities of SCR that may be held by the Company); stock market volatility and market conditions; changes in global and regional demand for the Company's products; general business, economic, competitive, political and social uncertainties including permit uncertainties inflationary pressures

and trade uncertainties as a result of, among other things, the COVID-19 pandemic, the Russian-Ukrainian war, and changes in tariffs and international trade; foreign exchange risks; the availability of credit on reasonable terms; legal and regulatory risks (including changes in law or regulation); costs of inputs; delay or failure to receive board, shareholder or regulatory approvals; and the results of current and future exploration as well as the risk factors set out in the Company's continuous disclosure filings, including the Company's Annual Information Form for the year ended January 31, 2023 a copy of which was filed on April 28, 2023 and is available under the Company's profile on SEDAR. The foregoing list of factors is not exhaustive. Many of these issues can affect the Company's actual results and could cause its actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that the Company (or SCR) will remain compliant in the future with all of its covenants under the Royalty. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Gold Mountain disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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