



## NxGold Closes \$1 Million Private Placement

**VANCOUVER, B.C. - June 16, 2020 – NxGold Ltd.** (“NxGold” or the “Company”) (TSXV: **NXN**) is pleased to announce that it has closed its previously announced non-brokered private placement by issuing 5,000,000 units (“Units”) at a price of \$0.20 for gross proceeds of \$1,000,000 (the “Offering”). Each Unit is comprised of one common share (“Common Share”) of the Company and one common share purchase warrant (a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common share for a period of two years from the closing of the Offering at a price of \$0.30 per Common Share.

In connection with the Offering, the Company paid certain eligible persons (the “Finders”) a cash commission in total of \$17,100, equal to 6.0% of the gross proceeds of the Offering delivered by Finders and issued a total of 85,500 non-transferable broker warrants (“Broker Warrants”), equal to 6.0% of the Units delivered by Finders pursuant to the Offering. Each Broker Warrant entitles the holder to purchase one Common Shares for a period of two years from the closing of the Offering at a price of \$0.30 per Common Share. The net proceeds from the Offering will be used for general working capital purposes.

All securities issued under the Offering are subject to a restricted period of four months from the date of issuance. The Offering is subject to the final approval of the TSX Venture Exchange.

The Offering constituted a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 (“MI 61-101”) as certain insiders of the Company subscribed for an aggregate of 950,000 Units pursuant to the Offering. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the first tranche of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner.

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

### Capital Markets Advisory Agreement

The Company also announces that it has entered into an agreement with Red Cloud Financial Services Inc. (“Red Cloud FS”) to provide certain capital markets advisory services to the Company, including assisting with increasing investor awareness and overall marketing of the Company. Headquartered in Toronto, Ontario, Red Cloud FS is a globally oriented resource focused financial services platform, offering clients an extensive array of corporate access services including advisory, marketing and media. The agreement with Red Cloud FS is for an initial period of ten months at a cost of \$8,000 per month.

## **About NxGold**

NxGold is a Vancouver-based exploration company. The Company has recently entered into an option agreement with Mega Uranium Ltd. (TSX: MGA) to acquire a 100% interest in the Ben Lomond and Georgetown uranium projects in Australia and owns 80% of the Mt. Roe gold project located in the Pilbara region of Western Australia. The Company has also entered into an earn-in agreement with Meliadine Gold Ltd. to earn up to a 70% interest in the Kuulu Project (formerly known as the Peter Lake Gold Project) in Nunavut.

### **Philip Williams**

#### **President and Chief Executive Officer**

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*Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.*

### **Cautionary Statement Regarding “Forward-Looking” Information**

*This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. “Forward-looking information” includes, but is not limited to, statements with respect to activities, events or developments that the Company expects or anticipates will or may occur in the future including whether the proposed acquisition will be completed. Generally, but not always, forward-looking information and statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negative connotation thereof 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” or the negative connotation thereof.*

*Such forward-looking information and statements are based on numerous assumptions, including among others, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms, and that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Company’s planned exploration activities will be available on reasonable terms and in a timely manner. Although the assumptions made by the Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.*

*Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual events or results in future periods to differ materially from any projections of future events or results expressed or implied by such forward-looking information or statements, including, among others: negative operating cash flow and dependence on third party financing, uncertainty of additional financing, no known mineral reserves or resources, reliance on key management and other personnel, potential downturns in economic conditions, actual results of exploration activities being different than anticipated, changes in exploration programs based upon results, and risks generally associated with the mineral exploration industry, environmental risks, changes in laws and regulations, community relations and delays in obtaining governmental or other approvals.*

*Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by 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 forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws.*