

SITKA GOLD CORP

NEWS RELEASE

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www.sitkagoldcorp.com

Sitka Expands Yukon Portfolio with Acquisition of Gold-Silver-Zinc Property

VANCOUVER, CANADA – August 18, 2020: Sitka Gold Corp. (“Sitka” or the “Company”) (CSE:SIG) (FSE:1RF) is pleased to announce an expansion of its Yukon mineral portfolio of mining claims with the acquisition of the OGI Property (“OGI” or the “Property”), located just off the Dempster Highway, approximately 50 km east of Dawson City and 1 km north of Golden Predator’s Brewery Creek Gold Mine in Yukon’s prolific Tombstone Gold Belt. This acquisition expands Sitka’s land position within the Tombstone Gold Belt to approximately 356 km².

The target at OGI is an intrusion-related gold deposit such as Eagle Gold, Brewery Creek and Red Mountain in Yukon and Fort Knox in Alaska, and also a SEDEX style, stratabound Zinc-Lead-Silver (Zn-Pb-Ag) deposit, similar to Howards Pass and many other zinc-rich base and precious metal occurrences within Yukon's Selwyn Basin.

Cor Coe, Director and CEO of Sitka Gold, comments: “This acquisition reflects the Company’s strategic focus on finding high quality projects in mining friendly jurisdictions with the potential to host large-scale gold deposits and, on this particular property, the potential to also host a SEDEX style, stratabound Zn-Pb-Ag deposit. With a large, recently defined silver-zinc anomaly ready to drill test and impressive gold-in-soil results of up to 3700 ppb, the OGI Property presents another very exciting opportunity for our Company as we continue to expand our land position within the Tombstone Gold Belt, where several intrusion-related gold deposits have been discovered and where Canada’s newest gold mine recently reached commercial production.”

About the OGI Property

The OGI Property, consisting of 100 quartz mining claims, is underexplored relative to its neighbours, including Golden Predator’s Brewery Creek Mine 1.0 km from its southern border, and overlies

favourable geology and stream geochemistry. Previous exploration work up to 1997 included geochemical stream sediment sampling of local drainages, an airborne MAG geophysical survey conducted over the area (in conjunction with the Geological Survey of Canada), geological mapping, and prospecting. The stream sediment sampling and geophysical survey identified a broad 1.0 km x 3.0 km gold anomaly that is coincident with an interpreted buried intrusive identified from the MAG geophysical survey⁽¹⁾. More recent exploration work on the property conducted between 2011 to 2017 consisted primarily of follow up soil sampling and returned gold values from <5 ppb to 3700 ppb and silver values from <0.2 ppm to 31 ppm and includes a significant silver-zinc soil anomaly that straddles an area of approximately 250 m x 750 m with values from 10 ppm to 31 ppm silver and 1060 ppm to 4500 ppm zinc⁽²⁾. This anomaly is the target of a first phase drill program scheduled to begin in the next few weeks.

⁽¹⁾ Van Damme, et.al., 1997.

⁽²⁾ Carlson, G., 2017.

Acquisition Terms

Sitka has entered into an option agreement (the “Agreement”) with Fox Exploration Limited (“Fox”) whereby Sitka can acquire a 100% interest in the OGI claims from Fox by making payments totaling \$225,000, issuing 1,000,000 shares and completing \$2.5 million in exploration over a 5 year period, with an initial payment of \$10,000 and issuance of 100,000 shares. The Company must also issue a bonus of 500,000 shares if 1.0 million ounces of gold equivalent in any category is defined in a published NI 43-101 resource estimate. Fox also retains a 2% NSR on the OGI claims, half of which can be purchased for \$2 million. The acquisition of the RC Claims is considered a related-party transaction pursuant to Multilateral Instrument 61-101, as Fox is controlled by Ryan Coe who is also a director of Sitka. The acquisition is exempt from the need to obtain minority shareholder approval and a formal valuation as required by and under the applicable provisions of MI 61-101. The Agreement is subject to regulatory approval.

Additional Corporate Updates

The Company is currently conducting a 1500 metre diamond drill program at its 354 km² RC Gold Project in Yukon and is currently on the 4th drill hole of a planned 1500 metre drill program (see news release dated August 6, 2020). The first hole of this drill program was recently shipped to Bureau Veritas in Whitehorse for analysis. The Company is also anticipating assay results shortly from its maiden deep diamond drill hole #AG20-01 at its Alpha Gold Property in Nevada (see news release dated July 24, 2020). The permitting process is underway for a Phase 2 drill program at the Company’s flagship Burro Creek Property in Arizona, planned for Q4 of this year.

The Company is also pleased to announce that it has received \$307,549 from the exercise of 1,537,745 IPO warrants that expired on July 30, 2020.

About Sitka Gold Corp.

Sitka Gold Corp. is a mineral exploration company headquartered in Canada and managed by a team of experienced mining industry professionals. The Company is focused on exploring for economically viable mineral deposits with its primary emphasis on gold, silver and copper mineral properties of merit. Sitka currently has an option to acquire a 100% interest in the RC Gold, Bee Bop, Barney Ridge Gold and Clear Creek Gold properties in Yukon and the Burro Creek Gold property in Arizona. Sitka owns a 100% interest in its Alpha Gold property in Nevada, its Mahtin Gold property in the Yukon and its Coppermine River project in Nunavut. Directors and Management own approximately 17% of the outstanding shares of Sitka Gold Corp., a solid indication of their alignment with shareholders' interests.

The scientific and technical content of this news release has been reviewed and approved by Cor Coe, P.Geo., Director and CEO of the Company, and a Qualified Person (QP) as defined by National Instrument 43-101.

ON BEHALF OF THE BOARD OF DIRECTORS OF
SITKA GOLD CORP.

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Cautionary and Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. Forward-looking statements and information are often, but not always, identified by the use of words such as “appear”, “seek”, “anticipate”, “plan”, “continue”, “estimate”, “approximate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe”, “would” and similar expressions.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the expected timing and terms of the private placement, use of proceeds, anticipated work program, required approvals in connection with the work program and the ability to obtain such approvals. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and information contained in this news release are made as of the date of this news release and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the CSE. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

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