
MAS Gold Announces Conditional Acceptance of Early Warrant Exercise Incentive Program and Adds 2017 Warrants

Vancouver, BC August 17, 2021 - **MAS Gold Corp.** (“**MAS Gold**” or the “**Company**”) – (TSXV:MAS) is pleased to announce it has received conditional acceptance from the TSX Venture Exchange (the “**TSXV**”) to commence an Early Warrant Exercise Incentive Program (“**EWEIP**”) intended to encourage the early exercise of up to approximately 50,414,299 Outstanding Warrants (as defined and described below). Since the July 22, 2021 press release announcing the intention to conduct the EWEIP, the Company has added the warrants issued in October of 2017 to the program. The final terms and conditions of the EWEIP are as follows.

In October of 2017, MAS Gold closed a non-brokered private placement of units (the “**2017 Units**”) for aggregate gross proceeds of \$440,000. Each 2017 Unit was comprised of one common share of the Company (each, a “**Common Share**”) and one Common Share purchase warrant, exercisable on or before October 16, 2022 at an exercise price of \$0.12 (each, a “**2017 Warrant**”). There are currently 5,500,000 of the 2017 Warrants outstanding.

In December of 2019, MAS Gold closed a non-brokered private placement of units and flow-through units (collectively, the “**2019 Units**”) for aggregate gross proceeds of \$391,457. Each 2019 Unit was comprised of one Common Share and one Common Share purchase warrant, exercisable until 5:00 P.M. (Vancouver time) on December 18, 2021 at an exercise price of \$0.10 (each, a “**2019 Warrant**”). There are currently 5,901,057 of the 2019 Warrants outstanding.

In December of 2020, MAS Gold closed a non-brokered private placement of units and flow-through units (collectively, the “**2020 Units**”) for aggregate gross proceeds of \$3,060,479. Each 2020 Unit was comprised of one Common Share and, in the case of non-flow-through 2020 Units, one Common Share purchase warrant, or, in the case of flow-through 2020 Units, one-half (½) of a Common Share purchase warrant, exercisable until 5:00 P.M. (Saskatoon time) on December 30, 2022 at an exercise price of \$0.10 (each, a “**2020 Warrant**” and together with the 2017 Warrants and the 2019 Warrants, the “**Outstanding Warrants**”). There are currently 39,013,242 of the 2020 Warrants outstanding.

In order to encourage the early exercise of Outstanding Warrants, MAS Gold will be commencing the EWEIP on August 17, 2021 to enable the holders to receive certain incentives (as described below) for every two (2) Outstanding Warrants exercised prior to 5:00 P.M. (CST) on September 16, 2021 (the “**EWEIP Expiry Time**”). Holders of Outstanding Warrants shall have two options under the EWEIP, if the Outstanding Warrants are exercised prior to the EWEIP Expiry Time.

Option A

Under Option A of the EWEIP, if two (2) Outstanding Warrants are exercised prior to the EWEIP Expiry Time at the original exercise price of the Outstanding Warrants, the exercising holder will receive:

- (a) the two Common Shares to which they are otherwise entitled under the terms of the Outstanding Warrants; and
- (b) one additional Common Share purchase warrant of the Company (each, an “**Incentive Warrant**”) entitling the holder to acquire an additional Common Share at a price of \$0.20 per share for a period of three years from the date of issuance of such Incentive Warrant, subject to early expiry if, commencing four months after the closing of the EWEIP, the daily volume weighted average trading price of the Common Shares exceeds \$0.30 for 30 consecutive trading days.

Option B

Under Option B of the EWEIP, if two (2) Outstanding Warrants are exercised prior to the EWEIP Expiry Time at an increased exercise price equal to the original exercise price of the Outstanding Warrants plus \$0.02 per underlying share, the exercising Outstanding Warrant holder will receive:

- (a) two flow-through Common Shares that will each qualify as a “flow through share” within the meaning of subsection 66(15) of the *Income Tax Act* (Canada) (each, a “**FT Share**”) in substitution for the two non-flow-through Common Shares underlying the Outstanding Warrants; and
- (b) one Incentive Warrant.

No fractional Incentive Warrants will be issued in connection with any exercise of the Outstanding Warrants and in lieu of any fractional Incentive Warrants that would otherwise be issuable, the number of Incentive Warrants to be issued shall be rounded down to the next whole number of Incentive Warrants.

To be eligible to participate in the EWEIP, the holder of Outstanding Warrants must deliver the following documents to MAS Gold on or prior to 5:00 p.m. (CST) on September 16, 2021:

- (a) a duly completed and executed Subscription/Exercise Form, in the form attached to the certificate representing the Outstanding Warrants;
- (b) the original certificate representing the Outstanding Warrants being exercised;
- (c) the applicable aggregate exercise price payable to “MAS Gold Corp.” by way of certified cheque, money order, bank draft, or wire transfer; and
- (d) a duly completed and executed investor certificate respecting the Incentive Warrants and, for Option B, an acknowledgement respecting the FT Shares, in such form as satisfactory to MAS Gold, or other evidence satisfactory to MAS Gold that the distribution of Incentive Warrants and underlying shares to such holder would be exempt from prospectus requirements under applicable securities laws.

Materials respecting the EWEIP will be delivered to each registered holder of Outstanding Warrants, and will also be posted on the Company’s website www.masgoldcorp.com.

The proceeds from the exercise of Outstanding Warrants under the EWEIP will be used to advance the business of MAS Gold and for general corporate purposes. The net proceeds received by MAS Gold from the issue of the FT Shares exercises under Option B will be used to incur eligible “Canadian exploration expenses” (“**CEE**”) that are “flow-through mining expenditures” (as such term is defined in the *Income Tax Act* (Canada)), and which will entitle purchasers of the participants that receive FT Shares

resident in Saskatchewan to the benefit of the Saskatchewan Mineral Exploration Tax Credit. MAS Gold will renounce such CEE to the purchasers of the participants receiving FT Shares with an effective date of no later than December 31, 2021.

If an Outstanding Warrant holder chooses not to exercise their Outstanding Warrants by the EWEIP Expiry Time, the applicable Outstanding Warrants will continue to be exercisable for common shares on the same terms that previously existed.

Insiders of the Company may participate in the EWEIP and, if they do so, the EWEIP may constitute a “related party transaction” within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Shareholders in Special Transactions* (“MI 61-101”). If this occurs, the Company intends to rely on the exemptions from the formal valuation requirements of MI 61-101 contained in section 5.5(a) and (b) of MI 61-101 on the basis that the fair market value of the transaction with insiders will not be more than 25% of the market capitalization of the Company and no securities of the Company are listed on a specified market set out in such section, and the Company intends to rely on the exemption from the minority shareholder approval requirements of MI 61-101 contained in Section 5.7(1)(a) of MI 61-101 on the basis of the fair market value of the transaction with insiders will not be more than 25% of the market capitalization of the Company. The material change report for the EWEIP was not filed more than 21 days prior to announcing the EWEIP but will be filed more than 21 days prior to the end date of the EWEIP.

Further, in accordance with applicable requirements of the TSXV, certain insiders of the Company will be restricted in their ability to participate in the EWEIP such that the aggregate of all Outstanding Warrants to be exercised by such insiders of the Company pursuant to the EWEIP will not exceed 10% of the Outstanding Warrants.

The EWEIP is subject to the final acceptance of the TSXV. The Incentive Warrants will be subject to a four-month restricted resale period and the TSXV hold period.

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The securities offered under the Offering have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S of the Securities Act) or a person in the United States, unless an exemption from such registration requirements is available.

Caution Regarding Forward Looking Information and Statements

This news release includes certain forward-looking statements or information that could cause actual results to differ materially from MAS Gold’s plans or expectations. All statements other than statements of historical fact included in this release, including,

without limitation, planned exploration and development programs, disclosure about the terms of the EWEIP which remains subject to applicable approvals and the use of proceeds from the exercise of Warrants under the EWEIP, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are subject to a variety of risks and uncertainties, which could cause actual events, level of activity, performance or results to differ materially from those reflected in the forward-looking statements, including, without limitation: risks relating to the actual results of current and future exploration activities, fluctuating gold prices, possibility of equipment breakdowns and delays, cost overruns, that MAS Gold may lose or abandon its property interests or may fail to receive necessary licences and permits, availability of capital and financing and general economic, market or business conditions. The forward-looking statements included in this news release are made as of the date hereof and MAS Gold 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 expressly required by applicable securities legislation.

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