



## **CORE GOLD PROVIDES CORPORATE UPDATE AND ANNOUNCES SENIOR MANAGEMENT APPOINTMENTS**

**Vancouver, B.C., August 7, 2019** – Core Gold Inc. ("Core Gold" or the "Company") (TSXV: CGLD, OTCQX: CGLDF) is pleased to provide a corporate update on the following:

- Appointment of Senior Management Positions of CEO and COO
- Appointment of Kuscan Minerals in Ecuador
- Operational update
- Recommencement of Strategic Review Process

### **Appointment of Senior Management Positions of CEO and COO**

The Company is pleased to announce Mr. Mark Bailey will transition from interim basis to permanent basis as the Company's Chief Executive Officer ("CEO"). In addition, the Company is pleased to announce that Mr. Armando Alexandri has been appointed as the Company's Chief Operating Officer ("COO").

Mr. Bailey has been with the Company as a director since 2003. He is an experienced mining executive and registered professional geologist with 40 years of industry experience. Between 1995 and 2012, he was the President and CEO of Minefinders Corporation Ltd. ("Minefinders"), a precious metals mining company that operated the multi-million ounce Dolores gold and silver mine in Mexico before being acquired by Pan American Silver Corp. in 2012 for \$1.5 billion. Before joining Minefinders, Mr. Bailey held senior positions with Equinox Resources Inc. and Exxon Minerals. Since 1984, Mr. Bailey has worked as a consulting geologist with Mark H. Bailey & Associates LLC. Mr. Bailey is also a director of Entree Resources and Fiore Gold.

Mr. Alexandri is a mining engineer with 30 years of experience in mining and metallurgical design with multiple companies including COO of Sierra Metals and Impact Silver. Mr. Alexandri received his Mining Engineering Degree -Cum Laude- from Universidad de Guanajuato, Mexico in 1978 and a General Business Administration Degree from Universidad de Monterrey in 1984.

### **Appointment of Kuscan Minerals for Fresh Operational Re-start in Ecuador**

Following the senior management change in March 2019, the Company engaged Kuscan Minerals ("Kuscan") to assist in managing the transition in Ecuador. In that role, Kuscan has been focused on addressing certain in-country socioeconomic, political, financial, environmental and legal issues. Since its engagement, Kuscan has successfully executed on the following:

- Organized an agreement with the community of Mullunuma allowing the Company to access its wholly-owned GVR South concession at Dynasty Goldfield where current development is ongoing and which will provide additional feed to its processing plant in Portovelo
- Oversaw a 9.5% (USD \$1.1 million) reduction of outstanding payables
- Implemented a proper procurement management plan
- Successfully renegotiated contractor and supplier agreements
- Introduced an ERP software system to further improve cost cutting initiatives

Kuscan is a privately-owned diversified mining services group focused in Ecuador and the broader Andean region, led by Mr. Jose Bustamante, Jose Fernandez and their experienced management team. Since March 2019 following the change in senior management, Kuscan has managed all the corporate and operational matters in Ecuador. The Company would like to thank Kuscan for its valuable efforts in improving community, government, regulatory, vendor, and banking relationships in country.

Mark Bailey, CEO of Core Gold, commented on the appointment of Armando Alexandri as COO and engagement of Kuscan Minerals. “On behalf of Core Gold, we are extremely grateful for the excellent operational execution over the last 5 months by Armando and the Kuscan team. Armando has greatly improved operations at the Cerro Verde mine, and the Portovelo processing plant where recoveries have improved. For the first time Cerro Verde is operating with a mine plan, including infill drilling and bench sampling to improve grade control and mine scheduling. Kuscan has provided invaluable support in this difficult time for the Company. Kuscan has delivered on countless urgent operational deadlines and has been instrumental in restoring relationships, allowing for a better more sustainable and supportive environment for future mining operations in this region and beyond.”

Mark Bailey also commented “I look forward to working with our Ecuadorian team and the people, government and regulatory bodies of Ecuador. We have a robust portfolio of assets in Ecuador that require extensive work in order to unlock value for Core Gold shareholders. As we commence the strategic review, we are open to evaluating opportunities in order to maximize value for our shareholders and stakeholders.”

### **Resumption of Strategic Review Process**

As previously announced on July 19, 2019, the Board of Directors of Core Gold has recommenced its strategic review process of alternatives available to the Company, a process originally commenced in 2017 and that resulted in the proposed, and now terminated, arrangement with Titan Minerals. As they were in 2017, Core Gold's significant debt and payables position, its ongoing working capital deficit and its ability to raise debt or equity in a challenging environment for junior mining companies, all remain significant issues. Accordingly, Core Gold will continue to investigate a broad range of options, including equity or debt financings, core and non-core asset sales, strategic investments and joint ventures, as well as a potential merger of Core Gold with another company. There can be no assurance that the strategic review will result in any transaction. The Company will provide further updates as required.

### **About Core Gold**

The Company is a Canadian based mining company involved in the mining, exploration and development of mineral properties in Ecuador. The Company is currently focused on gold production at its wholly-owned Dynasty Goldfield project. Mineral is treated at the Company's wholly-owned Portovelo treatment

plant. The Company also owns other significant gold exploration projects including the Linderos and Copper Duke area in southern Ecuador all of which are on the main Peruvian Andean gold-copper belt extending into Ecuador.

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