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TSX-V: AAX
OTCMKTS: ADGCF

Advance Gold Adds Lithium Salars To Its Mexican Portfolio

Advance Gold Corp. (TSXV: AAX) (“Advance Gold” or “the Company”) is pleased to announce that, its wholly owned Mexican subsidiary, Advance Gold S.A. de C.V., (“Advance Mexico”), has signed a purchase agreement to acquire a series of 13 lithium-potassium-boron prospective salars in central Mexico. Additionally, it will acquire a pilot plant designed and built under the guidance of Dr. Roberto Perez Garibay, an expert in mineral recovery, and a patented extraction method.

Terms of Deal

- Advance Gold has the right to purchase 90% interest in 13 lithium-potassium-boron prospective salars in the states of Zacatecas and San Luis Potosi, Mexico from Hot Spring Mining a private Mexican company;
- Hot Spring Mining will retain a 10% carried interest through to production that will convert to a participating interest upon commercial production;
- Advance Gold will pay 5 million shares upon regulatory approval of the deal;
- Advance Gold will purchase the test plant, built by Hot Spring Mining designed by Dr. Roberto Garibay, for \$150,000 USD within 2 years;
- Advance Gold will have exclusive rights to proprietary lithium extraction method that has been patented;
- In the event of a sale of either the mining rights or Advance’s subsidiary, Advance Mexico, 75% of the proceeds will go to Advance Gold and 25% to Hot Spring Mining.

Allan Barry Laboucan, President and CEO of Advance Gold Corp. commented: *“We are excited to diversify our portfolio of projects with a group of lithium-potassium-boron prospective salars in central Mexico. There is a strong investor appetite for lithium projects due to the quest for alternative energy sources, with the new Biden administration in America, and worldwide. What makes the salars impressive is that Dr. Roberto Perez Garibay, at the prestigious Center for Research and Advanced Studies of the National Polytechnic Institute (Cinvestav) Saltillo Unit, Mexico, an expert in mineral recovery, has done studies to test material from salars in central Mexico. In his research he concluded that they are amenable to magnetic and heavy mineral separation, creating a concentrate that reacts very favourably to common leaching methods for lithium recovery over short periods of time measured in hours with high recoveries. In addition, as part of the transaction, a test plant will be purchased which was built under the guidance of Dr. Roberto Perez Garibay. The first order of business will be to begin bulk sampling of material from our salars, putting it through the test plant to further understand the economics of magnetic and heavy mineral separation and leaching characteristics. These salars give us the potential for near-term lithium production and complement our efforts in precious metals exploration. Having new battery metal projects gives the Company options, possibly spinning it off to shareholders in the future.”*

Dr. Julio Pinto Linares is a qualified person, doctor in geological sciences with specialty in economic geology and qualified professional No. 01365 by MMSA for Advance Gold and is the qualified person as defined by National Instrument 43-101 responsible for the accuracy of technical information contained in this news release.

About Advance Gold Corp.

Advance Gold is a junior exploration company focused on acquiring and exploring mineral properties containing precious metals. The company acquired a 100-per-cent interest in the Tabasquena silver mine in Zacatecas, Mexico, in 2017, and the Venaditas project, also in Zacatecas state, in April, 2018. In addition, Advance Gold holds an 11.79% interest in strategic claims in the Liranda Corridor in Kenya, East Africa. The remaining 88.21% of the Kakamega project is held by Shanta Gold Limited (project previously owned by Barrick Gold Corporation, for details see Advance Gold News Release dated 2020-08-26).

For further information, please contact:

Allan Barry Laboucan,
President and CEO
Phone 492-238-5282 (Direct-Mexico Cell)
Email: allan@advancegold.ca

www.advancegold.ca

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