



CONTACT GOLD ENTERS INTO US\$10M EARN-IN WITH CENTERRA GOLD ON THE GREEN SPRINGS GOLD PROJECT, CORTEZ TREND, NEVADA

Vancouver, B.C. (December 9, 2022) – Contact Gold Corp. (the “Company” or “Contact Gold”) (TSXV: C; OTCQB: CGOLF) is pleased to announce that it has entered into a four-year, US\$10 million earn-in agreement (the “Earn-in Agreement”) with a wholly-owned subsidiary of Centerra Gold Inc. (“Centerra”) (TSX: CG) (NYSE: CGAU) on the Company’s Green Springs oxide gold project located on Nevada’s Cortez Trend (“Green Springs”).

Pursuant to the Earn-in Agreement, Centerra has an option to acquire a 70% interest in Green Springs for cumulative earn-in exploration expenditures of US\$10,000,000 and aggregate cash payments to the Company of US\$1,000,000. The first-year work commitment of US\$1,500,000 is guaranteed.

Contact Gold will remain project manager at Green Springs, with exploration led by Contact Gold’s Vice President of Exploration, Vance Spalding.

“We are very happy to be partnering with Centerra on the Green Springs project. Centerra is a renowned international gold producer, and their partnership at Green Springs will allow us to significantly accelerate exploration at the project far beyond what Contact Gold can accomplish in the current market.” said Matt Lennox-King, President & CEO of Contact Gold. “Securing multi-year funding for Green Springs allows Contact Gold to give the Green Springs project the amount of exploration work it needs, and dedicate additional capital to our resource-stage Pony Creek gold project, located on Nevada’s prolific Carlin Trend.”

Highlights

- Centerra has made a cash payment of US\$150,000 to Contact Gold to secure the option.
- Centerra will solely fund a minimum commitment (“**Minimum Commitment**”) of US\$1,500,000 in exploration expenditures during the first year of the earn-in, or pay the difference to Contact Gold in cash.
- To satisfy the earn-in, Centerra shall make a total of US\$10,000,000 in exploration expenditures over a four-year timeframe, and pay annual cash payments to Contact Gold totalling US\$1,000,000.
- Contact Gold will be the project manager for exploration at Green Springs for the first year of the Earn-in Agreement (thereafter Centerra has the right to be project manager), and shall collect a management fee based on eligible expenditures through the earn-in.
- The next phase of exploration, including follow-up drilling is expected to commence in Q1 2023. The Company has identified multiple drill targets, and the necessary permitting to begin the 2023 program is already in place.

Contact Gold has been advancing Green Springs since 2019, and has drilled 132 holes for 16,769 metres in that time. Drilling by the Company has delivered new oxide gold discoveries at the X-Ray and Tango Zones, and has extended the historic Mine Trend to the South, where it remains open for further expansion. The Mine Trend at Green Springs is a 3 km long trend of outcropping or shallow oxidized gold mineralization hosted within the Chainman Shale where USMX mined high grade oxide gold in the 1980’s from three small pits, highlighted by the high-grade Echo Zone at the southern end of the Mine Trend. The underlying Pilot Shale also hosts gold mineralization beneath the Mine Trend, and has to date, seen limited drilling.

Earn In Terms

| | Exploration Expenditures | Cash Payment to Contact Gold |
|---|---------------------------------|-------------------------------------|
| On signing | | US \$150,000 |
| On or before the 1 st anniversary date | US \$1,500,000 (committed) | US \$175,000 |
| On or before the 2 nd anniversary date | US \$2,000,000 | US \$175,000 |
| On or before the 3 rd anniversary date | US \$2,750,000 | US \$250,000 |
| On or before the 4 th anniversary date | US \$3,750,000 | US \$250,000 |

Upon satisfaction of the US\$10,000,00 exploration expenditure commitment and payment to Contact Gold of the aggregate US\$1,000,000 cash payments, the parties will form a joint venture to hold and operate the property, and each party shall proportionately fund or dilute future activities at Green Springs. Should Contact Gold's interest be diluted to less than 10%, then that interest will convert to a 1.5% Net Smelter Returns Royalty interest.

For a location map of the Green Springs project, please click:

<https://www.contactgold.com/resources/news/nr-20221208-Contact-Gold-Project-locaiton-map.jpg>

For a property map of Green Springs showing zones and target areas, please click:

<https://www.contactgold.com/resources/news/nr-20221208-Contact-Gold-Green-Springs-map.jpg>

About the Green Springs Project:

Contact Gold signed a purchase option agreement with Ely Gold Royalties Inc., now a subsidiary of Gold Royalty Corp. (NYSE American: GROY) to acquire an undivided 100% interest in Green Springs in July 2019 (see the Company's [news release dated July 24, 2019](#)) for details relating to the agreement with Ely Gold. After entering into the Earn-In Agreement with Centerra, Contact Gold will complete the remaining steps to complete the purchase option on Green Springs.

Green Springs is located near the southern end of the Cortez Trend of Carlin-type gold deposits in White Pine County, Nevada, 20 km southeast of Calibre Mining's Pan Mine and 7 km immediately east of their Gold Rock Project, and south of Waterton's Mount Hamilton deposit. The Green Springs property is 18.36 km² encompassing 3 shallow past producing open pits and numerous targets that were not mined. Gold mineralization at Green Springs is hosted within the same Chainman Shale and Pilot Shale units hosting Gold Rock and Pan. The Green Springs project produced high-grade oxide gold from two open pits in the 1980's, and is host to multiple, near-surface Carlin Type gold zones and exploration targets.

The 2022 drill program at Green Springs wrapped up in late June with 23 holes completed for 2,123 metres, and was dedicated to growing the high-grade Tango, X-Ray, and B-C Gap oxide gold discoveries made by Contact Gold in 2021.

Green Springs is an early-stage exploration property and does not contain any mineral resource estimates as defined by National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI 43-101"). There has been insufficient exploration to define a mineral resource estimate at Green Springs. Additional information about Green Springs is summarized in the NI 43-101 Technical Report entitled "NI 43-101 Technical Report for the Green Springs Project, White Pine County, Nevada, USA" prepared for Contact Gold, with an effective date of June 12, 2020, and dated August 5, 2020, as prepared by John J. Read, C.P.G; an independent consultant and qualified person under NI 43-101, and can be viewed under Contact Gold's issuer profile on SEDAR at www.sedar.com.

The scientific and technical information contained in this news release has been reviewed and approved by Vance Spalding, CPG, VP Exploration, Contact Gold, who is a "qualified person" within the meaning of NI 43-101.

About Contact Gold Corp.

Contact Gold is an exploration company focused on making district scale gold discoveries in Nevada. Contact Gold's extensive land holdings are on the prolific Carlin and Cortez gold trends which host numerous gold deposits and mines. Contact Gold's land position comprises approximately 144 km² of target rich mineral tenure hosting numerous known gold occurrences, ranging from early- to advanced-exploration and current gold resources.

Additional information about the Company is available at www.contactgold.com.

For more information, please contact: +1 (604) 449-3361

Matthew Lennox-King – President & CEO

E-mail: info@ContactGold.com

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Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to the anticipated exploration activities of the Company at the Green Springs and Pony Creek properties, the timing of payment to Ely Gold of the final payment to satisfy the earn-in to Green Springs, and the ultimate satisfaction of the earn-in by Centerra at Green Springs.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: impacts arising from the global disruption by the Covid-19 coronavirus outbreak; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.