
CONTACT GOLD REPORTS Q1 2023 FINANCIAL AND OPERATING RESULTS AND VOTING RESULTS FROM ANNUAL MEETING

Vancouver, B.C. (May 26, 2023) – Contact Gold Corp. (the "Company" or "Contact Gold") (TSXV: C; OTCQB: CGOLF) is pleased to announce its financial and operating results for the three months ended March 31, 2023, and to provide the results of the Company's recent Annual Meeting of Shareholders (the "Meeting").

Contact Gold is focused on advancing the Green Springs oxide gold project ("Green Springs") and the Pony Creek gold project ("Pony Creek"), both of which host extensive and robust Carlin Type gold systems.

Green Springs is located on Nevada's Cortez Trend, 7 km immediately east of the Gold Rock project operated by Calibre Mining Corp. (TSX: CXB; OTCQX: CXBMF). Exploration at Green Springs is being funded through a partnership with a subsidiary of Centerra Gold Inc. ("Centerra") pursuant to an earn-in arrangement (the "Centerra Farm-out"). Pony Creek is located on the southern Carlin Trend and ties on to the southern boundary of the feasibility-stage South Railroad gold project operated by Orla Mining Ltd. (TSX: OLA; NYSE: ORLA).

Recent developments and Q1 2023 highlights

- Entered into the Centerra Farm-out providing Centerra the option to acquire a 70% interest in Green Springs for cumulative earn-in exploration expenditures of USD 10,000,000 and aggregate cash payments to the Company of USD 1,000,000, over a four-year period.
 - Centerra will fund a minimum commitment of USD 1,500,000 in exploration expenditures during the first year of the earn-in, or pay the difference to Contact Gold in cash.
 - Contact Gold is the project manager for exploration at Green Springs for at least the first year of the Centerra Farm-out (thereafter Centerra has the right to be project manager), and the Company shall collect a management fee based on eligible expenditures through the earn-in.
- Expanded the Green Springs property area by 19% through staking of open ground covering prospective targets.
- Launched the 2023 exploration program at Green Springs, funded by Centerra and led by Contact Gold.
 - The reverse circulation ("RC") drill program is expected to begin at the end of May 2023.
 - Budget of USD 1.85 million including a planned 4,500 metres of RC drilling, for up to 45 drill holes
 - Approved 2023 exploration and drill program represents a 23% larger program than the contractual minimum first-year work commitment.
 - Drill program is more than twice that of the 2021 discovery program.
- Closed a non-brokered private placement (the "2023 Private Placement") of 50,000,000 units ("Units") at a price of \$0.02 per Unit for gross proceeds of \$1,000,000. Each Unit consists of one common share of the Company (a "Contact Share") and one Contact Share purchase warrant (a "Warrant"), with each Warrant entitling the holder to purchase an additional Contact Share at a price of \$0.05 per Contact Share until expiry on February 23, 2026.

For further details on the earn-in with Centerra please see Contact Gold news release dated December 9, 2022 <https://www.contactgold.com/resources/news/nr-20221209.pdf>

For a location map of the Green Springs project, please click: https://www.contactgold.com/resources/news/CG_map1_220923.jpg

Selected Q1 2023 financial data

Details of financial results as at and for the three months ended March 31, 2023 and 2022, are described in the unaudited condensed interim consolidated financial statements and related notes thereto (the "Interim Financial Statements") as prepared in accordance with International Financial Reporting Standards ("IFRS"), and the MD&A for the corresponding periods, copies of which are available on SEDAR at www.sedar.com.

The following selected financial data is derived from the Interim Financial Statements. Unless otherwise stated, the information herein, and in the tables below, is presented in Canadian dollars.

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Loss	\$ 301,784	\$ 816,536
Other comprehensive loss (gain)	\$ (40,103)	\$ 419,993
Comprehensive loss	\$ 261,681	\$ 1,236,529
Basic and diluted loss per share	\$ 0.00	\$ 0.00

Losses attributable to shareholders for the three months ended March 31, 2023 of \$0.30 million (2022: \$0.82 million), reflect primarily (i) costs incurred for professional, legal and advisory fees, administration & office expenditures, wages and salaries, and investor relations activities (in aggregate, \$0.32 million, compared to \$0.58 million for the same period in 2022), and (ii) exploration and evaluation of the Company's exploration property interests (\$0.07 million, net of the amount recovered from Centerra).

Losses for the current period are lower than those of the prior period reflecting, in part, the timing of exploration activities at Green Springs, the accounting offset of the majority of expenditures incurred at Green Springs as a result of the recovery of funds from Centerra, and an overall reduction of legal and advisory fees, and administration & office expenditures as part of an ongoing effort to reduce non-exploration-related expenditures.

The Company has elected to expense exploration expenditures as incurred. During the three months ended March 31, 2023, exploration and evaluation expenditures were predominantly related to preparations for a resumption of activity at Green Springs in June 2023, including the evaluation and review of data generated through 2022.

Details of exploration and evaluation activities incurred and expensed by Contact Gold at Green Springs, including non-cash items for each respective period, are as follows:

	Three months ended March 31,	
	<u>2023</u>	<u>2022</u>
Wages and salaries, including non-cash share-based compensation	\$ 109,893	\$ 70,984
Amortization of Claims Maintenance fees	58,365	51,380
Geological contractors/consultants & related crew care costs	51,299	31,637
Permitting and environmental monitoring	13,935	14,390
Drilling, assaying & geochemistry	2,093	-
Expenditures for the period	\$ 235,585	\$ 168,391
Less: Centerra recovery	(226,728)	-
Cumulative balance, net of Centerra recovery	\$ 6,575,630	\$ 5,689,733

Other comprehensive gain attributable to shareholders for the three-month period ended March 31, 2023 was \$0.40 million (three months ended March 31, 2022: loss of \$0.42 million). The other comprehensive loss or gain in a given period reflects primarily the foreign currency impact arising on the carrying value of the Company's U.S. entity which holds the exploration property portfolio, whereby a gain or loss reflects the relative value of the Canadian dollar (the Company's reporting currency) compared to the United States dollar (the currency in which the value of the exploration property portfolio is recorded), and the revaluation of marketable securities.

Summarized balances from the statements of financial position of each period are as follows:

	<u>As at March 31, 2023</u>	<u>As at December 31, 2022</u>
Cash and cash equivalents	\$ 807,402	\$ 141,305
Working capital (deficit)	\$ 552,049	\$ (242,604)
Total assets	\$ 31,949,556	\$ 31,354,064
Current liabilities	\$ 412,898	\$ 651,889
Shareholders' equity	\$ 31,351,456	\$ 30,517,518

Total assets at March 31, 2023 comprise primarily: exploration properties of \$30.82 million, and \$0.81 million in cash and cash equivalents. The Company also holds \$0.11 million in marketable securities. At December 31, 2022, total assets consist primarily of the value of exploration properties (\$30.89 million), and cash (\$0.14 million).

Total liabilities at March 31, 2022 include a provision for estimated future site reclamation costs \$0.15 million (December 31, 2022: \$0.15 million), normal course payables and accruals of \$0.30 million (December 31, 2022: \$0.54 million), settled after period end, and a balance of \$0.10 million advanced by Centerra in advance of exploration completed through the months of April and May 2023.

Net cash operating outflows for the three-month period ended March 31, 2023, of \$0.18 million (2022: \$0.59 million) include exploration expenditures (\$0.24 million), marketing and investor relations activities (\$0.02 million), general corporate activities (\$0.07 million), and the settlement of balances due to related parties, service providers and vendors.

Voting Result from Annual Meeting

The Company is also pleased to announce voting results from the May 25, 2023 Annual General Meeting. A total of 171,632,812 common shares were voted, representing the votes attached to approximately 48.82% of all outstanding common shares. Shareholders voted in favour of the election of all director nominees.

Director	Votes for	
Charlie Davies	171,630,812	100 %
John Dorward	171,630,797	100 %
Andrew Farncomb	171,570,797	99.96 %
Riyaz Lalani	171,572,097	99.96 %
Matthew Lennox-King	171,632,112	100 %
George Salamis	166,382,097	96.94 %

Shareholders also voted in favour of the (i) appointment of MNP LLP, Chartered Professional Accountants, as auditor of the Company, and (ii) re-approval of the 10% "rolling" Option and Incentive Plan (the "Incentive Plan"). The Incentive Plan was unchanged from that of the prior year which was approved by the ("TSXV") on June 30, 2022. Approval of the Incentive Plan includes the approval off all unallocated Options, RSUs, Deferred Share Units ("DSUs"), and other contemplated forms of incentive remuneration to participants thereunder.

Immediately following the Meeting, Charlie Davies informed the Company that he would be resigning from the Board with immediate effect. Mr. Davies joined the Board as a nominee of Waterton Precious Metals Fund II Cayman, LP ("Waterton"). Waterton was a major shareholder of Contact Gold dating back to the Company's acquisition of Pony Creek in 2017, and held a director nomination right, with Mr. Davies as the Waterton employee, joining the Company's board. On April 26, 2023, Waterton divested of its entire equity position in Contact Gold in a block trade to a number of purchasers, including experienced precious metals investors and certain insiders of the Company. Mr. Davies is stepping down as a reflection of that change. Contact Gold would like to thank Mr. Davies for his years of service to the Company and wishes him the best in all of his endeavours.

About Contact Gold Corp's property interests

Green Springs is strategically located 7 km immediately east of the Gold Rock project operated by Calibre Mining Corp. (TSX: CXB; OTCQX: CXBMF) and 20 km southeast of their Pan Mine. The Green Springs property is 23.2 km², encompassing 3 shallow past-producing open pits and numerous targets that were not mined. The Company is operator of Green Springs and will lead exploration under Centerra's USD 10 million earn-in.

Strategically located immediately south of Orla Mining Ltd.'s Railroad-Pinion Project, on the Southern Carlin Trend (TSX: OLA), Pony Creek totals 81.7 km² and is 100% owned by Contact Gold. The Company published a first-time mineral resource estimate at Pony Creek in early 2022, and expects to commence a resource expansion program later in 2023.

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

For more information, please contact:

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Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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 completion of the

earn-in by Centerra at Green Springs, receipt of applicable regulatory approvals, planned expenditures through the remainder of the year, and the results of any exploration activities undertaken.

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: potential liquidity issues appearing in the US banking industry, and impacts remaining from the global disruption caused 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.