Energold Drilling Corp Appoints Chief Restructuring Officer & Engages Ernst & Young

Trading Symbols: "EGD:TSX.V | EGDFF:US"

VANCOUVER, July 10, 2019 /CNW/ - The Energold Group ("Energold" or the "Company") announces the appointment of Mr. Mark Berger its Chief Restructuring Officer (the "CRO"). Under the direction of the Board of Directors, the CRO will work with existing management to improve liquidity while developing and implementing strategies to ultimately drive and optimize value for all stakeholders.

Portage Point will provide Mr. Mark Berger to serve as CRO and other Portage Point staff as required to achieve these objectives. Mr. Berger has significant expertise in finance, treasury, operations, supply chain and business plan development with successful turnaround experience in a wide range of industries including oil and gas, pulp and paper, healthcare, manufacturing, tire recycling, transportation, retail, aerospace and media. He specializes in advising underperforming companies during various stages of operational turnaround and financial restructuring processes while providing solutions to various stakeholders and creditors.

Portage Point, LLC ("Portage Point") is a business advisory and interim management firm that partners with middle market companies and their stakeholders during periods of transition, underperformance and distress. Portage Point's proven team of operators, advisors and investors has the unique ability to identify, preserve and create value in highly complex situations. Portage Point has a successful track record in both operational and financial restructurings that is built on differentiated strategic insight, disciplined operational execution and deep financial expertise.

Ernst & Young Orenda Corporate Finance Inc. has been engaged to work along with Portage Point to advise on strategies to maximize shareholder value including potential divestitures.

Fred Davidson, CEO and President of Energold believes the restructuring will unlock long term value in the business. "This global restructuring effort is designed to reduce and improve our cost structure and support the future strategy of Energold. The Company is partaking in ongoing cooperative discussions with its secured noteholders (the "Noteholders") to raise further working capital, to ensure business operations and pursuits of business growth are not hampered by the Company's recent liquidity issues. Management views the Noteholders' cooperation as a positive contribution to the restructuring process and recognizes their aligned interests. The parties are working together towards a realistic long-term solution. With the support of our Noteholders we intend to position the group as a leaner and more profitable operation."

ABOUT ENERGOLD DRILLING

Energold Drilling Corp. is a leading global specialty drilling company that services the energy, geothermal, mining, and infrastructure sectors in 25 countries. Specializing in a socially and environmentally sensitive approach to drilling, Energold provides a comprehensive range of drilling services from early stage exploration through brownfield production for various commodities and infrastructure projects.

On behalf of the Directors of Energold Drilling Corp.,

"Frederick W. Davidson"
President, CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements:

Some statements in this news release contain forward-looking information. These statements include, but are not limited to, statements with respect to proposed activities, work programs and future expenditures. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others, the effects of general economic conditions, a reduction in the demand for the Company's drilling services, the price of commodities, changing foreign exchange rates, actions by government authorities, the failure to find economically viable acquisition targets, title matters, environmental matters, reliance on key personnel, the ability for operational and other reasons to complete proposed activities and work programs, the need for additional financing and the timing and amount of expenditures. Energold Drilling Corp. does not assume the obligation to update any forward-looking statement.

SOURCE Energold Drilling Group

View original content: http://www.newswire.ca/en/releases/archive/July2019/10/c4437.html

%SEDAR: 00005964E

For further information: Jerry Huang - Chief Financial Officer, (604) 681-9501 or via email at jhuang@energold.com; 1100 - 543 Granville St., Vancouver, BC V6C 1X8, www.energold.com, Telephone 604 681 9501, Facsimile 604 681 6813, info@energold.com

CO: Energold Drilling Group

CNW 14:12e 10-JUL-19