



GOLDEN DAWN MINERALS INC.

TSX-V: GOM

FRANKFURT EXCHANGE: 3G8N

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Golden Dawn Provides a Business Status Update

VANCOUVER, Canada, December 12, 2019, **Golden Dawn Minerals Inc.**, (TSXV: GOM | OTC: GDMRF | FRANKFURT: 3G8B), (**“Golden Dawn”** or the **“Company”**), is providing this update of the status of the debt reorganization and restructuring plans since its last report on October 18, 2019. The debt reorganization and restructuring centres on an agreement (the **“Debt Reorganization Agreement”**) between the Company and 1136130 B.C. Ltd. (**“1136130”**), pursuant to which the Company can convert a significant amount of its existing liabilities into equity and favourably amend the terms of its remaining senior secured liabilities owing to RIVI Opportunity Fund LP (**“RIVI”**) (the **“Debt Reorganization Transactions”**).

To afford the Company additional time to fully implement the Debt Reorganization Transactions, RIVI and 1136130 have reached an agreement with the Company pursuant to which the Company made a \$250,000 payment to RIVI against the Debt Reorganization Agreement commitments in consideration of RIVI extending the deadline for the Company to acquire and exercise the rights under the Debt Option Agreement to November 15, 2019. Since that time, 1136130, the Company and RIVI have been adhering to an informal forbearance which they collaborate on how best to raise the additional equity capital in the Company to complete the Debt Reorganization Transactions, whether as originally conceived or as may be further amended. Presently, they are contemplating March 15, 2020 as the outside date to complete the transactions.

Coincident with its ongoing collaboration with 1136130 and RIVI, the Company is exploring options to address its liabilities owing to unsecured creditors and tax authorities, and funding for the ongoing insurance obligations for its business. The Company has encouraged several of its creditors to come forward with proposals, including conveying its openness to entertain shares-for-debt proposals. The Company remains open to entertaining such proposals and is encouraging any interested creditors to contact #604-221-8936. In the meantime, the Company expects to continue to maintain the status quo with regards to keeping its Lexington project dewatered and appropriately secured for so long as it has the funds to do so. The Company is also looking at toll milling opportunities and is currently in the process of testing mineralized material from the Kenville mine for possible milling at the Greenwood facility.

The Company is also pleased to report that it has secured new exploration permits for the Lexington property (excluding the mine lease), the Kettle River property, and has extended the permit area for the Golden Crown to include the prospective JD area on strike to the west.

The Company also confirms that it is not proceeding with the proposed private placement financing announced on September 4, 2019. Based on management’s assessment of the current financing market, the Company now intends to undertake a revised non-brokered private placement of up to 10,000,000

units (the “Units”) at a price of \$0.08 per Unit, for gross proceeds of up to \$800,000 (the “Offering”). Each Unit will consist of one common share and one a common share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to purchase one Company common share at an exercise price of \$0.125 during the 18 month period following the closing of the Offering, provided that the Warrants will be subject to an accelerated termination if the closing price for the Company’s shares on the TSX Venture Exchange (the “TSXV”) is not less than \$0.15 per share for 10 consecutive days. Presently, the Company does not anticipate that it will be pay any finder’s fees or commissions in connection with the Offering.

Directors, officers and other insiders of the Company may participate in the Offering. Any such participation will be considered to be a “related-party transaction”, within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 (“MI 61-101”). The Company intends to rely on the exemptions of the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(a) and 5.7(1) of MI 61-101 in respect of such participation by related parties.

The net proceeds from the Offering will primarily be used by the Company for continued exploration and maintenance of its Lexington project and other BC mineral exploration projects, to advance the Debt Reorganization Transactions, as well as for general working capital purposes. All securities issued in connection with the Offering will be subject to a hold period expiring four months and one day following the closing of the Offering. The Offering is subject to final acceptance by the TSXV.

On behalf of the Board of GOLDEN DAWN MINERALS INC.

Per: “Christopher R. Anderson”

Christopher R. Anderson
Chief Executive Officer

For further information, please contact:
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Forward-Looking Statement Cautions:

This press release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, relating to, among other things, the completion of the Debt Restructuring Transactions, seeking debt accommodation agreements with its unsecured creditors, maintenance of required insurance coverage for its business. seeking toll milling opportunities, testing material from the Kenville mine for possible milling at the Greenwood facility, possible exploration on Company properties under newly secured permits, and a proposed private placement Offering. Although the Company believes that such statements are reasonable based on current circumstances, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential," "goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur, or are those statements, which, by their nature, refer to future events. The Company cautions that forward-looking statements are based on the beliefs, estimates and opinions of the

Company's management on the date the statements are made and they involve a number of significant risks and uncertainties, including the possibility that the Company will not be able to raise new financing (whether under the proposed Offering or otherwise)) in a sufficient amount to complete the Debt Reorganization Transactions, pay its other creditors or other fund the obligations necessary to preserve its assets and continue its business, not be able to reach new accommodation agreements with RIVI or any of its other creditors, encounter negative results from its ore testing and exploration work, encounter unanticipated changes in the legal, regulatory and permitting requirements for the Company's business, including its exploration programs, and fail to secure sufficient subscriptions or TSXV acceptance required to complete all or any part of the Offering. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the policies of the TSX Venture Exchange. Readers are encouraged to review the Company's complete public disclosure record on SEDAR at www.sedar.com.

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