

BULLION GOLD RESOURCES CORP.

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Bullion Gold Enters into Binding Letter of Intent with Vertical Designs (B.C.) Ltd. for a Proposed Reverse Takeover

VANCOUVER, B.C., July 10, 2020 – Bullion Gold Resources Corp. (TSX-V: BGD.H) (the “**Company**” or “**Bullion**”), it has pleased to announce that it has entered into a binding letter of intent (the “**Letter of Intent**”) effective July 8, 2020, which sets out the basis terms for the acquisition by the Company of Vertical Designs (B.C.) Ltd. (“**Vertical Designs**”) in exchange for common shares in the capital of the Company (the “**Transaction**”). The Transaction is expected to be via a business combination or other similarly structured transaction which will constitute a reverse takeover (a “**RTO**”) under the rules and policies of the TSX Venture Exchange (the “**TSXV**”). Upon completion of the Transaction, the Company’s business will be that of Vertical Designs.

Vertical Designs (B.C.) Ltd.

Vertical Designs is an arm’s-length BC-based private company that operates in the progressive vertical farming arena using patented vertical farming technology designed by Affinor Growers Inc. (CSE: AFI). The technology allows Vertical Designs to produce top quality, boutique packaged, pesticide-free herbs, fruits and vegetables that can be grown year around without the threat of seasonal changes or extreme weather conditions. Vertical Designs strives to meet the demands of North America’s largest retailers.

Vertical Designs’ primary assets include: (i) a Greenhouse Lease with all leaseholds installed ready to produce; (ii) Affinor Growers License for the City of Abbotsford; (iii) Software & PLC Hardware for Automation; (iv) sixteen Vertical Towers; (v) Designed Soil Composites; (vi) Trademark and copyright label of Eco Spirit Design; (vii) Letters of Intent for sales to be bid on by one of Canada’s largest retailers and a well-known distributor wholesaler; and (viii) cash of not less than \$500,000.

Bullion Gold Resources Corp.

The Company exists under the laws of British Columbia, is a reporting issuer in British Columbia and Alberta, and its common shares are listed on the NEX board of the TSXV. The Company was previously involved in the identification, exploration and development of viable mineral properties in British Columbia but has since elected to undergo a change of business.

Proposed Acquisition

The Company and Vertical Designs have entered into the Letter of Intent which sets out the basic terms and conditions pursuant to which the proposed Transaction will be completed. The Transaction is subject to the parties successfully entering into a definitive agreement (the “**Definitive Agreement**”), which will contain customary terms and conditions for transactions similar to the Transaction. The Letter of Intent contemplates other material conditions precedent to closing of the Transaction (the “**Closing**”), including customary due diligence and the approval of the Company’s board of directors and the TSXV.

It is anticipated that Closing will involve, among other things, the following steps, which may be amended if the parties mutually agree that such form would better satisfy their objective (including but not limited to, tax efficiency to the parties):

- receipt of shareholder and director approval;
- receipt of all regulatory approvals relating to the Transaction, including, without limitation, the approval of the TSXV;
- the shareholders of Vertical will each receive one common share in the capital of the Company with a deemed value of \$0.05 (the “Consideration Shares”) in exchange for their common shares in the capital of Vertical Designs (the “Purchased Shares”) on the basis of one (1) Consideration Share for each Purchased Share, for a total of up to 40,000,000 Consideration Shares; and
- each of the parties shall have executed, delivered and performed their respective covenants as outlined in the Definitive Agreement, and all representations and warranties of each party contained in the Definitive Agreement shall be true and correct at the time of Closing.

The Company may also undertake a financing (a “**Concurrent Financing**”), on terms mutually agreed to by the Company and Vertical Designs, to meet the TSXV’s listing requirements. If the Company undertakes a Concurrent Financing further details will be provided in a subsequent press release.

Summary of Proposed Directors and Officers

It is currently anticipated that, following Closing, the Company’s board of directors and management will consist of the current directors and officers of the Company:

- Chris Cooper, director, CEO;
- Randy Minhas, CFO;
- Dennis Marsden, director;
- Peter Ball, director; and
- Jeff Sopatyk, director.

Chris Cooper

Chris Cooper has over 20 years of extensive business experience in all facets of corporate development, senior management, finance and operations, in both the private and public sectors. His experience includes spearheading growth strategies, financial reporting, quarterly and annual budgets, overseeing corporate administration, while achieving company objectives and maintaining internal cost controls. Chris has held a Director position in several private and public companies over the past 20 years. He received his Bachelor of Business Administration from Hofstra University and his Master’s in Business Administration from Dowling College in New York.

Randy Minhas

Randy Minhas is a Chartered Professional Accountant and a Chartered Director with extensive finance experience in the technology, manufacturing and resources industries. Mr. Minhas has served as Director, Chief Financial Officer and Controller for several publicly traded companies since 2011 focusing on forecasting, business development, development of internal controls and complete financial reporting services. Mr. Minhas currently serves as the Lead Independent Director and Audit Committee Chair of Clean Seed Capital Corp., a publicly listed entity in the agriculture industry. In addition, Mr. Minhas is currently serving as an executive on several publicly traded companies, including President and CEO of Affinor Growers Inc.

Dennis Marsden

Dennis Marsden brings a 30 history of finance, business development, governance and human resources including oversight of operations with over \$4.0 billion in assets. As President of Clean Air Organics Ltd, Mr. Marsden is leading his team with an industry leading odourless green waste management system that converts green waste to a grade A soil amendment product within 3 weeks. The principal of True North Business Consultation Ltd., Mr. Marsden provides strategic and operational services to a variety of companies In his capacity as an elected official in the City of Coquitlam in the Metro Vancouver region, he maintains a Board position on the Performance and Audit Committee for the Regional District with oversight on annual operating budgets in excess of \$800 million as well as the 5year capital project budget of \$4.0 Billion. He has served as Chair of the Economic Development Advisory Committee, Co-Chair of the Tri Cities Healthier Community Committee, and served on the Fraser Health – North Fraser Municipal group as well as the city's Tax Role Review Committee. Mr. Marsden past board experience includes serving as Chair for the Kwikwetlem First Nation Enterprises in 2016 and also served as a director of the British Columbia Chamber of Commerce – representing over 5500 businesses. He also served as chairman of the board of the Tri Cites Chamber of Commerce and as the treasurer of the Eagle Ridge Hospital Foundation from 2006-2013.

Peter Ball

Peter Ball brings over 30 years of experience as a mining professional at all levels of leadership. Throughout Mr. Ball's career, he has held various senior management roles with international precious metals mining companies in corporate finance, securities trading, mine engineering, business development, corporate communications, public relations and marketing functions throughout North and South America, Asia, and Europe. Mr. Ball began his career in the late 1980s working as a mining engineer, a technical representative, and in various management and senior executive roles for numerous companies including Redstar Gold, Columbus Gold, Hudson Bay Mining & Smelting, Echo Bay Mines Ltd., RBC Dominion Securities, Eldorado Gold Corp. Mr. Ball is a graduate of the Haileybury School of Mines, Georgian Business College, UBC's Canadian Securities Course, is a member of CIMM and currently Director of Searchlight Resources Inc. and Bullion Gold Resources Corp.

Jeff Sopatyk

For the past 37 years, Jeff Sopatyk has been farming in the Saskatoon, Saskatchewan area. Mr. Sopatyk has a diploma in Agriculture from the University of Saskatchewan and twenty-five years ago he established a commercial seed growing business as a pedigree and Select Status seed grower. Mr. Sopatyk has been growing a wide array of seed crops including wheat, canola, barley, lentils, peas, hemp, and faba beans on his 7,000 acre farm and has cooperated with several researchers from the University of Saskatchewan over the years focusing on farm research, environmental issues, germ plasm trials, inoculants, fertilizers, and plant breeding programs. Mr. Sopatyk has served as a director of the Saskatchewan Pulse Growers Association as well as a Director of Pulse Canada for several years and believes that Sustainability of Agriculture is crucial, with the world population expecting to rise dramatically.

Nick Brusatore

On closing of the Transaction, it is contemplated that Nick Brusatore will become an Insider by virtue of his shareholdings in the Company.

Mr. Brusatore is known globally as a top designer and leader in vertical farming technology. He was the Chairman of the Applied Research Committee for BCIT for several years, and was nominated for the AGRI award of excellence for Canada in 2012. Mr. Brusatore is an authority in growing technologies and was a keynote speaker at the International Conference on Marijuana in New York City and head moderator at a similar event in San Francisco. He often sits on discussion panels as an expert in this industry. Mr. Brusatore is the original designer of Terrasphere Systems, which started in 2001, and he is

currently the major shareholder and designer of Vertical Designs Ltd., started in 2010. Mr. Brusatore brings over 14 years of experience in AGRI designs, plant physiology and expertise in the manipulation of metabolic pathways to achieve organic chemistry. Mr. Brusatore has also worked in the biotech sector, growing transgenic tobacco for a large pharmaceutical giant as well as transgenic safflower to create insulin for medical use

Additional directors and officers, as mutually agreed to by the Company and Vertical Designs, may be appointed. The details with regard to the appointment of additional directors or officers, if any, will be provided in a subsequent press release.

Sponsor

The proposed Transaction is subject to the sponsorship requirements of the TSXV unless a waiver or exemption from the sponsorship requirement is available. If required, a sponsor will be identified at a later date and will be announced in a subsequent press release of the Company. An agreement to sponsor should not be construed as an assurance with respect to the merits of the Transaction or the likelihood of completion of the Transaction.

Trading in Company Shares

Trading in the Company's shares has been halted in compliance with the policies of the TSXV. Trading in the Company's shares will remain halted pending the review of the proposed Transaction and satisfaction of the conditions of the TSXV for resumption of trading. It is unlikely that trading in the shares of the Company will resume prior to Closing.

Disclosure and Caution

Further details about the proposed Transaction and the resulting issuer will be provided in a comprehensive press release when the parties enter into a Definitive Agreement and in the disclosure document to be prepared and filed in respect of the Transaction. Investors are cautioned that, except as disclosed in the disclosure document, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.

All information provided in this press release relating to Vertical Design has been provided by management of Vertical Design and has not been independently verified by management of the Company. As the date of this press release, the Company has not completed a Definitive Agreement with Vertical Design and readers are cautioned that there can be no assurances that a Definitive Agreement will be executed, or that the Transaction will be completed.

For further information, please contact the Company at (604) 307-8290 or visit www.bulliongold.ca.

ON BEHALF OF THE BOARD OF DIRECTORS

"Chris Cooper"

Chris Cooper
President and CEO

Completion of the proposed transaction is subject to a number of conditions, including TSX-V acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the disclosure document to be prepared in connection with the transaction, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in securities of the Company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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.

This news release contains forward-looking information, which involves known and unknown risks, uncertainties and other factors that may cause actual events to differ materially from current expectation. Important factors - including the availability of funds, the results of financing efforts and the parties' due diligence reviews and general market conditions; the parties being able to obtain the necessary corporate, regulatory and other third parties approvals; and licensing and other risks associated with regulated cannabis entities -- that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time on SEDAR (see www.sedar.com). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.