



FALCO INCREASES OFFER FOR GOLDEN QUEEN MINING CONSOLIDATED LTD.

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Montréal, Québec (March 19, 2020) - Falco Resources Ltd. (TSX-V: FPC) ("**Falco**" or the "**Corporation**") announces today that, in connection with the proposed plan of arrangement (the "**Arrangement**") with Golden Queen Mining Consolidated Ltd. ("**Golden Queen**"), announced on February 11, 2020, Falco decided to increase the consideration offered to the shareholders of Golden Queen ("**Golden Queen Shareholders**"). Golden Queen's sole asset is a cash balance estimated at approximately \$4.2 million at closing of the transaction.

As a consequence of recent extraordinary events, global market conditions and decline in its share price, Falco increases its initial offer to Golden Queen Shareholders and is now proposing an exchange ratio of 1.35 common shares of Falco for each common share of Golden Queen held immediately prior to the effective time of the Arrangement.

This represents an increase of approximately 15% to the 1.18 exchange ratio initially offered by Falco to the Golden Queen Shareholders. The shareholders representing 19% of the issued and outstanding shares of Golden Queen have entered into voting and support agreements in favour of the transaction.

All other terms of the Arrangement remain unchanged and the completion of the Arrangement remains subject to obtaining required regulatory, stock exchange, court and other approvals, and satisfaction of closing conditions customary for a transaction of this nature.

The Arrangement is an arm's length transaction within the meaning of applicable securities laws. However, while Mr. Bryan A. Coates is director of both Golden Queen and Falco, he did not participate in any deliberation of the Board of Directors of Falco. The Arrangement is deemed a non-arm's length transaction pursuant to the TSX Venture Exchange's policies.

About Falco

Falco Resources Ltd. is one of the largest mineral claim holders in the Province of Québec, with extensive land holdings in the Abitibi Greenstone Belt. Falco owns about approximately 67,000 hectares of land in the Rouyn-Noranda mining camp, which represents 70% of the entire camp and includes 13 former gold and base metal mine sites. Falco's principal asset is the Horne 5 Project located in the former Horne mine that was operated by Noranda from 1927 to 1976 and produced 11.6 million ounces of gold and 2.5 billion pounds of copper. Osisko Gold Royalties Ltd is the largest shareholder of the Corporation and currently owns 19.9% of the issued and outstanding shares of the Corporation. The Corporation has 207,878,736 shares issued and outstanding.

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Neither the 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 news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved of the information contained herein.

Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking statements and forward-looking information (together, “forward-looking statements”) within the meaning of applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements, and subject to risks and uncertainties. Generally, forward-looking statements can be identified by the use of terminology such as “plans”, “seeks”, “expects”, “estimates”, “intends”, “anticipates”, “believes”, “could”, “might”, “likely” or variations of such words, or statements that certain actions, events or results “may”, “will”, “could”, “would”, “might”, “will be taken”, “occur”, “be achieved” or other similar expressions. Forward-looking statements are subject to business and economic factors and uncertainties, and other factors that could cause actual results to differ materially from these forward-looking statements, including those risks and uncertainties set out in Falco’s public documents, including in its most recent management discussion and analysis and annual information form filed on SEDAR at www.sedar.com, and set out in Golden Queen’s public documents, including its most recent management discussion and analysis and annual report filed on SEDAR at www.sedar.com. Furthermore, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or information. These risks, uncertainties and other factors include, among others, political, economic, environmental and permitting risks, regulatory restrictions, mining operational and development risks, litigation risks, regulatory restrictions, environmental and permitting restrictions and liabilities, internal and external approval risks, the anticipated benefits of the Arrangement to Falco, Golden Queen and their respective shareholders, the exchange ratio and value of the Falco Shares being delivered as arrangement consideration, the timing and receipt (if at all) of the required shareholder, court, stock exchange and regulatory approvals for the Arrangement, the timing and ability (if at all) of Falco and Golden Queen to satisfy the conditions precedent to completing the Arrangement, the anticipated timing to hold the Golden Queen Meeting, the closing of the Arrangement (if at all) and fluctuations in currency markets (such as the Canadian dollar to the United States dollar exchange rate). Although Falco believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, Falco disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.