



Dixie Gold Inc. Announces Effective Date of Share Consolidation

Vancouver, BC – January 6, 2020 – Dixie Gold Inc. (TSX VENTURE: DG) ("**Dixie Gold**" or the "**Corporation**") announces that effective January 9, 2020 at market open, the Corporation will consolidate its common shares on the basis of one (1) new post-consolidation common share for every four (4) pre-consolidation common shares. The Corporation's common shares will begin trading on a post-consolidated basis on the TSX Venture Exchange on January 9, 2020.

The consolidation was approved by the directors of the Corporation on December 17, 2019 and has been subsequently accepted by the TSX Venture Exchange. Following the consolidation, the Corporation will have approximately 25,662,187 common shares outstanding. The exercise price and the number of shares issuable under any of the Corporation's outstanding stock options and warrants, as applicable, will be proportionately adjusted upon completion of the consolidation.

No fractional shares will be issued. Each fractional share that is less than one-half of a share will be cancelled and each fractional share that is at least one-half of a share will be rounded up to the nearest whole share.

Registered shareholders will be required to exchange their share certificates representing pre-consolidation common shares for new share certificates representing post-consolidation common shares. Registered shareholders will be sent a letter of transmittal from the Corporation's transfer agent, AST Trust Company, as soon as practicable after the effective date of the consolidation. The letter of transmittal will contain instructions on how certificate(s) representing pre-consolidation shares may be surrendered to AST Trust Company. The transfer agent will forward each registered shareholder who has provided the required documents a new share certificate representing the number of post-consolidation common shares to which the shareholder is entitled. Until surrendered, each share certificate representing shares prior to the consolidation will be deemed, for all purposes, to represent the number of whole post-consolidation shares to which the holder thereof is entitled as a result of the consolidation.

The Corporation's name and trading symbol will remain unchanged however the Corporation will be assuming a new CUSIP number, 25552L201, and a new ISIN number, CA25552L2012.

About Dixie Gold Inc.

Dixie Gold Inc. (TSXV:DG) is a publicly-traded exploration company involved in a diverse portfolio of exploration projects in Canada. For more information, please visit www.dixiegold.ca.

Signed,

Ryan Kalt, Chairman & Chief Executive Officer

Forward-Looking Statements

This news release contains forward-looking statements. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently expected or forecast in such statements.

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 release.

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