



O2Gold Provides Update on Quebec Aur Transaction; Closes Final Tranche of Private Placement

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TORONTO, Aug. 23, 2024 -- O2Gold Inc. (NEX: OTGO.H) ("**O2Gold**" or the "**Company**") is pleased to provide additional information about the gold mining exploration property in Quebec (the "**Property**") that O2Gold intends to indirectly acquire through the acquisition of all of the issued and outstanding shares of Quebec Aur Ltd. (the "**Target**") pursuant to a share exchange agreement entered into by the Company with the Target and its shareholders (the "**Shareholders**") dated April 15, 2024 (the "**Acquisition**").

As of the date hereof, one of the Shareholders, Forbes & Manhattan, Inc., owns more than 10% of the common shares of O2Gold and is therefore a "related party" of the Company pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Although pursuant to MI 61-101, the Acquisition constitutes a "related party transaction" the Company expects to rely on an exemption from the formal valuation requirement of MI 61-101. The Company intends to seek the approval of its shareholders for the Acquisition in accordance with MI 61-101 and the policies of the TSX Venture Exchange (the "**TSXV**") at its next meeting of shareholders, which is anticipated to be held on September 25, 2024.

The Acquisition is intended to be characterized as a Fundamental Acquisition that will result in the Company satisfying the TSX Venture Tier 2 Continued Listing Requirements, enabling it to qualify to graduate from the NEX board of the TSXV to Tier 2 of the TSXV (as such terms are defined in the policies of the TSXV). Completion of the Acquisition is subject to a number of conditions, including without limitation, receipt of TSXV approval and the Company's graduation to Tier 2 of the TSXV. For more information about the Acquisition, please see the Company's press releases dated April 15, 2024, April 23, 2024, April 24, 2024, and May 30, 2024, which are available under the Company's SEDAR+ profile at www.sedarplus.ca.

Target Summary Financial Information

As of July 31, 2024, the Target did not hold any assets (other than the Property), had no revenues, did not have any liabilities (other than the Loan (defined below)), and had a net loss of \$1,000. For clarity, the financial information contained in this paragraph is unaudited.

Property Description and Technical Information

The Property is in the Abitibi-Témiscamingue administrative region of the province of Québec. It is located immediately north of the municipality of Rouyn-Noranda, near and around the town of Duparquet. The coordinates of the approximate centroid are 48°31'20"N and 79°16'5" W (UTM: 627883E and 5375817N, NAD 83, Zone 17). The Property overlies the Hébécourt, Duparquet and Destor townships on NTS map sheets 032D06, 032D07, 032D11 and 032D12.

The Property is the amalgamation of four (4) non-contiguous claim blocks (from west to east).

The current Property limits cover and overlaps many historical mining and exploration properties. The boundaries and names of those properties have changed over time following changes in ownership, options, and abandoned or added claims.

The Property has a total surface area of 9161.84 ha, divided as follows: Block A 2235.50 ha; Block B 5843.41 ha; Block C 779.84 ha; and Block D 303.09 ha. The Property extends 47 km east-west and 8.7 km north-south.

The Property, all blocks combined, comprises 261 claims staked by electronic map designation (map-designated cells or "**CDC**"). Some of these mining titles represent historical ("**CL**") claims that were converted to CDC.

All claims were in good standing as at July 4, 2024.

A total of 205 of the 261 claims are subject to royalties payable to various beneficiaries. Another 48 claims have agreements that apply to the historical coverage of the converted CL claims, in which case a partial royalty applies to the associated CDC claims.

The Property is located within the Archean Abitibi Subprovince of the southern Superior Province in the Canadian Shield.

The regional geology consists of an Archean volcano-sedimentary assemblage divided into five (5) volcanic rock groups (Hunter Mine, Stoughton-Roquemaure, Kinojevis, Blake River and two (2) sedimentary rock groups).

The Property area is known for its gold endowment. Gold mineralization is spatially associated with the PDDZ as well as several intermediate to felsic porphyry dykes or plugs and alkaline intrusions. The types of gold mineralization identified by previous work on the Property correspond to quartz-carbonate veins, disseminated sulphides associated with porphyritic

intrusions, argentiferous quartz veins, disseminated sulphides associated with leaching, and sulphides associated with volcanogenic massive sulfide mineralization. The mineralization of the first two types account for 85% of the known showings in the area.

The Property is expected to provide O2Gold with an extensive district-scale land position over a 47-km east-west stretch in the south-central part of the Abitibi greenstone belt.

Limited till sampling conducted between 2021 and 2023 has revealed gold-in-till anomalies. Two of them may be linked to previous known occurrences of mineralization, and two others are pristine anomalies.

There are no mineral resource estimates for the Property and it is uncertain if further exploration will result in any target being delineated as a mineral resource.

Private Placement Financings

In addition, the Company announces that it intends to complete best efforts non-brokered private placement hard dollar and flow-through financings for gross proceeds of between \$1.5 million (\$900,000 hard dollar and \$600,000 flow-through) and \$2.0 million (\$1,400,000 hard dollar and \$600,000 flow-through) (the “**Offerings**”), or such higher amount as may be required to meet TSXV-listing requirements. The Company anticipates that common shares and units (each, a “**Unit**”) of the Company will be issued pursuant to the hard dollar and flow-through Offerings, respectively. Each Unit will be issued on a “flow-through basis” and will consist of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder to acquire one additional common share of the Company for a period of 36 months from issuance.

Closing of the Offerings is expected to occur in late September 2024. All securities issued in connection with the Offerings will be subject to a statutory hold period of four-months and one day. Completion of the Offerings will occur on or before completion of the Acquisition and is subject to a number of conditions, including without limitation, receipt of TSXV approval. Finder's fees may be paid to eligible finders in accordance with the policies of the TSXV consisting of a cash commission equal to up to 7% of the gross proceeds raised under the Offerings and finder warrants (“**Finder Warrants**”) in an amount equal to up to 7% of the number of common shares and Units sold pursuant to the Offerings. Each Finder Warrant will entitle the holder thereof to purchase one common share of the Company for a period of 36 months following the closing date of the Offerings. The Company intends to use the net proceeds of the Offerings for general corporate purposes and to fund exploration expenditures on the Property.

The Company anticipates confirming the number and price of the securities to be issued pursuant the Offerings, including the exercise price of the Warrants and Finder Warrants, in a subsequent press release. Such number and price of securities is expected to be calculated based on the Market Price (as such term is defined in the policies of the TSXV) on the date that falls five trading days after the common shares of the Company resume trading on the TSXV, which is anticipated in late-August 2024.

Shares for Debt

The Company is also pleased to announce that, in connection with the Acquisition, it has entered into a settlement agreement dated August 21, 2024, with the Target and Q-Gold Resources Ltd. (the “**Lender**”) to settle all amounts owing by the Target to the Lender pursuant to a loan agreement dated May 3, 2021 (the “**Loan Agreement**”), by way of the issuance of 7,000,000 common shares of the Company (“**Settlement Shares**”). As of August 20, 2024, the amount outstanding under the Loan Agreement was \$349,041.10 (the “**Loan**”). The Settlement Shares are to be issued at a deemed price per Settlement Share of \$0.05 (the “**Settlement**”). Peter Michel is the chief financial officer of both the Company and the Lender; therefore, the Lender is a Non-Arm's Length Party (as such term is defined in the policies of the TSXV) of the Company. For more information about the Loan, please see the Company's press release dated April 15, 2024, which is also available under the Company's SEDAR+ profile at www.sedarplus.ca.

The Settlement remains subject to completion of the Acquisition and the approval of the TSXV. In accordance with applicable securities laws, the Settlement Shares issued pursuant to the Settlement will be subject to a four month and one day hold period.

Second Tranche Closing

In addition, the Company is pleased to announce that it has closed its second and final tranche of a previously announced non-brokered private placement financing of common shares (each, a “**Common Share**”) at a price of \$0.05 per Common Share (the “**Ongoing Offering**”) for gross proceeds of \$100,000 (the “**Final Tranche**”). For more information about the Ongoing Offering and first tranche (the “**First Tranche**”), please see the Company's press releases dated April 24, 2023 and May 30, 2024, which are also available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Pursuant to the Final Tranche, O2Gold issued 2 million Common Shares at a price of \$0.05 per share. The securities issued in connection with the Final Tranche are subject to a statutory four month hold period, which expires on December 22, 2024. Completion of the Offering (including the First Tranche and the Final Tranche) is subject to receipt of final approval of the NEX board of the TSXV. No finder's fees were paid in connection with the Final Tranche. The net proceeds of the Final Tranche are expected to be used for working capital and general corporate purposes.

Qualified Person

The scientific and technical information contained herein has been reviewed and approved by Stéphane Amireault, a "qualified person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* that is independent of the Company. Mr. Amireault is anticipated to be appointed as VP Exploration of the Company following completion of the Acquisition.

About O2Gold

O2Gold is a mineral exploration company.

For additional information, please contact:

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Cautionary Notes

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Property, Settlement, Offerings, and First Tranche and Final Tranche, including the Company's intended use of proceeds, closing conditions and timing, the Company's ability to complete the Acquisition, the Offerings, and the Settlement, the receipt of approvals of the TSXV, the resumption of trading of O2Gold's common shares on the TSXV, the appointment of Mr. Amireault as VP Exploration of the Company, and other matters related thereto. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company, as the case may be, to be materially different from those expressed or implied by such forward-looking information, including but not limited to: receipt of necessary approvals; general business, economic, competitive, political and social uncertainties; future mineral prices and market demand; accidents, labour disputes and shortages and other risks of the mining industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information 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 information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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