Steppe Gold Provides Second-Quarter Corporate Update

Phase 2 Expansion Accelerating with Financing Secured

Ulaanbaatar, Mongolia--(Newsfile Corp. - July 17, 2023) - **Steppe Gold Limited (TSX: STGO) (OTCQX: STPGF) (FSE: 2J9) ("Steppe Gold" or the "Company")** is pleased to provide an operations update following the conclusion of the second quarter.

Highlights:

- Phase 2 Expansion financing announced and first funds available in July.
- EPC arrangements in the final stages and announcement planned by end July.
- Q2 production at 6,663 oz and targeting guidance of 25-30,000 oz for the full year.
- Exploration and drilling programmes ongoing at ATO with focus on additional oxide zones.
- Advancing plans for additional license acquisitions in Mongolia.
- Technical report update underway at Tres Cruces project in Peru.

With the Phase 2 Expansion financing announced on July 11, the focus for the Company now turns to finalizing EPC arrangements and a start to deployment of capital. Funds from the initial tranche of $50m should be available later in July enabling the Company to have a strong start to design and construction plans in 2023.

EPC arrangements are well advanced with a leading EPC group with extensive construction and engineering experience in Mongolia. The Company hopes to make a full announcement by the end of July with signed definitive agreements on the EPC arrangements.

With the crusher installation now essentially complete, the Company will look to complete power supply plans and commission the unit later in 2023. Camp design and expansion is already underway.

Production from the Phase 1 heap leach operations is ongoing, with production from the second quarter at 6,663 oz of gold and 14,239 oz of silver.

The Company is on track to produce and sell around 25-30,000 oz of gold in 2023. It has produced 91,000 oz of gold to date, with a further 70,000 oz to go, in the period to the end of 2025, based on the recent technical report.

With funds from the recent private placement, the Company is also reinvigorating its exploration and development programmes in Mongolia.

The Company has been assessing historical data throughout Mongolia by regions, and this summer, the Company is commencing on-site work on highly prospective selected licenses using its 100% owned subsidiary Steppe West LLC for further evaluation.

In addition to sourcing new acquisitions in Western Mongolia, the Company has commenced exploration and drilling programmes in the ATO license area of 5,500 hectares, looking for additional oxide zones. The Company has explored less than 10% of the license area to date.

The Company has also conducted numerous site visits to the licensed areas close to the ATO Gold Mine for potential cooperation, partnership and acquisitions.

In Peru, Steppe Gold recently completed the acquisition of the highly prospective Tres Cruces project. The Company has commenced an update of the March 2022 technical report and is conducting a review of source geological data as it looks to develop a plan for advancing this project.

Mr. Bataa Tumur-Ochir, Steppe Gold Chairman and CEO commented, *"With our landmark financing package secured, we are excited to accelerate the ongoing work on the Phase 2 Expansion. The ATO Gold Mine, with its Phase 1 in production and Phase 2 flotation plant under construction, with ready infrastructure, serves as a model for responsible mine development in the region. We are also actively assessing new projects in Mongolia to expand our footprint and move from single to multi-asset producer in a short period of time."*

Steppe Gold Limited

Steppe Gold is Mongolia's premier precious metals company.

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STEPPE GOLD
Precious Metals Company