



News release

State of Goiás formally supports Amarillo's Posse Gold Project

May 26, 2020

Toronto – Amarillo Gold Corporation (Amarillo or the Company) (TSXV: AGC, OTCQB: AGCBF) signed the Protocol of Intent to build the Posse Gold Project with the Government of the State of Goiás in Brazil on Monday.

The Protocol of Intent establishes the conditions for developing an industrial mining plant and outlines the government's formal support of the project. It is an important step towards receiving the Installation License, expected in September 2020. The Posse Gold Project is located in the municipality of Mara Rosa, where it is expected to create about 3,500 direct and indirect jobs.

"We're pleased with how well the Posse Gold Project is progressing," said Mike Mutchler, Amarillo's President and Chief Executive Officer. "We're fortunate that Posse is in a promising region that's friendly for mining activity. Amarillo strongly believes in the potential of Brazil. I would like to thank all those involved in achieving this important landmark for Amarillo, and the representatives of the state and municipal governments for their trust as we develop this project."

Organized by the state governor, Mr. Ronaldo Caiado, the ceremony was held via videoconference on May 25, 2020. Attendees included representatives from the secretariats of Industry, Commerce and Services; Development and Innovation; and Environment and Sustainable Development. Members of the Goiás Economic Development Company, the Mayor of the Municipality of Mara Rosa, and representatives of Amarillo were also in attendance.

About Amarillo

Amarillo Gold Corporation (www.amarillogold.com) is advancing two gold projects in Brazil. Both are in mining-friendly states and have excellent nearby infrastructure. The development stage Posse Gold Project on its Mara Rosa Property in Goiás State has received the main permit that provides social and environmental permission for mining. Work is underway on receiving the installation permit. The advanced exploration stage Lavras do Sul Project in Rio Grande do Sul State has more than 22 prospects centered on historic gold workings. Amarillo Gold Corporation trades on the TSXV under the symbol **AGC**, and on the OTCQB under the symbol **AGCBF**.

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