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# news release

June 29, 2020

## **Radius Gold receives option payment and reports high grade surface sampling from California target at Amalia Gold-Silver JV in Chihuahua, Mexico**

*Vancouver, Canada:* Radius Gold Inc. (TSX-V: RDU) is pleased to provide an exploration update for its Amalia Gold-Silver joint venture project, operated by Pan American Silver Corp., and an update on Radius's proposed Guatemala JV with Volcanic Gold Mines.

In partial fulfilment of the Amalia joint venture agreement, Radius Gold has received a US\$150,000 payment from Pan American Silver.

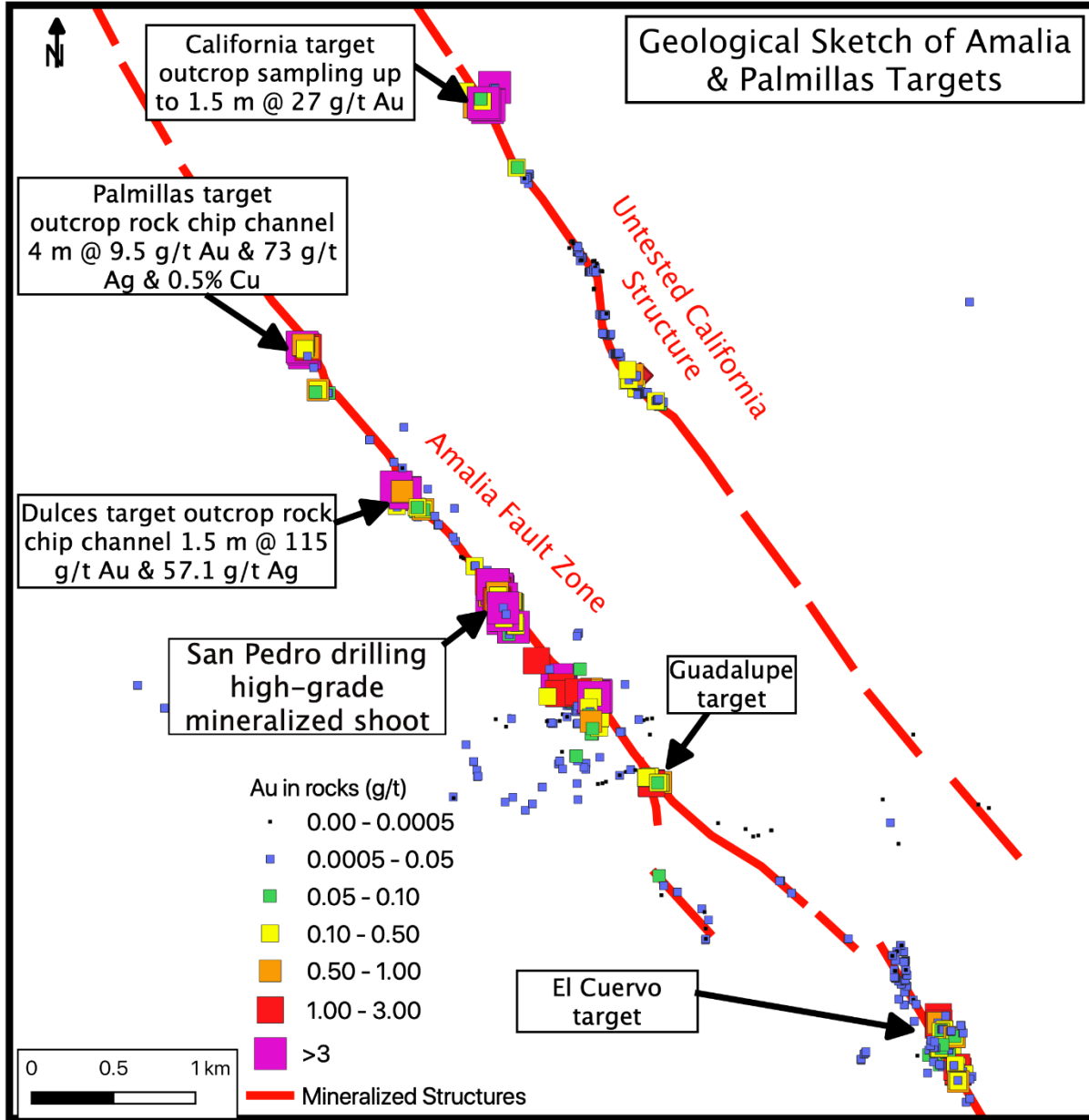
Surface sampling from the untested California target have returned grades of up to 1.5 m @ 27 g/t Au.

Permitting for stage 4 drilling at Amalia had been halted by the closure of the permitting authorities at start of the Covid-19 pandemic. Processing of the permits has resumed and drill permits are expected within the next 6 weeks.

Radius is also pleased to provide an update on plans to option 60% of its Guatemala properties to Volcanic Gold Mines Inc. (see news release [June 1, 2020](#)). Volcanic's proposed non-brokered private placement has been increased from \$3.0-million to \$5.0-million.

### **Amalia Project, California Target**

The California target is located roughly 1.5 km northeast of the San Pedro high grade drilling. Geological mapping has identified mineralization outcropping for 2 km long along a regional structure parallel to the main Amalia Fault Zone, with veining, silicification and breccias. Results from new initial prospecting chip channel sampling range from below detection up to 27 g/t Au. Some highlights of the most recent sampling program include: 1.3 m @ 7.66 g/t Au, 1.2 m @ 10.55 g/t Au, 1 m @ 17.45 g/t Au, and 1.5 m @ 27 g/t Au. The geological setting of the California structure is similar to the Amalia Fault Zone and the San Pedro high-grade mineralization. Geological maps and sampling data will be available at <http://www.radiusgold.com/s/amalia.asp>.



#### Phase IV Drilling

Drilling permits have been submitted to the recently opened Semarnet agency and Radius expects to have the permits back within 6 weeks. A fourth phase of drilling at Amalia will commence after the permits have been received and depending on the progress and restrictions of the Covid-19 pandemic at that time.

#### The Pan American Agreement

According to the option agreement signed in June 2018, Pan American Silver Corp. has the option to earn up to an initial 65% interest in Radius's Amalia Project and Palmillas Properties by making cash payments to Radius totaling US\$1.5 million (of which US\$400,000 has been received) and expending over four years US\$ 2 million on exploration and reimbursement of Radius's costs to maintain its option agreements with

the owners of Amalia and Palmillas. Pan American may earn an additional 10% by advancing the project to preliminary feasibility.

#### **Guatemala option with Volcanic Gold Mines Inc.**

Radius is pleased to announce that Volcanic's proposed non-brokered private placement has been increased from \$3.0-million to \$5.0-million.

The implications for Radius's Holly, Banderas, and 240,000 hectares of regional exploration properties is significant. The option agreement will be initiated upon stock exchange approval and after Volcanic raises a minimum of \$3-million and makes a cash payment of \$100,000 to Radius. Volcanic will have sufficient funding, an experienced executive management and an expert local Guatemala team built from Radius's 20 years of work in Guatemala. Guatemala has a new government which started in January 2020 with a positive attitude towards re-starting the mining industry. The new partnership between Radius and Volcanic will have an intense focus on Guatemala and is ready to start work in the short term unlocking the value in Radius's advanced high grade gold silver Holly and Banderas projects and its unique large scale regional land holdings between Pan American's world class Escobal mine and Bluestone Resources' development project at Cerro Blanco.

#### **Regional Exploration**

Radius Gold geologists have been conducting field work in local areas and where travel restrictions allow.

#### **Technical Information**

Bruce Smith, M.Sc. (Geology), a member of the Australian Institute of Geoscientists, is Radius's Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Mr. Smith has reviewed and approved the technical information contained in this news release. Reported rock chip samples were conducted by Pan American Silver. Pan American implements a quality assurance and quality control ("QAQC") program including the submission of certified standards and blank samples to the laboratory. The results of the QAQC samples submitted demonstrate acceptable accuracy and precision.

#### **Radius Gold Inc.**

Radius has a portfolio of projects located primarily in Mexico, United States and Guatemala which it continues to advance, utilizing partnerships where appropriate in order to retain the Company's strong treasury. At the same time, management is seeking out additional investment and project acquisition opportunities across the globe.

ON BEHALF OF THE BOARD

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*Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.*

### **Forward-Looking Statements**

*Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements which include, without limitation, statements about the possible acquisition by Pan American of an interest in the Amalia and Palmillas Projects; the exploration plans for the Amalia and Palmillas Projects; the proposed transaction with Volcanic Gold Mines; the Company's business strategy, plans and outlook; the merit of the Company's investments and properties; timelines; the future financial performance of the Company; expenditures; approvals and other matters. Often, but not always, these forward looking statements can be identified by the use of words such as "estimate", "estimates", "estimated", "potential", "open", "future", "assumed", "projected", "used", "detailed", "has been", "gain", "upgraded", "offset", "limited", "contained", "reflecting", "containing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.*

*Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, the possible acquisition by Pan American of an interest in the Amalia and Palmillas Projects; the plans for exploring the Amalia and Palmillas Projects; the proposed transaction with Volcanic Gold Mines and proposed exploration of the Company's Holly and Banderas Properties; changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.*

*Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: that Pan American will acquire an interest in the Amalia and Palmillas Projects; that the exploration activities at the Amalia and Palmillas Projects will proceed as planned; that the proposed transaction with Volcanic Gold Mines and exploration of the Company's Holly and Banderas Properties will proceed as planned; that the Company's activities will be in accordance with its public statements and stated goals; that all required approvals will be obtained; that there will be no material adverse change affecting the Company or its investments or properties; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.*