

PROVENANCE GOLD SIGNS OPTION AGREEMENT FOR A HISTORICAL NEAR SURFACE GOLD RESOURCE AND PROVIDES ASSAYS FROM THE PROJECT WHICH INCLUDE 69 METERS OF 3.05 G/T GOLD

December 13, 2021 – Provenance Gold Corp. (CSE: PAU) (OTCQB: PVGDF) (the “Company” or “Provenance”) is pleased to report that it has signed a binding option to purchase the Eldorado Property in eastern Oregon from Nevada Select Royalty, Inc. (“Nevada Select”). Nevada Select is an arms-length subsidiary of Gold Royalty Corp. (NYSE: GROY), a leading growth and Americas-focused precious metals royalty company. Provenance has completed the first year’s payment of the option to purchase. The Eldorado Property hosts a significant historical gold resource in eastern Oregon. The project area is located on top of a large gold placer area and is located in the mining friendly part of the state.

The Eldorado property was first explored in 1980 by Westley Mines. Exploration continued intermittently up until 1998 by Degerstrom, Ican Minerals, Billiton Minerals and lastly North Limited. There has been no work done on the property since 1998. Previous work on the property included 236 reverse circulation holes and 6 core holes for a total of 21,866.9 meters of drilling, including trenching, soil sampling, metallurgy, geophysics, and resource modeling.

Assay intervals from selected core holes show the overall tenor of the deposit, for example:

Hole	Width	g/t Au	From	To
R96-C1	185m (607 ft)	1.57 g/t (.046 oz/t)	21m	206m
RA-136	101m (331 ft)	2.02 g/t (.063 oz/t)	55m	156m
RA-90	69m (226 ft)	3.05 g/t (.095 oz/t)	0m	69m
RA-152	55m (180 ft)	2.33 g/t (.072 oz/t)	41m	96m

Mineralization remains open to depth and peripheral extensions of the deposit.

The project hosts three different historical resource estimates done by reputable engineering firms based in Denver. The first was done by Billiton Minerals USA after 150 holes had been drilled. Billiton estimated an open-ended resource of 776,000 ounces contained in 36,000,000 tons at 0.75 grams per ton (0.0219 ounces per ton) gold. The second resource estimate was calculated by Ican Minerals after they completed an additional 49 drill holes. Their resource estimate was 1,860,000 ounces contained in 90,000,000 tons at 0.76 grams per ton (0.022 ounces per ton) gold. Ican then subsequently projected the resource to contain 4,000,000 ounces of gold at an average grade of 0.76 grams per ton gold (0.022 ounces per ton) gold.

Provenance believes the shallow gold resource would be amenable to open-pit mining and anticipates this acquisition will place the Company on a substantially more advanced footing.



Figure 1: Historic Placer Gold Trenches Expose Impressive Bedrock Mineralization

The Company plans to move the project forward as quickly as possible with confirmation drilling beginning within the first quarter of 2022.

Rauno Perttu, Provenance’s CEO stated, “We have three exceptional Nevada projects that we will continue to advance, but this acquisition is significant for our Company. My site inspection made it clear the property is very open-ended. I am an Oregon registered engineering geologist familiar with both the improving positive regulatory climate in that part of Oregon and with Oregon geology. I was reassured by a veteran Oregon regulator that this project is very feasible.

I personally am excited about this project because, while I believe that with continued drilling, our Nevada projects will advance significantly and become large deposits of their own, this is already a major deposit, with average grades higher than many current open-pit gold operations. I am pleased that Nevada Select Royalties allowed us to undertake this opportunity, which they said was awarded to us because of our excellent track record in advancing the White Rock project that we acquired from them earlier. An exciting bonus of the Eldorado acquisition is that the historic drilling intersected several high-grade zones and our inspection found untested diatreme-like brecciation in the mineralized core area. The boiling zones of diatremes are excellent places to explore for high-grade gold, and we already have a major deposit drilled prior to our continued work.”



Figure 2: Steve Craig, Project Manager Studies Mineralized Granodiorite and Metasedimentary Host Rocks

The Company has been granted an option to acquire the project for total consideration of US\$2,000,000, which is payable as follows:

- \$75,000 upon entering into of the option agreement (Paid)
- \$125,000 upon the first anniversary
- \$400,000 upon the second anniversary
- \$400,000 upon the third anniversary
- \$500,000 upon the fourth anniversary
- \$500,000 upon the fifth anniversary

Upon exercise of the option, the Company will grant to Nevada Select a 3% royalty on net smelter returns from the project.

The above referenced resource estimates are considered historical in nature and as such are based on prior data and reports prepared by previous property owners. A qualified person has not done sufficient work yet to classify the historical estimates as current resources in accordance with current CIM categories and the Company is not treating the historical estimates as current resources. Significant data compilation, re-drilling, re-sampling and data verification may be required by a qualified person before the historical estimates on the project can be classified as a current resource. There can be no assurance that any of the historical mineral resources, in whole or in part, will ever become economically viable. In addition, mineral resources are not mineral reserves and do not have demonstrated economic viability. Even if classified as a current resource, there is no certainty as to whether further exploration will result in any inferred mineral resources being upgraded to an indicated or measured resource category.

Rauno Perttu, P. Geo., a Qualified Person (as defined by National Instrument 43-101), and the Chief Executive Officer of the Company, has reviewed and approved the technical contents of this News Release.

About Provenance Gold Corp.

Provenance Gold Corp. is a precious metals exploration company with a focus on gold and silver resources within North America. The Company currently holds interests in three properties in Nevada, USA. For further information please visit the Company's website at <https://provenancegold.com> or contact Rob Clark at rclark@provenancegold.com.

On behalf of the Board,

Provenance Gold Corp.

Rauno Perttu, Chief Executive Officer

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