



UNIGOLD INC.
Ste 2704, 401 Bay Street,
P.O. Box 4, Toronto, ON M5H 2Y4
T. (416) 866-8157
www.unigoldinc.com

PR No. 2021-06

UNIGOLD INC. DELIVERS POSITIVE PEA FOR CANDELONES OXIDE PROJECT

Highlights

- ***PEA assumes 5,000 tonnes per day ("tpd") run-of-mine heap leach operation***
- ***Average annual payable gold production of 31,000 oz***
- ***50% Pre-Tax Internal Rate of Return ("IRR"), 35% After-Tax IRR***
- ***US\$50 Million Pre-Tax Net Present Value ("NPV"), US\$34 Million After-Tax NPV***
- ***After-Tax Payback Period 1.8 years from start of production***
- ***Average annual after-tax free cash flow of US\$23 Million***
- ***Initial capital expenditure ("Capex") of US\$36 Million (includes US\$5 Million for EPCM and indirect costs in addition to US\$5 Million as contingency)***
- ***AISC of US\$744/oz Au***
- ***Average gold recovery of 75%; total cash operating cost of US\$13/tonne***
- ***Creation of approximately 100 direct jobs and 50 indirect jobs during operation***
- ***Direct taxes payable to Government of \$24 million over life of mine***

Toronto, Ontario, April 26 2021 – Unigold Inc. ("Unigold" or the "Company") (TSX-V:UGD; OTCQX:UGDIF; FSE:UGB1) is pleased to provide the results from the independent Preliminary Economic Assessment ("PEA") prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") on its 100% owned Candelones Oxide Project in the Dominican Republic.

Joseph Hamilton, Chairman and CEO of Unigold notes: *"The Candelones Oxide project has been designed as a small footprint, environmentally friendly operation that will establish the Company in the local area of the Dominican Republic. The economics are compelling enough that this is being considered as a stand-alone operation providing near term cash flow as the Company continues to expand and evaluate the larger sulphide resource which the Company believes offers a longer-term development opportunity. The Company will move to rapidly develop both projects over the next few years as it concurrently moves the oxide project through required community consultation, environmental studies, detailed engineering and*

permitting while completing metallurgy, preliminary design and market studies for the sulphide project. Recent exploration drilling at the Candelones Extension identified additional potential for oxide resource expansion to the east of the known deposit while continuing to expand the available sulphide resource.

The resource mined in this PEA includes inferred mineral resources which contribute approximately 27% to the life of mine production schedule. The Company intends to complete the additional drilling recommended by our lead consultant, Micon, to rapidly upgrade this inferred resource to measured and indicated status, allowing it to be included in the planned Feasibility Study. The Company intends to transition directly into a Feasibility Study on the oxide project as soon as possible. Additional oxide material has been collected and is being shipped to Canada for large diameter, run of mine column tests to confirm the recovery assumptions used in the PEA. We are targeting the end of 2021 to have all materials and studies assembled to allow the Government to proceed with permitting of this project.”

This independent study was prepared by Micon International Limited under the supervision of Mr. Richard Gowans, B.Sc. P.Eng., President and Principal Metallurgist, Micon International Limited (“Micon”) and included contributions from the geological and engineering teams at Micon and Halyard Inc. (Toronto). These firms provided the mineral resource estimates, design parameters and operating and capital cost estimates for mine operations, process facilities, major equipment selection, infrastructure, and project economic analysis. A full technical report will be filed on www.sedar.com, and will be available on the Company’s website, within 45 days.

The pertinent input parameters and results of the Candelones Oxide PEA Study (Base Case) are presented in Table 1 to Table 4. Table 5 presents the NPV and IRR sensitivity to variability in gold price, capital cost, and operating cost. Mineral resources for the Candelones project are shown in Table 6.

Resource Estimate

The PEA is based on the measured, indicated and inferred oxide mineral resource estimated by Mr. W. Lewis, P.Geo. and Mr. A. San Martin, MAusIMM (CP) of Micon International Limited with an effective date of August 17, 2020 and is included with a NI43-101F1 Technical Report titled “UPDATED MINERAL RESOURCE ESTIMATE FOR THE CANDELONES PROJECT NEITA CONCESSION DOMINICAN REPUBLIC” which is available at www.sedar.com and on the Company’s website. Micon is independent of Unigold and Messrs. Lewis and San Martin meet the requirements of a “Qualified Person” as established by the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition Standards for Mineral Resources and Mineral Reserves (May, 2014).

Cautionary Statement: *The reader is advised that the PEA summarized in this news release is intended to provide only an initial, high-level review of the project potential and design options. The PEA mine plan and economic model include numerous assumptions and the use of inferred mineral resources. Inferred mineral resources are considered to be too speculative to be used in an economic analysis except as allowed for by NI 43-101 in PEA studies. There is no guarantee that inferred mineral resources can be converted to indicated or measured mineral resources, and as such, there is no guarantee the project economics described herein will be achieved.*

Table 1: PEA Summary (reported in US\$)

Total mineralized material mined (000 t)	5,275
Total waste (000 t)	963
Average grade (Au g/t)	0.75
Total gold contained (oz)	126,995
Total gold produced (oz)	95,587
Average Gold recovery (%)	75%
Average annual gold produced (oz)	31,040
Total initial Capex (US\$M)	\$36.5
Sustaining capital (US\$M)	\$0.4
Unit Operating Cost (per tonne)	
Mining (US\$/t)	\$3.22
Processing (US\$/t)	\$5.97
General & administration (US\$/t)	\$1.93
Refining, delivery, royalty (US\$/t)	\$1.64
Total operating cost per tonne processed (US\$/t)	\$12.76

Table 2: Capital Cost Summary (US\$ million)

Capital Costs (US\$M)	Pre-Production	Sustaining	Total
Mining	1.84	0.43	2.27
ADR Processing Plant	11.84		11.84
Infrastructure	12.86		12.86
EPCM, Indirects, Owners Costs	5.18		5.18
Subtotal	31.72	0.43	32.15
Contingency	4.76		4.76
Total Capital Costs	36.48	0.43	36.90
Closure and Rehabilitation		3.40	

Notes: Totals may differ due to rounding.

Table 3: Summary Economics at US\$1,650 gold per oz (US\$ million)

LOM Net Smelter Return Revenue (US\$M)	\$150
Total LOM Pre-Tax Cash Flow (US\$M)	\$90
Average Annual Pre-Tax Cash Flow (US\$M)	\$29
LOM Income Taxes (US\$M)	\$17
Total LOM After-Tax Free Cash Flow after Capital Expenditures (US\$M)	\$34
Average Annual After-Tax Free Cash Flow from Operations (US\$M)	\$23
Discount Rate (%)	5%
Pre-Tax 5% NPV (US\$M)	\$41
Pre-Tax IRR	50.3 %
After-Tax 5% NPV (US\$M)	\$26
After-Tax IRR	34.9 %
After-Tax Payback after start of production (Months)	22

Table 4: All-In Sustaining Cost (US\$million)

Mining Cost (US\$M)	\$17.0
Processing Cost (US\$M)	\$31.5
General & Administrative (US\$M)	\$10.2
Refining & Smelting (US\$M)	\$0.8
Royalties (US\$M)	\$7.9
Adjusted Operating Costs	\$67.3
Sustaining (US\$M)	\$0.4
Closure cost (US\$M)	\$3.4
Total (US\$M)	\$71.2
All-in Sustaining Cost (US\$/oz)	\$744
<i>All-in Sustaining Costs are presented as defined by the World Gold Council less Corporate G&A</i>	

Table 5: NPV & IRR Sensitivities (Base Case¹ in bold): 5% Discount Rate

		75%	80%	85%	90%	95%	100%	105%	110%	115%	120%	125%
Gold Price	NPV (US\$M)	-\$ 0.1	\$ 5.2	\$ 10.5	\$ 15.7	\$ 21.0	\$ 26.3	\$ 31.6	\$ 36.9	\$ 42.2	\$ 47.4	\$ 52.7
	IRR	4.9%	11.2%	17.4%	23.4%	29.2%	34.9%	40.5%	46.0%	51.4%	56.8%	62.0%
Operating Cost	NPV (US\$M)	\$ 36.0	\$ 34.1	\$ 32.1	\$ 30.2	\$ 28.3	\$ 26.3	\$ 24.4	\$ 22.4	\$ 20.5	\$ 18.5	\$ 16.6
	IRR	45.3%	43.3%	41.2%	39.1%	37.0%	34.9%	32.8%	30.7%	28.5%	26.4%	24.2%
Capital Cost	NPV (US\$M)	\$ 35.5	\$ 33.7	\$ 31.8	\$ 30.0	\$ 28.2	\$ 26.3	\$ 24.5	\$ 22.6	\$ 20.8	\$ 18.9	\$ 17.1
	IRR	55.0%	50.2%	45.9%	41.9%	38.3%	34.9%	31.8%	29.0%	26.3%	23.8%	21.4%

1 – Base Case: US\$1,650 gold per oz; CAPEX US\$36.90 Million; Operating Cost US\$12.76/ tonne processed

Mining

The mineral resources used in the mine plan for this PEA outcrop on surface and are contained within a pit with a maximum depth of approximately 30 metres. The mine has a production rate of 5,000 tonnes per day. Contract mining is assumed using a local, established construction contractor in the Dominican Republic. The material is free-dig at surface. No drilling or blasting is contemplated in this study. Approximately 27% of the production is estimated to be transition material.

Processing

A total of 150,000 tpm of material will be extracted and hauled approximately 3 km onto a Run-of-Mine Heap leach pad. Gold and silver will be recovered in an adsorption-desorption-recovery circuit and electrowinning cells, with gold room recovery and production of bullion bars. Silver credits are not included in the financial modelling. No tailings facility is required. Gold recovery estimates for oxide and transition mineralization are based on a column leach testwork currently ongoing at Bureau Veritas Commodities Canada Ltd. Metallurgical test laboratories, Vancouver, where preliminary results indicate 87% gold extraction in 30 days for -19 mm oxide mineralization and over 60% gold extraction in 43 days for -12.5 mm transition mineralization. This study uses an average 75% leach recovery with a 10-week leach cycle.

Table 6.0 – Mineral Resource Estimate – Candelones Project

Description	Mineralization Type	Classification	Deposit	Tonnes (x 1,000)	Au (g/t)	Au ozs (x 1,000)	Strip Ratio
Pit Constrained	OXIDE	MEASURED	Main & Connector	1,835	0.84	49	0.2
		INDICATED	Main & Connector	1,595	0.83	43	0.2
	SUBTOTAL	M & I	Main & Connector	3,430	0.84	92	0.2
	OXIDE	INFERRED	Main & Connector	1,069	0.62	21	0.2
	TRANSITION	INFERRED	Main & Connector	545	0.97	17	0.2
	SUBTOTAL	INFERRED	Main & Connector	1,614	0.74	38	0.2
Pit Constrained	SULPHIDE	INFERRED	Main & Connector	4,622	1.26	188	1.1
			Extension	24,822	1.67	1,330	9.2
	SUBTOTAL	INFERRED		29,444	1.61	1,518	7.9
Underground	SULPHIDE	INFERRED	Main & Connector	598	2.25	43	NA
			Extension	3,247	2.42	252	NA
		SUBTOTAL	INFERRED		3,845	2.39	295

Notes relating to Mineral Resource Estimate

Mineral resources were estimated by Mr. W. Lewis, P.Geo. and Mr. A. San Martin, MAusIMM(CP) of Micon International Limited. ("Micon"), a Toronto based consulting company, independent of Unigold. Both Mr. Lewis and Mr. San Martin meet the requirements of a "Qualified Person" as established by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (May 2014) ("the CIM Standards"). The estimate is based on a long-term gold price of US\$ 1,500 per ounce and economic cut-off grades 0.30 g/t Au (OXIDE), 0.60 g/t (TRANSITION AND SULPHIDE) and 1.30 g/t (UNDERGROUND SULPHIDE). Pit constrained resources are reported within an optimized pit shell; underground resources are reported within continuous and contiguous shapes which lie adjacent to and below the ultimate open pit shell and interpreted to be recoverable utilizing standard underground mining methods.

The mineral resource estimate has an effective date of August 17, 2020. The mineral resource estimate is based on a long term gold price of US\$ 1,500 per ounce and economic cut-off grades of 0.30 g/t Au (OXIDE PIT CONSTRAINED), 0.60 g/t (TRANSITION AND SULPHIDE - PIT CONSTRAINED) and 1.30 g/t (SULPHIDE - UNDERGROUND). Pit constrained resources are reported within an optimized pit shell; underground resources are reported within continuous and contiguous shapes which lie adjacent to and below the ultimate open pit shell and interpreted to be recoverable utilizing standard underground mining methods.

The estimate assumes the following metallurgical recoveries that are based on completed test work to date: Oxide 90%, Transition 50%, and Sulphide 84%. The estimate assumes the following costs: Mining (Pit) US\$ 2.50/tonne, Mining (Underground) US\$ 30.00 Oxide Processing (Heap Leach) US\$7.00 / t, Transition Processing (Heap Leach) US\$ 7.00/t, Sulphide Processing US\$ 18.00/t ((Leach) and G&A US\$ 5.00/t. The pit constrained resource is reported within an optimized pit shell that assumed a maximum slope angle of 45 degrees. Open pit mining recovery was assumed to be 100%. Open pit dilution was assumed to be 0%. Underground mining recovery was assumed to be 100%. Underground dilution was assumed to be 0%.

Micon has not identified any legal, political, environmental, or other risks that could materially affect the potential development of the mineral resource estimate.

The mineral resource estimates are classified according to the CIM Standards which define a Mineral Resource as "a concentration or occurrence of solid material of economic interest in or on the earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge including sampling. Mineral resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories. An inferred mineral resource has a lower level of confidence than an indicated mineral resource. An indicated mineral resource has a higher level of confidence than an inferred mineral resource but has a lower level of confidence than a measured mineral resource."

The CIM Standards define an inferred mineral resource as: "that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration."

All procedures, methodology and key assumptions supporting this mineral resource estimate are included in a NI43-101F1 Technical Report titled "UPDATED MINERAL RESOURCE ESTIMATE FOR THE CANDELONES PROJECT NEITA CONCESSION DOMINICAN REPUBLIC" which is available at www.sedar.com and on the Company's website. The reader is reminded that mineral resources are not mineral reserves and therefore do not have demonstrated economic viability.

Surface Infrastructure and Indirect Costs

The mining and processing infrastructure will be located at the Candelones site. Site power is assumed to be supplied by generators under contract. The mine site is accessible by an International Highway. No off-site infrastructure is expected to be required. Process Water is available in the immediate area. Surface water management includes ditches, ponds and pumping stations.

Indirect costs including owner's costs, engineering, procurement and construction management, temporary facilities for construction and other related items are estimated at US\$5.18 million. An additional US\$4.76 million (pre-production) has been budgeted as contingency for specific direct and indirect costs.

Royalties

A 5.0% net smelter return ("NSR") royalty on all metals produced from the Candelones Project has been applied in the PEA. This royalty is payable to the Government of the Dominican Republic and forms a minimum tax. The royalty payments are credited against the 27% tax on Net Income.

Environment and Closure

The Candelones Project is located almost entirely on land owned by the Dominican Government. The project requires the submittal of an Environmental and Social Impact Assessment ("ESIA"). The Company will engage the Government through the Ministerio de Medio Ambiente y Recursos Naturales to develop the framework for the ESIA over the coming months. Environmental baseline data collection has been initiated and all collected baseline data will inform the ESIA, which will commence once the framework is finalized. Community consultations have started and will accelerate over the rest of this year.

In addition to ESIA approval, the project will require permits and authorizations prior to construction and operation of the mine. Requests for these approvals will be submitted following the ESIA approval.

A closure plan for the Candelones project will be developed in consultation with the Government and the local communities as part of the ESIA. Closure costs are estimated at US\$3.4 million. The objective of site closure is to return the site to a fully satisfactory state that includes eliminating all unacceptable health hazards and ensuring public safety, eliminating the production and spread of contaminants that could damage the environment and in returning the site to an environmentally sound condition without the need for maintenance or continuous monitoring.

Stakeholder Engagement

The Candelones Project is located south of the town of Restauración in the northwestern Dajabon Province of the Dominican Republic, within a border area that has been designated for preferential development by the government of the Dominican Republic. Unigold has been proactive in community engagement for the past twenty years. Project consultations were initiated in 2020 and will accelerate in 2021. Numerous stakeholders have expressed an interest in learning about the project. Surveys conducted by Unigold in 2020 allowed members of the community to voice concerns

about water quality, land disturbance, blasting operations, dust control and impacts to wildlife. Unigold is committed to addressing concerns and continuing the dialogue with potentially affected stakeholders through the detailed engineering and environmental assessment process.

The local community has expressed strong support for the project. The main interest in the project has a focus on employment and entrepreneurial opportunities. In 2020 more than 80 community members worked at the Company's projects in the Candelones area.

Independent Qualified Persons

This PEA was prepared for Unigold by Micon International Limited and other industry consultants, with each being a "qualified person" under NI 43-101. Micon has reviewed and approved the content of this news release. The following persons are independent for the purposes of NI 43-101:

- Richard Gowans, P.Eng. President & Principal Metallurgist, Micon International Limited
- Chris Jacobs C.Eng., MIMMM, Vice-President & Mining Economist, Micon International Limited
- Nigel Fung, P.Eng., Vice-President of Mining and Director, Micon International Limited
- Bill Lewis, P.Geo., Senior Geologist, Micon International Limited
- Alan J. San Martin, MAusIMM (CP) Mineral Resource Specialist, Micon International Limited

About Unigold Inc. - Discovering Gold in the Caribbean

Unigold is a Canadian based mineral exploration company traded on the TSX Venture Exchange under the symbol UGD, the OTCQX exchange under the symbol UGDIF, and on the Frankfurt Stock Exchange under the symbol UGB1. The Company is focused primarily on exploring and developing its gold assets in the Dominican Republic. The Candelones oxide gold deposit is within the 100% owned Neita Fase II exploration concession located in Dajabón province, in the northwest part of the Dominican Republic. The Candelones project area is about 20 kilometers south of the town of Restauración. The oxide deposit occurs at surface as a result of the tropical weathering of underlying mineralization. Unigold has been active in the Dominican Republic since 2002 and remains the most active exploration Company in the country. The Neita Fase II exploration concession is the largest single exploration concession covering volcanic rocks of the Cretaceous Tiro Formation. This island arc terrain is host to Volcanogenic Massive Sulphide deposits, Intermediate and High Sulphidation Epithermal Systems and Copper-gold porphyry systems. Unigold has identified over 20 areas within the concession area that host surface expressions of gold systems. Unigold has been concentrating on the Candelones mineralization and continues to expand the deeper sulphide resources with on-going drilling.

For further information please visit www.unigoldinc.com or contact:

Mr. Joseph Hamilton
Chairman & CEO
jhamilton@unigoldinc.com
416.866.8157

Forward-looking Statements

Certain statements contained in this document, including statements regarding events and financial trends that may affect our future operating results, financial position, rates of return, and cash flows, may constitute forward-looking statements within the meaning of the federal securities laws. These statements are based on our assumptions and estimates and are subject to risk and uncertainties. You can identify these forward-looking statements by the use of words like "estimate", "strategy", "expects", "plans", "believes", "will", "intends", "projects", "goals", "targets", and other words of similar meaning. You can also identify them by the fact that they do not relate strictly to historical or current facts. We wish to caution you that such statements contained are just predictions or opinions and that actual events or results may differ materially. The forward-looking statements contained in this document are made as of the date hereof and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ materially from those projected in the forward-looking statements. Where applicable, we claim the protection of the safe harbour for forward-looking statements provided by the (United States) Private Securities Litigation Reform Act of 1995. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.