

Harte Gold Announces Closing of Previously Announced Credit Facility

August 31, 2020 (Source) – Further to its news releases of July 1 and 14, 2020, **Harte Gold Corp.** (“**Harte Gold**” or the “**Company**”) (TSX: HRT) (OTC: HRTFF) (Frankfurt: H40) is pleased to announce that it has closed the previously announced US\$18.5 million non-revolving credit facility (the “**Credit Facility**”). The Credit Facility, provided by AHG (Jersey) Limited, an affiliate of ANR Investments 2 B.V. (“**Appian**”), is secured by a second priority ranking lien on the Company’s assets, matures on June 30, 2023 and accrues interest at a rate per annum equal to 14%, which is payable in common shares of the Company. US\$1 million of the proceeds from the Credit Facility will be used to prepay part of the Company’s currently existing non-revolving term credit facility with BNP Paribas and the other lenders party thereto from time to time (the “**BNP Facility**”).

In connection with the closing of the Credit Facility, the 9,500,000 Series B special shares that were previously issued to ANR Investments B.V., an affiliate of Appian, converted into US\$9.5 million of principal amount under the Credit Facility, bringing the aggregate principal amount of the Credit Facility to US\$28 million. The Credit Facility also maintains an uncommitted US\$20 million accordion option, which can increase the aggregate principal amount available under the Credit Facility to US\$48 million.

The Company also entered into certain amendments to the BNP Facility in order to, *inter alia*, permit the Company to enter into the Credit Facility.

The Company also concluded the previously announced 0.5% NSR

on the entire Sugar Zone Property with an affiliate of Appian on similar terms as the Company's existing 1.5% NSR, in exchange for payment to the Company of US\$2.0 million.

A copy of the Credit Facility will be filed and available under the Company's profile on SEDAR at www.sedar.com.

FINANCIAL HARDSHIP EXEMPTIONS

As previously disclosed, the Company has been granted an exemption by the Toronto Stock Exchange (the "**TSX**") from the requirement to seek shareholder approval for the transactions contemplated in this press release (the "**Transactions**") pursuant to the financial hardship exemption available to companies listed on the TSX that are in serious financial difficulty, in each case subject to customary conditions. As previously disclosed on July 1, 2020, as a result of the Company's reliance on the "financial hardship" exemption, the TSX has placed the Company under remedial delisting review, which is customary in these circumstances. Although the Company believes that it will be in compliance with the TSX's continued listing requirements following the closing of the Transactions, no assurance can be provided as to the outcome of such review or continued qualification for listing on the TSX.

Each of the Transactions is a "related party transaction" as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Transactions in reliance on sections 5.5(g) and 5.7(1)(e), respectively, of MI 61-101, as the Company meets the requirements of the financial hardship exemption.

ABOUT HARTE GOLD CORP.

Harte Gold holds a 100% interest in the Sugar Zone Mine

located in White River, Canada. The Sugar Zone Mine entered commercial production in 2019. The Company has further potential through exploration at the Sugar Zone Property, which encompasses 79,335 hectares covering a significant greenstone belt. Harte Gold trades on the TSX under the symbol "HRT", on the OTC under the symbol "HRTFF" and on the Frankfurt Exchange under the symbol "H40".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This news release includes "forward-looking statements", within the meaning of applicable securities legislation and include, but are not limited to, US\$1 million of the proceeds from the Credit Facility being used to prepay part of the BNP Facility the outcome of the TSX's review and the continued qualification for listing on the TSX and the Company having further potential through exploration at the Sugar Zone Property. Forward-looking statements are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements are necessarily based upon a number of estimates and assumptions including material estimates and assumptions related to the factors set forth below that, while considered reasonable by the Company as at the date of this press release in light of management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic, and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from

those projected in the forward-looking statements, and undue reliance should not be placed on such statements and information.

Such risks and uncertainties include, but are not limited to, there being no events of default or breaches of key financing agreements, including agreements with BNP Paribas and Appian and affiliates of Appian; the Company being able to attract and retain qualified candidates to join the Company's management team and board of directors, risks associated with the mining industry, including operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, agreements, consents or authorizations required for its operations and activities; and health, safety and environmental risks, the risk of commodity price and foreign exchange rate fluctuations, the ability of Harte Gold to fund the capital and operating expenses necessary to achieve the business objectives of Harte Gold, the uncertainty associated with commercial negotiations and negotiating with contractors and other parties and risks associated with international business activities and the impact of any escalation in the severity of the COVID-19 pandemic on any of the foregoing, as well as other risks and uncertainties which are more fully described in the Company's Annual Information Form dated March 25, 2020, and in other filings of the Company with securities and regulatory authorities which are available on SEDAR at www.sedar.com.

Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements.

Readers are cautioned that the foregoing list of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.