

January 19, 2021

GALLEON GOLD CORP. (GGO – TSXV, \$0.10)

Rating: N/R
Target Price: N/R

Galleon Gold Corp.		GGO
<i>(Currency is C\$ unless noted otherwise)</i>		
Last Price (\$)		\$0.10
52-Week Trading Range (\$)		\$0.03 - \$0.20
Average Daily Volume (90-Day)		315K
MARKET INFO		
	Basic	Diluted
Shares Outstanding (M)	470.4	641.0
Market Capitalization (\$M)	\$47.0	\$64.1
Est. Cash Balance (M)		\$7.0
Est. Debt (M)		\$0.0
Enterprise Value (\$M)		\$54.0
MAJOR SHAREHOLDERS		
Eric Sprott (22.9%), David Russell (2.42%), Christian Dupont (1.14%)		
DISCLOSURE CODE:		None
<i>(Please refer to applicable disclosures on the back page)</i>		



Galleon Gold Corp. is a junior gold exploration company advancing the West Cache Gold Project 13km west of Timmins which contains a 2013 resource of 1.1 Moz Au. Galleon is also earning into 80% of the fully permitted Neal Gold Project in Idaho containing three historic mines.

Company website: <https://galleongold.com/>

CATALYSTS:

- Drilling – Ongoing
- PEA & Resource Update – Early Q2/21
- Underground Bulk Sample – Q1/22

OVERVIEW:

Galleon Gold Corp. is a junior gold exploration company working towards advancing the West Cache Gold project 13km West of Timmins. West Cache has a 2013 resource estimate containing approximately 1.1 Moz of gold. Infill and exploration drilling are ongoing with an updated resource estimate and PEA expected in April 2021 which seeks to drastically increase the resource grade and overall size. Additionally, plans for a development ramp into the newly discovered Zone #9 will allow GGO to take a bulk sample in Q1/22. GGO is also earning into 80% of the fully permitted Neal Gold Project in Idaho and controls ~35,000 Ha of non-core properties throughout Canada.

LOCATION & GEOLOGY:

The West Cache project is located along the Porcupine-Destor Gold belt which hosts several multi-million-ounce gold deposits. The Project is located 7 km East of Pan American Silver's West Mine (PAAS:TSX|N/R) and 14 km West of Newmont's Hollinger mine (NGT:TSX|N/R) (Figure 1).

Like most mines in the area, West Cache is a mesothermal gold deposit and mineralization is reminiscent of the Hollinger mine with gold contained within chalcopyrite-pyrite quartz-tourmaline veins hosted in a sheared quartz-feldspar porphyry. Mineralization generally strikes East-West, dipping 70 degrees to the North and forms the South limb of a synclinal structure.

CURRENT RESOURCE:

Table 1 contains the 2013 resource estimate for the West Cache Project, which consists of approximately 1 Moz distributed over a West and East pit.

2013 West Cache Resources			
Open Pit	Kt	g/t Au	Au Koz
Indicated	4,283	1.55	213
Inferred	1,140	2.09	77
Total OP	5,423	1.66	290
Underground	Kt	g/t Au	Au Koz
Indicated	4,420	2.79	396
Inferred	5,185	2.36	393
Total UG	9,605	2.55	789
Combined	Kt	g/t Au	Au Koz
Indicated	8,703	2.17	609
Inferred	6,325	2.31	470
Total OP and UG	15,028	2.23	1,079

Based on 2020 drilling by GGO as well as historical drilling, several targets have been identified within the existing resource area as well as outside of this area. The East and West pits are linked by a Gap Zone which has not had significant historical drilling (Figure 2). GGO has started to infill this zone and is working to validate the theory that mineralization is bending, linking the two pit areas. The Gap Zone was previously interpreted to consist of a North-South trending fault which was cutting off mineralization. High grade intercepts drilled by GGO in the Gap Zone have proved this not to be the case and the limits of this mineralization to the East and West have not yet been identified.

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Additionally, there appears to be continuity of mineralization to the North-West of the East and West Pits which has yet to be tested with drilling. Moreover, the discovery of the newly found Zone 9 target to the South of the East and West pits, appears to be the near surface extension of the West Deep mineralization to the North which was previously identified in 2010 (Figure 3). If this is proven to be the case with further drilling, establishing continuity of this mineralization could increase the size of resource considerably.

DRILLING, RESOURCE ESTIMATE AND PEA:

The Porcupine-Destor Gold Belt is well established; however, the West Cache portion of the belt is covered by thick glacial till and so has not seen the same level of exploration work completed as have comparable projects in the region. The property has seen intermittent exploration work since 1927 leading up to the 2013 resource. Since then, GGO has conducted 24,000 m of drilling on the property in 2020 for inclusion in the upcoming resource update and PEA. This drilling was distributed across infill drilling in the East and West Pit areas as well as exploration drilling focused on the Zone #9 discovery to the South.

Both target areas have yielded high grade intercepts, with Zone #9 drilling highlights of:

- WC-20-30: 7.16 g/t Au over 9.7 m, including 14.75 g/t Au over 3.0 m
- WC-20-31: 5.87 g/t Au over 8.5 m, including 10.1g/t Au over 2.0 m
- WC-20-42: 7.44 g/t Au over 10.7 m, including 8.88 g/t Au over 3.0 m and 10.19 g/t Au over 2.9 m
- WC-20-81: 8.68 g/t Au over 10.0 m, including 12.04 g/t Au over 2.0 m
- WC-20-80: 8.25 g/t Au over 9.0 m, including 19.7 g/t Au over 1.0 m

Infill drilling at the East and West Pit Areas have also returned high grade intercepts with highlights of:

- WC-20-02: 1.58 g/t Au over 9.0 m
- WC-20-05: 2.34 g/t Au over 5.6 m, And
1.69 g/t Au over 13.5 m, including 8.05 g/t Au over 1.5 m
- WC-20-14: 10.39 g/t Au over 3.0 m, including 18.80 g/t Au over 1.5 m
- WC-20-17: 9.06 g/t Au over 3.0 m, including 31.40 g/t Au over 0.8 m
- WC-20-30: 7.16 g/t Au over 9.7 m, including 14.75 g/t Au over 3.0 m
- WC-20-42: 7.44 g/t Au over 10.7 m, including 10.19 g/t Au over 2.9 m

Drilling is ongoing with a further 10,000 m targeted to be completed for inclusion in the PEA. Currently, one drill rig is focused on finishing the infill program at the Gap Zone and will be moved to the Zone #9 area to assist the second drill rig in outlining as much of the zone as possible for the PEA. Geological modeling is to be conducted in March 2021, with the PEA to be released in April 2021. Additionally, drilling is likely to continue into 2021, after the release of the PEA and with approximately \$7M in cash, GGO is well positioned to execute an ambitious 2021 drill program.

RAMP DEVELOPMENT AND BULK SAMPLE:

GGO has also initiated required permitting initiatives with the aim of conducting an underground bulk sample in Q1/22. In support of this, GGO is planning to drive a ~1.5 km ramp into Zone #9 from surface through the East Pit and the West Pit at depth as can be seen in Figure 3. Plans for the ramp will be included as part of the PEA and development is scheduled to begin in early Q4/21. Furthermore, there are several nearby mills with excess processing capacity and GGO is in discussions regarding the possibility of toll milling West Cache ore which, if successful would dramatically decrease initial capital requirements.

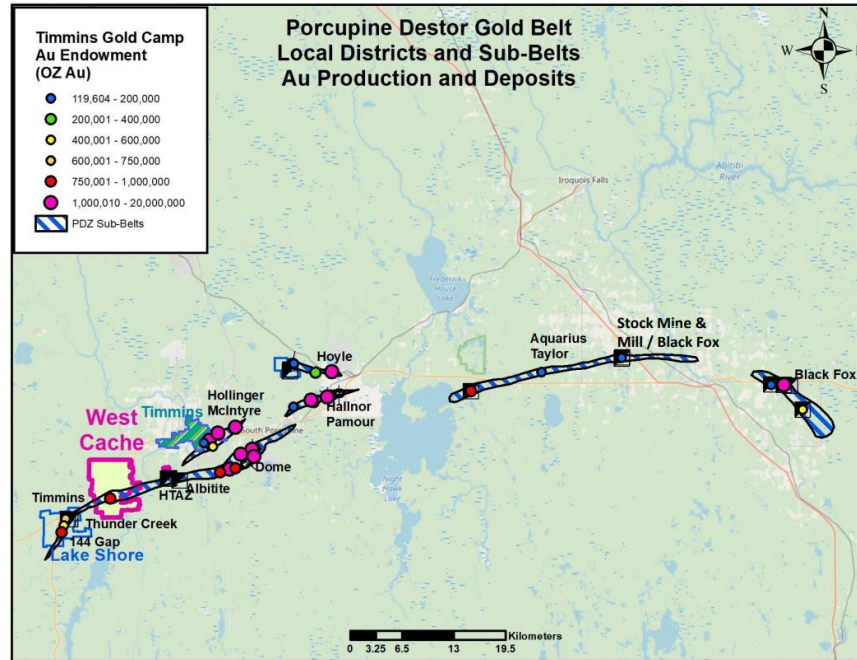


Figure 1. West Cache Project Location

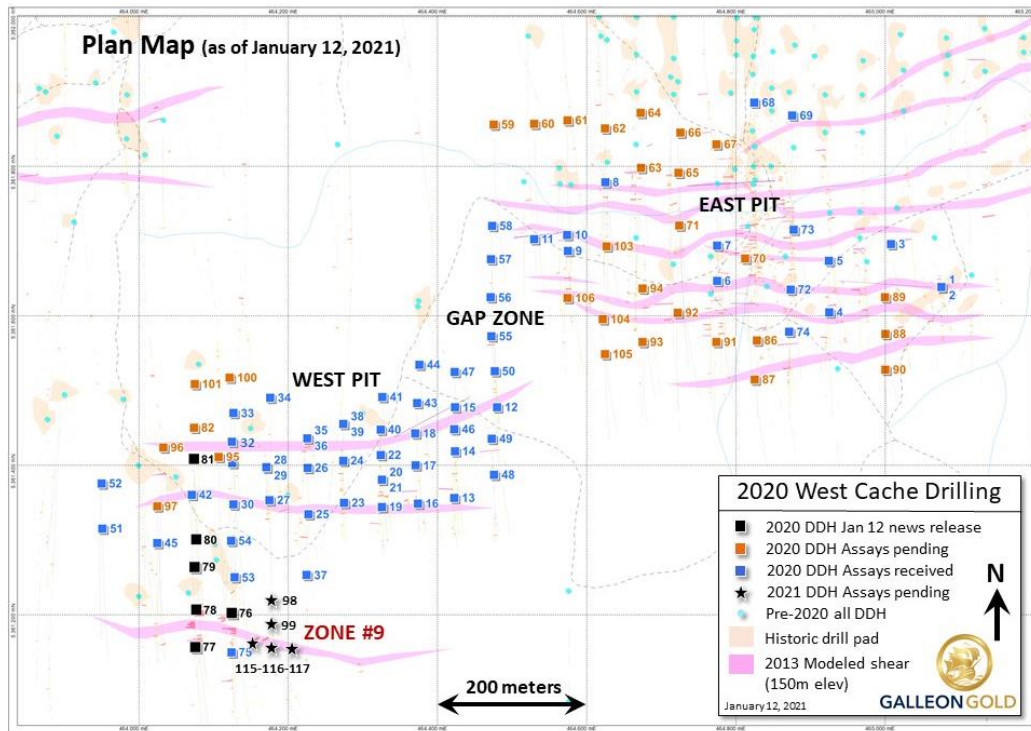


Figure 2. West Cache Current and Historical Drilling

**West Cache Project
Looking East**

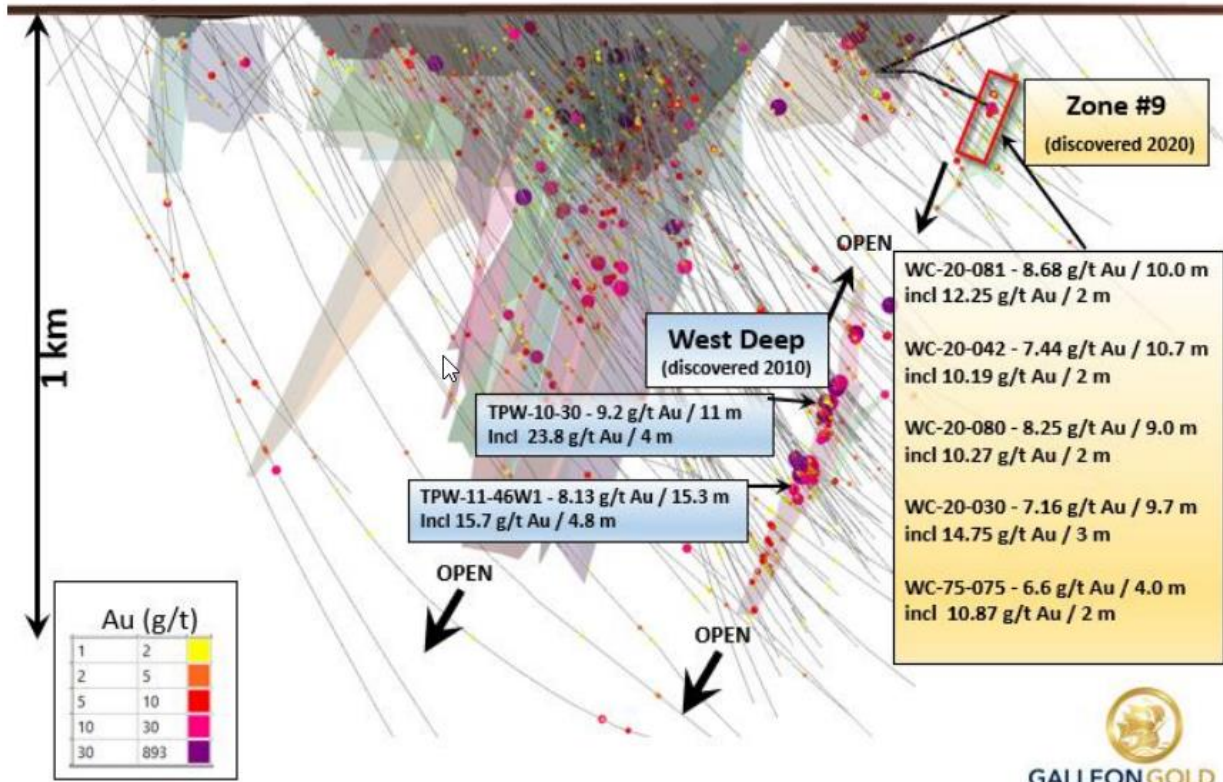


Figure 3. Proposed Development Ramp (Upper Right) and Zone #9 Extension of West Deep

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Disclosure Code: None

Disclosure

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