

Galleon Gold Corp. (TSXV:GGO)

Additional Intercepts Show Continued Strong Mineralization

Exploration Update

April 22, 2021

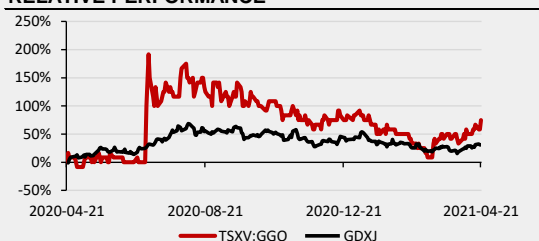
(Currency is C\$ unless noted otherwise)

Closing Price (C\$/sh)	\$0.11	
Rating	BUY	
Target (C\$/sh)	\$0.35	
Return to Target	233%	
52 Week Low / High (C\$/sh)	\$0.06 / \$0.20	
CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	470.6	644.5
Market Capitalization (C\$M)	\$49.4	
Enterprise Value (C\$M)	\$45.2	
Cash and Cash Equivalents (C\$M)	\$4.8	
Total Debt (C\$M)	\$0.6	

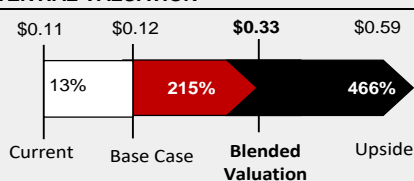
STOCK CHART



RELATIVE PERFORMANCE



POTENTIAL VALUATION



RELATIVE VALUATION

Company	US\$EV/oz Au Eq
Galleon Gold Corp.	\$27
Peers*	\$47

*S&P Market Intelligence

MAJOR SHAREHOLDERS

Management (3.34%), Sprott, Eric (22.58%)

DISCLOSURE CODE: 3, 4

(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, S&P Capital IQ

Company Description

Galleon Gold Corp. engages in the acquisition, exploration, development, and evaluation of mineral properties in Canada and the United States. The company holds interests in the Neal property with 5 patented mining claims covering ~22.4 ha, and another 7 unpatented lode claims covering ~52.6 ha located in Idaho, USA; and West Cache Gold Project that consists of 264 unpatented mining claims and three patented claims covering ~3,550 ha located west of Timmins, Ontario. It also has interests in various properties located in New Brunswick, Ontario, Quebec, and Manitoba, Canada. The company was formerly known as Pure Nickel Inc. and changed its name to Galleon Gold Corp. in December 2019. The company was incorporated in 1987 and is headquartered in Toronto, Canada.

Impact: Positive

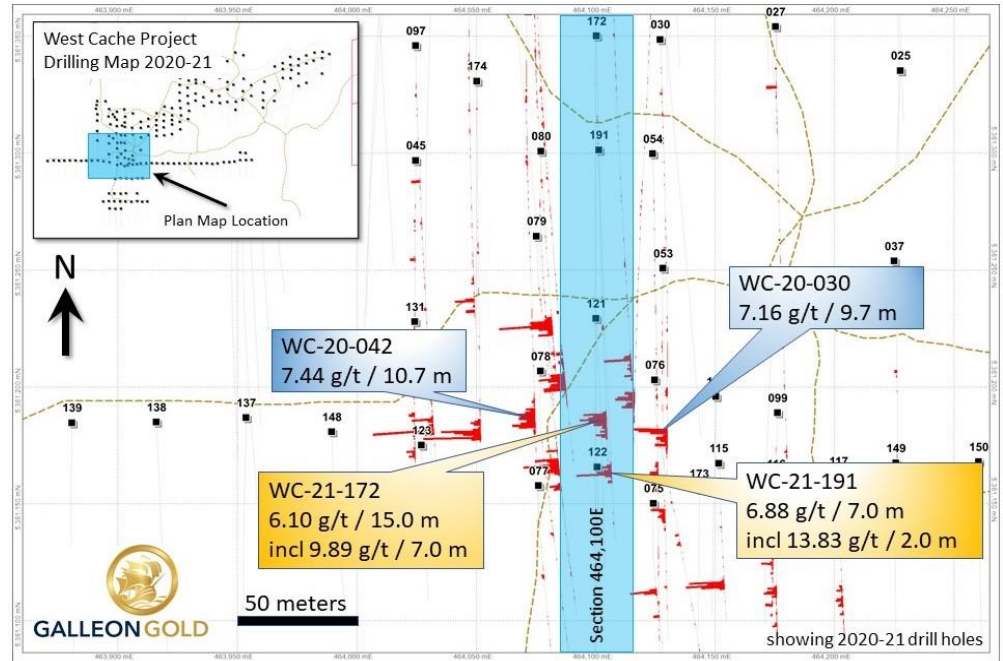
Galleon Gold provided an update on its ongoing drilling campaign at its 100%-owned, West Cache gold project near Timmins, Ontario. Assays were released for two additional holes targeting the high-grade Zone #9.

In our view, these results are strong, helping demonstrate continuity in Zone #9. This bodes well for Galleon as it prepares for a resource update ahead of a PEA.

- Continued definition of grade and mineralization.** Drilling continues to demonstrate high-grade Au mineralization over mineable widths in the zone (Figures 1 and 2). Hole WC-21-172 returned **6.1 g/t Au over 15.0m (~91.5 m*g/t Au)**, including 9.89 g/t over 7.0m. This new intercept occurred between 150m to 200m from surface, which is shallower than typical intercepts (Figure 3). The hole was drilled between previously announced holes WC-20-30 and -042, which were ~50m apart and both hit >70 m*g/t Au, demonstrating strong continuity of grade and thickness in this area.
- Zone #9 tests up-dip.** Hole WC-21-191 was designed to test the mineralized grade and geometric projection up-dip from Hole WC-172. The results confirmed the continuity of grade and thickness of the Upper Zone #9 Shoot, returning **6.88 g/t Au over 7.0m**. The intercepts continue to support grade continuity and widths, further demonstrating the potential at Zone #9.
- Vertical extent increases.** With the new up-dip intersection, we see this zone increasing in vertical extent. While assays remain pending, we believe the zone now measures roughly 500-550m strike by perhaps 250-300m vertical, from surface. This recent drilling is really tightening drill spacing down in the 150-250m depth range. The zone is not included within the 2013 resource estimate, and grades appear to be relatively higher.
- Resource estimate and PEA up next.** The results from this release are well above the 2013 resource grade (2.18 g/t Au indicated, 2.31 g/t Au inferred), and we expect these new intercepts to support the upcoming resource estimate planned for this quarter, ahead of a PEA. Over 38,000m of drilling has been completed by Galleon since 2020, and while drilling at Zone #9 was temporarily put on hold due to the backlog of pending assays, the company continues to plan for the next phase of development, which includes the design of a portal and ramp in anticipation of an initial bulk sample.

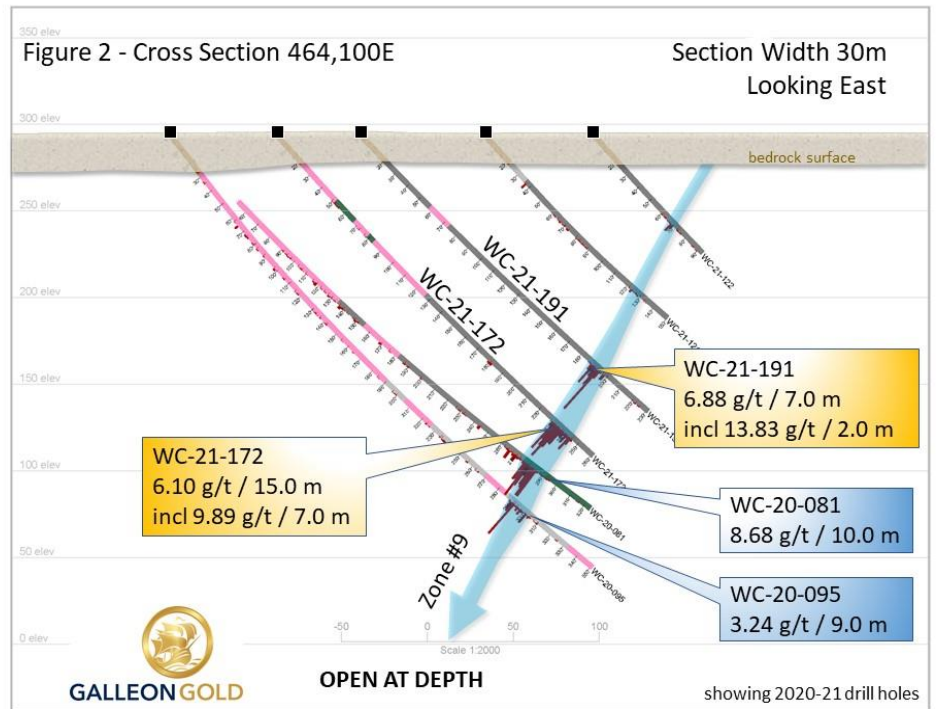
We are maintaining our BUY rating and our target of \$0.35/sh. Our target is based on our probability-based valuation method, which uses a sum-of-parts method to derive our blended valuation of \$0.35/sh. Galleon trades at a discount to its peers on an EV/oz AuEq basis (US\$25/oz vs. peers at US\$44/oz), however, we believe Galleon's top mining jurisdiction and management experience operating in the region should warrant a premium. **Upcoming catalysts include:** 1) Drill results from West Cache (ongoing); 2) West Cache resource update (Q2/21); 3) Metallurgical study report (Q2/21); and 4) West Cache PEA (Q2/21).

Figure 1: Plan Map Zone #9



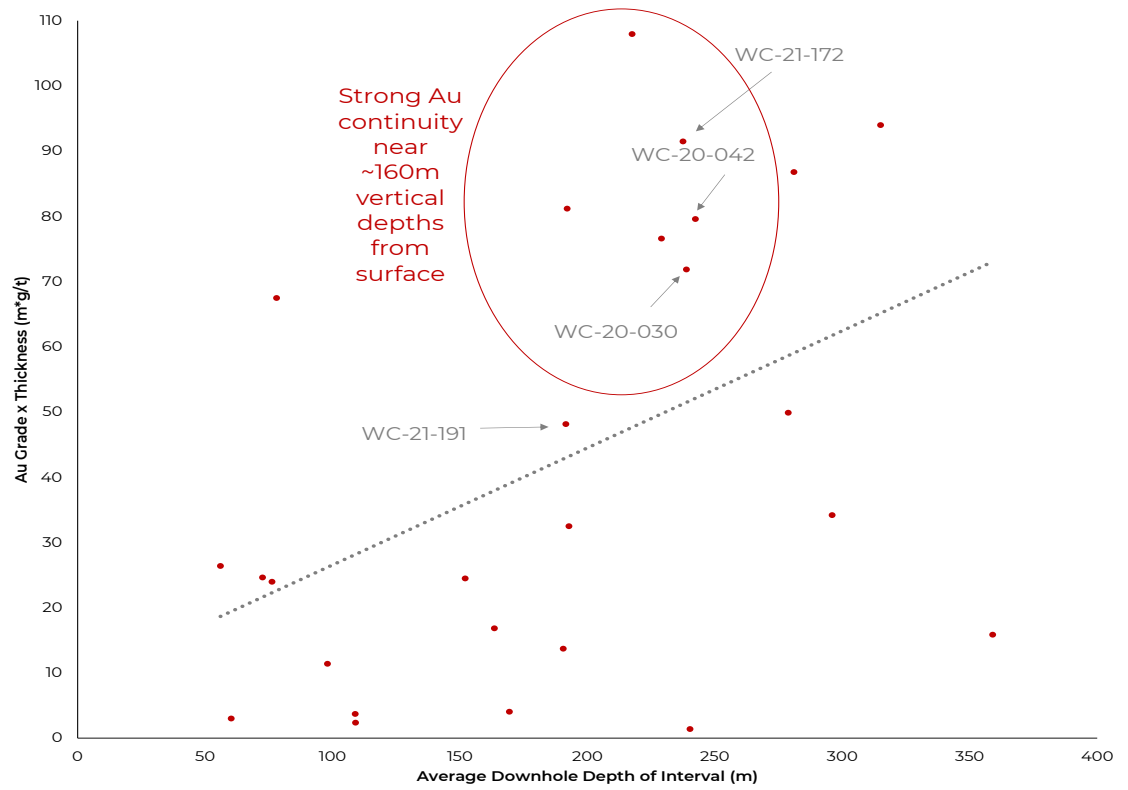
Source: Company Reports

Figure 2: Cross-section through Zone #9, looking east



Source: Company Reports

Figure 3: Plot of Au Grade x Thickness vs. Interval Depth, for main intervals only, Zone #9



Source: RCS, Company Reports

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Disclosure Statement
 Updated April 21, 2021

Recommendation / Target Change			Red Cloud Securities has this percentage of its universe assigned as the following:	
Date	Rating	Target C\$/sh	Status	%
2020-08-17	BUY	0.40	BUY	74%
2020-09-10	BUY	0.40	BUY (S)	15%
2020-09-30	BUY	0.40	HOLD	0%
2020-10-22	BUY	0.40	SELL / Tender	0%
2020-10-29	BUY	0.40	NA	9%
2020-11-11	BUY	0.35	Under Review	2%
2020-11-18	BUY	0.35		
2020-12-04	BUY	0.35		
2021-01-13	BUY	0.35		
2021-01-27	BUY	0.35		
2021-02-03	BUY	0.35		
2021-03-08	Under Review	Under Review		
2021-03-08	Under Review	Under Review		
2021-04-15	BUY	0.35		
2021-04-15	BUY	0.35		

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Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
Galleon Gold Corp.	TSXV:GGO	3,4

Additional Intercepts Show Continued Strong Mineralization

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