



E2GOLD INC. COMPLETES OVERSUBSCRIBED INITIAL PUBLIC OFFERING, WITH A LEAD ORDER FROM PALISADES GOLDCORP

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TORONTO, ONTARIO, December 30, 2020 – E2Gold Inc. (TSXV: ETU) (the “**Company**” or “**E2Gold**”) is pleased to announce that it has completed an oversubscribed initial public offering (the “**Offering**”) pursuant to which it has issued (i) an aggregate of 10,961,500 units (“**Units**”) at a price of \$0.20 per Unit; and (ii) an aggregate of 5,421,100 “flow through” units (“**FT Units**”) at a price of \$0.22 per FT Unit, to raise aggregate gross proceeds of \$3,384,942, with a lead order from Palisades Goldcorp Ltd. (“**Palisades**”), all pursuant to a final prospectus of the Company dated December 21, 2020 (the “**Final Prospectus**”).

Trading of the common shares of the Company on the TSX Venture Exchange (the “**TSXV**”) is anticipated to commence at the opening of business on Monday, January 4, 2021. The common shares of the Company will trade under the symbol “ETU”.

Beacon Securities Limited (the “**Lead Agent**”), INFOR Financial Inc., M Partners Inc., and Red Cloud Securities Inc. (collectively with the Lead Agent, the “**Agents**”) acted as agents in the Offering, in connection with which they received an aggregate of 1,146,782 compensation options, each such compensation option entitling the holder to acquire one common share of the Company at an exercise price of \$0.20 per share until December 30, 2022.

Each Unit consists of one common share of the Company and one share purchase warrant (a “**Unit Warrant**”), with each Unit Warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.24 until December 30, 2023. Each FT Unit consists of one common share of the Company which qualifies as a “flow-through share” as defined in subsection 66(15) of the *Income Tax Act* (Canada) and one-half of one share purchase warrant (each whole such share purchase warrant, a “**FT Warrant**”) on a non-flow-through basis, with each FT Warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.28 until December 30, 2022.

Use of proceeds from the Offering, including corporate and acquisition costs, will be focused on exploration activities on the Company's 60 km long Hawkins Gold Project, located in the Sault Ste Marie and Porcupine Mining Divisions, north-central Ontario. The Hawkins Gold Project hosts an Inferred Mineral Resource, the McKinnon Zone, compliant with National Instrument 43-101: 6.2 million tonnes grading 1.65 g/t gold for 328,800 ounces of gold.

The Hawkins Gold Project consists of 400 single cell mining claims and 19 boundary cell claims optioned from Pavey Ark Minerals Inc. (“**Pavey Ark**”), plus 518 contiguous single cell mining claims on which the Company holds a 100% beneficial interest, totaling approximately 19,478 hectares. Pavey Ark, a private Ontario company, is a mineral exploration project generator in eastern and central Canada with several advanced base and precious metal exploration properties. Information on Pavey Ark is available at www.paveyarkminerals.com.

For further information regarding the Offering and the Hawkins Gold Project, please refer to (i) the Technical Report in respect of the Hawkins Gold Project dated effective September 10, 2020 titled “Technical Report and Updated Mineral Resource Estimate on the Hawkins Gold Project, Derry, Ermine Hawkins, Walls, Minnipuka, Legge and Puskuta Townships, Sault Ste. Marie & Porcupine Mining Divisions, Ontario for E2Gold Inc.” prepared by P&E Mining Consultants Inc. (the “**Technical Report**”); and (ii) the Final Prospectus, each available on SEDAR at www.sedar.com. All scientific and technical information in this press release has been

prepared under the supervision of Dr. Eric Owens, the President and Chief Executive Officer of the Company and a "Qualified Person" within the meaning of National Instrument 43-101.

ABOUT E2GOLD INC.

E2Gold Inc. is a Canadian gold exploration company with a large gold property covering 6 townships in north-central Ontario. The underexplored Hawkins Gold Project hosts an Inferred Mineral Resource based upon 1980's vintage Falconbridge drilling, subsequently staked in the 1990's by Don McKinnon Sr. The Company completed first-pass surface geological, geophysical, prospecting and trenching work in 2020. Drill permits are in place as the Company prepares to begin a diligent work program early in the first quarter 2021.

ABOUT PALISADES GOLDCORP LTD.

Palisades is Canada's resource focused merchant bank. Palisades' management team has a demonstrated track record of making money and is backed by many of the industry's most notable financiers. With junior resource equities valued at generational lows, management of Palisades believes the sector is highly prospective. Palisades is positioning itself with significant stakes in undervalued companies and assets with the goal of generating superior returns.

For further information please contact:

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Cautionary Statement on Forward -Looking Information

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This news release contains forward-looking information which involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, the anticipated date of trading of the common shares of the Company on the TSXV, the expected use of proceeds for the Offering, and the prospective nature of the Hawkins gold project and the junior resource sector. These statements are based on assumptions, including that actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will continue to be positive and proceed as planned, assumptions in the Technical Report prove to be accurate, requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to the Company, economic, political and industry market conditions will be favourable, and financial markets and the market for gold will be positive for junior resource companies in the short-term. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in such statements, including, but not limited to changes in general economic and financial market conditions, changes in demand and prices for minerals, regulatory and legislative developments, dependence on regulatory approvals, changes in environmental compliance requirements, community support and the political and economic climate, the inherent uncertainties and speculative nature associated with exploration results, Mineral Resource Estimates, future metallurgical test results, changes in project parameters as plans evolve, competitive developments, availability of future financing, the effects of COVID-19 on the business of the Company, exploration risks, and other factors beyond the control of the Company including, but not limited to, those risks set out in the Company's public documents filed on SEDAR and in the Final Prospectus under the heading "Risk Factors". Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

The securities of the Company have not been and will not be registered under the *United States Securities Act* of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States or to, or for the account or benefit of, U.S. Persons.