

# GENERATION MINING

## GENERATION MINING REPORTS SIGNIFICANT INCREASE IN PGM, COPPER RECOVERY

**Toronto, Ontario – August 20, 2020** – Generation Mining Limited (TSX: GENM) (OTCQB: GENMF) (“Gen Mining” or the “Company”) is pleased to report an update to its work program on the Marathon Palladium project in northwestern Ontario (the “Marathon Project”). The Company has successfully completed bench-scale metallurgical test work, resulting in a favourable and significant increase to projected Platinum Group Metals (“PGM”) and Copper (“Cu”) recovery. Expected increases in metal recovery will be included in the feasibility study work.

Metallurgical testing commenced at SGS Canada Inc. in Lakefield, Ontario in June 2020 for the Feasibility Study that is currently underway. The 2020 Phase 1 Metallurgical Testing program is being overseen by Steve Haggarty, P.Eng., of Haggarty Technical Services (“HTS”) and Ausenco Engineering Canada Inc. (“Ausenco”) (who will be the Qualified Person for the upcoming metallurgical and processing sections of the Feasibility Study Technical Report). The Phase 1 Metallurgical Testing program achieved the following results:

	<b>2020 Phase 1 Metallurgical Recovery</b> <sup>1</sup> <i>(as determined by SGS-Lakefield 2020 Met Testing Program - Phase 1)</i>	<b>PEA</b> <sup>2</sup> <b>Metallurgical Recovery</b>	<b>Variance</b> + positive - negative
<i>Palladium</i>	86.9%	82.9%	+4.0%
<i>Copper</i>	93.0%	90.0% <sup>3</sup>	+3.0%
<i>Platinum</i>	84.2%	74.5%	+9.7%
<i>Gold</i>	72.4%	73.2%	-0.8%
<i>Silver</i>	<i>Not evaluated in this program</i>	71.5%	n/a

<sup>1</sup> Recovery calculations are based on the established head grade of composite samples ranging in Cu, Pd, Pt, and Au head grade and involving multiple benchscale flotation tests.

<sup>2</sup> Preliminary Economic Assessment (“PEA”) of the Company titled “Amended Technical Report, Updated Mineral Resource Estimate and Preliminary Economic Assessment of the Marathon Deposit, Thunder Bay Mining District Northwestern Ontario Canada” dated July 6, 2020 (effective date of January 6, 2020);

<sup>3</sup> The estimated recovery of Cu is noted per the PEA for years 6-14

The goal for Phase 1 Metallurgical Testing was to improve overall metal recovery relative to the

PEA and validate changes considered to the process flowsheet relative to previous concepts considered for the project. The 2020 Phase 1 Metallurgical Testing program focused on three main aspects:

1. Pursue improved metal recovery with optimization of rougher flotation feed grind size, flotation reagents, and the implementation of a PGM Scavenger circuit;
2. Reduction in the initial capital cost of the concentrator by evaluating *state-of-the-art* flotation technology such as the Woodgrove Direct Flotation Reactor (DFR) technology;
3. Improved flotation circuit operability with improved control and management of rejected pyrite and pyrrhotite.

Samples used for the Phase 1 Metallurgical Testing consisted of contiguous, discrete intervals selected from 2019 diamond drill core making up three composites from the South pit (the W-Horizon), five composites from the Main zone and a previously preserved 2012 composite from the Main Zone referenced as “Composite 3”. Composites from recent 2019 drilling were selected to provide a range in Cu, Pd, Pt and Au head grade with a past to present comparison using the 2012 Composite 3 to provide updated estimates for recovery that will be applied in the Feasibility Study.

Jamie Levy, President and Chief Executive Officer of Gen Mining, commented: “We are extremely pleased with the Phase 1 Metallurgical Testing program. A 4% improvement in recovery for Palladium, a 3% improvement for Copper, and a 10% recovery for Platinum is a direct financial benefit to the Marathon Project. The test program also considered the inclusion of the innovative Woodgrove DFR technology in process plant design which will assist in decreasing constructed capital costs when compared to the implementation of conventional technology.”

A Phase 2 metallurgical testing program with a pilot plant at SGS-Lakefield has now commenced. The Phase 2 metallurgical testing will be done on bulk samples recently extracted from the Main Zone and W-Horizon, in addition to the preserved Composite 3. The intent of Phase 2 pilot plant testing is to fully validate the flowsheet, produce a final concentrate that will assist with concentrate marketing and allow for increased confidence on the operability of the plant. This phase of the project is not needed for compliance with NI43-101 regulations but is intended to advance efforts for post-feasibility study development. The Phase 2 metallurgical work will continue into Q4 2020 and is not expected to delay the progress of the Feasibility Study or project design.

### **About the Company**

Gen Mining’s focus is the development of the Marathon Project, the largest undeveloped platinum group metal Mineral Resource in North America. The Marathon property covers a land package of approximately 22,000 hectares, or 220 square kilometres. Gen Mining acquired a 51% interest in the Marathon Project from Sibanye Stillwater on July 10, 2019 and can increase its interest to 80% by spending \$10 million over a period of four years. As at the end of Q2 2020, approximately \$5.7 million of the \$10 million has been spent. Sibanye Stillwater has certain back-in rights that allow it to increase its interest in the Marathon Project back up to 51% in

certain circumstances and subject to certain conditions after such time as Gen Mining has earned its 80% interest (see the Company's press release of July 11, 2019 for more details).

### **Qualified Person**

The scientific and technical content of this news release was reviewed, verified and approved by Drew Anwyll, P.Eng., M.Eng, Chief Operating Officer of the Company, and a Qualified Person as defined by Canadian Securities Administrators National Instrument 43-101 "Standards of Disclosure for Mineral Projects."

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### **Forward-Looking Information**

*This news release includes certain information that may be deemed "forward-looking information" under applicable securities laws. All statements in this release, other than statements of historical facts, that address the ability of the Company and Sibanye Stillwater to vary their respective participating interests in the Marathon Project, Mineral Resource and Reserve potential, exploration activities and events or developments that the Company expects are forward-looking information. Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include, among other factors, market prices, exploration and development successes, continued availability of capital and financing, and general economic, market or business conditions.*

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