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Viva Gold Announces PEA Results at Tonopah Gold Project

VANCOUVER, BC – May 12, 2020 – Viva Gold Corp. (TSX-Venture: **VAU**; OTCBB: **VAUCF**) (the “Company” or “Viva”) is pleased to announce positive results from the Preliminary Economic Assessment (“PEA”) study of the Tonopah gold project (“Tonopah”), located near Tonopah, Nevada. All amounts are in US dollars.

Located in the heart of gold mining friendly Nevada, Tonopah, as envisioned, is a low-capital open-pit heap-leach investment opportunity. The Base Case open pit was designed using a gold price of \$1,400.

- The Base Case generates a pre-tax Internal Rate of Return (“IRR”) of 25% (after tax 22%) and a pre-tax net present value (“NPV”) at a 5% discount rate of \$43.6 million (after tax \$36.3 million) with a 2.9 year payback of invested capital using a \$1,400 gold price.
- Based on price sensitivity analysis at approximately the current price of \$1,700 ounce of gold, the project returns an IRR of 47% and a pre-tax NPV 5% of \$96.0 million (after tax \$72.2 million) with a payback period of 2.0 years.
- Base Case mine life of 6 years with total production of 226,000 ounces, averaging 38,000 ounces annually with the second and third years producing approximately 48,000 ounces annually.
- With paved road access, nearby power, water, and mining-support infrastructure, capital costs for the project are projected to be low with an estimated initial capital cost of \$58 million and sustaining capital cost of \$16 million net of capitalized equipment leases, capital additions, reclamation costs and recapture of working capital.
- Estimated cash cost of production is \$754/ounces with an all-in-sustaining cost of \$1,075 per ounce inclusive of sustaining capital and additional overhead support.
- Engineering design analysis indicates the potential to substantially increase pit size and contained ounces with increased gold price.

“These robust PEA results support our early hypothesis on the potential economic viability of the Tonopah gold project and justifies further investment with the goal of moving the project forward to feasibility and permitting. This study demonstrates that Tonopah has strong intrinsic value with the potential to develop cash flow value that exceeds Viva’s underlying market value”, states James Hesketh, President & CEO.

Please note that a Preliminary Economic Assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic consideration applied to them that would enable them to be categorized as mineral reserves, and that there is no certainty that the preliminary economic assessment will be realized.

PEA Financial and Economic Highlights

PEA economic results are shown in both pre and post-tax U.S. Dollars as highlighted below.

PEA Conceptual Economic Results

(USD million)	Base Case
Gold Price	\$1,400
<u>Pre-Tax Economics</u>	
IRR	25%
Cash Flow (Undiscounted)	\$69.7
NPV 5% Discount Rate	\$43.6
NPV 10% Discount Rate	\$25.9
Payback (Years)	2.9
<u>After Tax Results ⁽¹⁾</u>	
IRR	22%
Cash Flow (Undiscounted)	\$60.1
NPV 5% Discount Rate	\$36.3
NPV 10% Discount Rate	\$20.3

(1) Includes Nevada State Net Proceeds Tax and 21% US Federal Tax

Price Sensitivity Table					
Base Case - Pre-Tax (US\$MM)					
Gold Price	IRR%	Undiscounted Cash Flow	NPV 5%	NPV 10%	Payback
\$1,100	1%	\$2.6	(\$8.7)	(\$15.6)	n/a
\$1,200	9%	\$25.0	\$8.7	(\$1.7)	5.1
\$1,300	17%	\$47.3	\$26.1	\$12.1	4.1
\$1,400	25%	\$69.7	\$43.6	\$25.9	2.9
\$1,500	32%	\$92.1	\$61.1	\$39.8	2.5
\$1,600	39%	\$114.4	\$78.5	\$53.6	2.2
\$1,700	47%	\$136.8	\$96.0	\$67.4	2.0

Pit shells were designed using a 45 degree slope angle in rock and 35 degrees in gravels. Gold recovery was based on column leach test results of 83% for gold mineralization in argillite material and 58% for gold mineralization in Tertiary volcanic material, averaging around 71.8% of gold recovered with the mix of materials in the Base Case pit. Haulage ramps are 30 meters wide and have a maximum gradient of 10%. Processing rates are based on a daily crushing rate of approximately 6,800 tonnes per day utilizing three stage crushing.

Capital and operating costs were based on available vendor quotes, information available from nearby operations, and estimates by Gustavson Associates. Capital costs include the cost to relocate public roads and include \$1.0 million to exercise the purchase option to acquire 1.0% of the outstanding 2% Net Smelter Royalty on the project. Purchase of mobile equipment using conventional five-year capitalized lease purchase agreements and self-mining is assumed using 100-ton truck units. A 10% contingency factor was applied to operating cost estimates and a 20% contingency factor was applied to estimated capital components.

Tonopah Project PEA Project Details	
(USD million)	Base Case

Gold Price	\$1,400
Gold Ounces Sold	226,000
Initial Capital ⁽²⁾	\$58
Sustaining Capital ⁽³⁾	\$16
Avg Cash Cost of Production	\$754
All In Sustaining Cost (AISC)	\$1,075
Project Life (Years)	6
Total Process Tonnes (M)	12.5
Average Grade (grams/Tonne)	0.78
Total Waste Tonnes (M)	57.8
Strip Ratio	4.6
Personnel Employed	137
<u>Average Operating Costs</u>	
Mining Costs (\$/t Mined)	\$1.28
Process Costs (\$/T Crushed)	\$4.52
Gen & Admin Cost (\$/T Crushed)	\$0.66
Offsite marketing and refining cost ⁽⁴⁾ (\$/oz)	\$1.50

(1) \$1.0 million is included in capital cost to exercise Viva's Option to acquire 1% of the 2% NSR on the project

(2) Includes capital lease purchase of mobile equipment

(3) Net of silver credits

Resource Estimate

The updated pit-constrained mineral resource estimate for the Tonopah Project, announced on April 29, 2020, follows:

Pit-Constrained Mineral Resource

Classification	Tonnes (x1000)	Gold Grade grams/tonnes	Contained Ounces
Measured	3,930	1.14	141,000
Indicated	8,900	0.65	185,000
Measured and Indicated	12,830	0.79	326,000
Inferred	8,400	0.67	181,000

Thomas C. Matthews, MMSA-QP, Principal Resource Geologist for Gustavson Associates of Lakewood, Colorado, is the Qualified Person responsible for the preparation of technical information in this release. Resources are not reserves, and do not include modifying factors which need to be considered to determine whether they are economically viable. The PEA study is expected to be published by June 12, 2020.

Mineral resources are tabulated at a cutoff grade of 0.20 g/t gold for argillite and 0.25 g/t for volcanic hosted mineralization, which constitutes a reasonable prospect for economic extraction based on a

comparison with similar gold deposits in Nevada, and constrained within a US\$1,600 pit shell using a 45 degree average pit slope in all rock types and a 35 degree pit slope for gravels overburden.

2020-2021 Forward Looking Plan

Tonopah project PEA economics justify continued investment in project development. The forward looking plan for Tonopah includes work required to advance the project through Feasibility Study and into the permitting process. These tasks include:

- 3,000 to 4,000 meters of in-fill and step-out drilling to convert inferred mineralization to measured and indicated status for mineral reserve development and to infill gaps in the model currently carried as waste
- Metallurgical column, hardness, and grinding tests to further optimize and improve heap leach gold recovery, and to provide information for feasibility design work
- Perform a trade-off study to separately process and increase recovery of high-grade free gold mined in the first three years of production from veins and breccia's
- Perform trade-off study for self-mining and crushing versus contract mining and crushing
- Geotechnical drilling and analysis to optimize pit slope design parameters
- Continue base-line water sampling, and update of hydrologic, cultural and environmental studies for permitting
- Initiate Feasibility Study to further justify project development and to develop a Plan of Operations to initiate an Environmental Impact Study for permit approval

James Hesketh, MMSA-QP, has approved the scientific and technical disclosure contained in this press release. Mr. Hesketh is not independent of the Company, he is an Officer and Director.

About Viva Gold Corp:

Viva Gold is a gold exploration and development company with a focus on Nevada. Viva holds 100% of the Tonopah Gold Project, a large land position of approximately 8,800 acres with demonstrated high-grade measured, indicated and inferred gold resources, located on the prolific Walker Lane gold trend in Nevada, about 30 kilometers south-east of the Round Mountain mine of Kinross Gold and 20 kilometers north from the Town of Tonopah. Viva's management team has extensive experience in mining exploration, development and production and are supported by a Board of Directors and advisors who are proven mine finders, deal makers and financiers. Viva trades on the TSX-V as "VAU", on the OTCBB in the US as "VAUCF" and on the Frankfurt exchange under "7PB". For additional information on Viva Gold and the Tonopah Gold Project, please visit our website: www.vivagoldcorp.com.

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Forward-Looking Information:

This news release contains certain information that may constitute forward-looking information or forward-looking statements under applicable Canadian securities legislation (collectively, "forward-looking information"), including but not limited to drilling operations and estimates of gold mineral resource at the Tonopah Gold Project. This forward-looking information entails various risks and uncertainties that are based on current expectations, and actual results may differ materially from those contained in such information. These uncertainties and risks include,

but are not limited to, the strength of the global economy; the price of gold; operational, funding and liquidity risks; the potential for achieving targeted drill results, the degree to which mineral resource estimates are reflective of actual mineral resources; the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with drilling and mining operations; and the ability of Viva to fund its capital requirements. Risks and uncertainties about the Company's business are more fully discussed in the Company's disclosure materials filed with the securities regulatory authorities in Canada available at www.sedar.com. Readers are urged to read these materials. Viva assumes no obligation to update any forward-looking information or to update the reasons why actual results could differ from such information unless required by law.

PEA Information and Cautionary Note Regarding Inferred Resources

The mine plan evaluated in the PEA is preliminary in nature and include of Inferred Mineral Resources, as defined by NI 43-101 that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be converted to a Mineral Reserve, as defined by NI 43-101. Additional drilling and technical studies will need to be completed in order to fully assess its viability. There is no certainty that a production decision will be made to develop Tonopah that the economic results described in the PEA will be realized. Mine design and mining schedules, metallurgical flow sheets and process plant designs may require additional detailed work and economic analysis and internal studies to ensure satisfactory operational conditions and decisions regarding future targeted production.

Cautionary Note to U.S. Investors --- *The United States Securities and Exchange Commission permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this report, such as "measured," "indicated," "inferred," and "resources," that the SEC guidelines strictly prohibit U.S. registered companies from including in their filings with the SEC.*

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