

Elevation Gold Reports Q2 2022 Operating and Financial Results

Vancouver, BC - August 29th, 2022, Vancouver, B.C.: Elevation Gold Mining Corporation (TSX.V: ELVT; OTCQX: EVGDF) (the “Company” or “Elevation Gold”) announces operating and financial results for the quarter ended June 30, 2022. All figures are expressed in US dollars unless otherwise noted.

Summary for the Three Months Ended June 30, 2022

- Elevation produced 6,809 ounces of gold and 28,115 ounces of silver during Q2 2022 from 768,997 ore tonnes processed with average grades of 0.42 g/t gold and 2.86 g/t silver.
- The Company generated total revenue of \$14.4 million on 6,998 ounces of gold and 60,903 ounces of silver sold. The average realized price of gold per ounce sold ⁽¹⁾ was \$1,864.
- Gold production is expected to materially increase in the second half of 2022 as the Company began mining higher-grade ore sourced from the East Pit at the end of June 2022.
- Q2 2022 operating loss of \$7.3 million and net loss of \$33.8 million, or \$0.31 per share. The net loss was driven by a non-cash impairment of mineral properties of \$33.9 million (discussed below).
- Total Cash Costs per ounce of gold sold ⁽¹⁾ of \$1,661 and all-in sustaining costs (“AISC”) per ounce of gold sold ⁽¹⁾ of \$2,599. The Company expects to improve on its per ounce metrics in the second half of 2022, with the addition of higher-grade ore sourced from East Pit, and the reduction of capital expenditure requirements as the majority of the Company’s major capital projects were completed in Q2 2022 and early Q3 2022.
- Completed a multi-phase infill and resource expansion drilling program at the Moss Mine, which included 17,197 meters of reverse circulation drilling up to the end of May 2022. In July 2022, the Company began its maiden exploration program at Florence Hill.

⁽¹⁾ Refer to the Company’s Management Discussion and Analysis for the three and six months ended June 30, 2022 and 2021 for a reconciliation to non-IFRS performance measures.

Tim Swendseid, Elevation Gold President, stated “Our Q2 financial results were negatively affected by the non-cash write downs of our heap leach inventory and mineral properties, as a consequence of inflationary pressures and lower long term gold price assumptions. With these write downs behind us, I am extremely optimistic about our future production prospects for the remainder of 2022 and beyond.” Mr. Swendseid continued, “With our major capital projects for 2022 now completed and with a shift in mining to higher grade east pit ore, we are forecasting a material increase in gold production, at lower costs, over the last 6 months of the year. Gold sales for 2022 are now expected to total between 32,000 and 34,000 ounces. Thanks to our outstanding Moss Mine team we are now functioning at consistent levels with increased crusher throughput, higher gold and silver grades and are well positioned to reach our 2022 production goals.”

Dr. Warwick Board, Vice President Exploration, commented: “The first diamond core drill hole at Florence Hill is progressing well, with approximately 730 metres having been drilled to date. We are extending this 45-degree inclined-to-the-northeast drill hole to test a geophysical anomaly at around 1,300 metres down hole based on encouraging structural, vein, and alteration features that are intensifying with depth. We anticipate releasing results for the Florence Hill drilling in Q1 2023, considering drilling rates, assay turn around, data compilation and interpretation requirements.”

Outlook

Following the completion of the Company’s equity financing in late March 2022 (see *Recent Corporate Developments* section above for details), the Company completed a number of key capital projects during Q2 2022, some of which will extend into Q3 2022, including the completion of the construction of the new heap leach pad 2C in July 2022. The Company also completed five new monitoring wells in Q2 2022 and expects to bring on-line two production water wells during Q3 2022. The monitoring wells were a requirement of our Aquifer Protection Permit, while the production water well project will secure water for operations, as well as allow current operating water wells to be removed as part of the mine expansion at the Moss Mine.

The Company's operations continue to focus on overall efficiencies including drilling and blasting improvements that lead to increases in ore processing rates. For Q1 2022, the mine averaged 7,977 stacked ore tonnes per day, an increase of 5.6% from the year ended December 31, 2021. This rate increased further for Q2 2022 to an average of 8,451 stacked ore tonnes per day as the Company continues to improve quality control for mine drilling and blasting and maintains meticulous oversight on scheduled crusher maintenance. Mining operations also continue to progress, with higher-grade ore mined from the East Pit by the end of Q2 2022. The Company expects the higher-grade ore mined from East Pit for the remainder of the year will be blended with West Pit ore, which is lower-grade but more abundant. The overall blended ore crushed and placed on the pad is expected to significantly increase gold ounces produced for the second half of 2022.

With its multi-phase infill and resource expansion drilling program at the Moss Mine completed in May 2022, the Company began its maiden exploration program at Florence Hill (see news release dated July 25, 2022).

Consolidated Financial Results Summary

The following table provides a summary of the components of the Company's net income (loss) for the three and six months ended June 30, 2022 and 2021. For further details, refer to the Company's condensed interim consolidated financial statements and Management Discussion and Analysis ("MD&A") for the same periods.

<i>(in thousands of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenue	\$ 14,386	\$ 16,590	\$ 27,920	\$ 32,991
Production costs ⁽¹⁾	(17,583)	(10,710)	(28,982)	(20,913)
Royalties	(726)	(852)	(1,344)	(1,753)
Mine operating (loss) income before depreciation and depletion	(3,923)	5,028	(2,406)	10,325
Depreciation and depletion ⁽¹⁾	(2,402)	(2,286)	(4,009)	(4,463)
(Loss) earnings from mine operations	(6,325)	2,742	(6,415)	5,862
Corporate administrative expenses	(1,001)	(1,238)	(1,752)	(2,811)
Finance costs	(1,878)	(1,618)	(3,417)	(3,184)
Impairment of mineral properties ⁽²⁾	(33,850)	-	(33,850)	-
Gain (loss) on revaluation of derivative liabilities	9,253	805	10,023	(834)
Other	(3)	50	(100)	133
Income (loss) for the period	\$ (33,804)	\$ 741	\$ (35,511)	\$ (834)

¹⁾ During the six months ended June 30, 2022, the Company conducted an independent study which reviewed the Company's estimated recoverable gold and silver ounces in its heap leach ore inventory on June 30, 2022. Based on the findings in the study, the Company has written down heap leach ore inventory by \$4.0 million for six months ended June 30, 2022. In addition, for the six months ended June 30, 2022, the Company recorded a net realizable value write-down associated with its heap leach ore and doré inventory totalling \$2.6 million. The write-down to net realizable value was the result of higher mining and processing costs incurred over the period, lower gold prices in the three months ended June 30, 2022, and lower-grade ore mined for the six months period ending June 30, 2022.

As a result of the above, for the six months ended June 30, 2022, the Company recorded a total write-down to heap leach ore and doré inventory of \$6.6 million, of which \$5.8 million was included in production costs and \$0.8 million was included in depletion and depreciation (the three months ended June 30, 2022 includes the write-down of \$6.0 million, of which \$5.3 million was included in production costs and \$0.7 million was included in depletion and depreciation). There were no amounts written down for the three or six months ended June 30, 2021.

²⁾ During the three and six months ended June 30, 2022, the Company recognized a non-cash impairment of mineral properties of \$33.9 million. Management of the Company completed an assessment of impairment indicators for the Moss Mine cash generating unit ("CGU"), as the Company's market capitalization fell below the carrying value of net assets. Accordingly, the Company estimated the recoverable amounts of the CGU and compared them to the carrying value of the CGU. Upon completion of the Company's impairment assessment, it was determined that the Moss Mine CGU was impaired by a total of \$33.9 million, which resulted in a charge of the same amount to the Company's statement of income and loss.

The projected cash flows used in impairment testing are significantly affected by changes in assumptions. The analysis reflects the lower gold prices and inflationary pressures resulting in increases to commodity prices most recently encountered in the second quarter of 2022. Key assumptions included by management in the discounted cash-flow model included a gold price ranging from \$1,750 to \$1,800, gold and silver recoveries of 80% and 43% as indicated in life of mine plans, and real after-tax discount rate of 5%. The Company performed a sensitivity analysis on these key assumptions. Based on the impairment testing performed at June 30, 2022, the sensitivity to changes in these key assumptions is as follows:

- a 10% decrease in the short and long term gold price would result in an additional impairment of \$14.7 million,
- a 10% decrease in gold recoveries would result in an additional impairment of \$17.4 million, and
- a 5% increase in the real after-tax discount rate would result in an additional impairment of \$4.1 million.

Consolidated Operational Results Summary

The following table provides a summary of the Company's operational statistics for the three and six months ended June 30, 2022 and 2021. For further details, refer to the Company's MD&A for the same periods.

		Three Months Ended June 30,		Six Months Ended June 30,	
		2022	2021	2022	2021
Ore tonnes mined	t	726,226	682,970	1,461,443	1,388,624
Ore tonnes stacked	t	768,997	640,358	1,486,895	1,333,045
Contained gold ounces stacked	oz	10,456	9,700	18,506	20,404
Gold grade	g/t	0.42	0.47	0.39	0.48
Gold ounces produced	oz	6,809	7,054	13,077	15,842
Gold ounces sold	oz	6,998	8,045	13,510	16,166
Average realized gold price ⁽¹⁾	(\$/oz)	\$ 1,864	\$ 1,793	\$ 1,872	\$ 1,797
Cash costs per ounce of gold sold ⁽¹⁾	(\$/oz)	\$ 1,661	\$ 1,168	\$ 1,623	\$ 1,158
AISC per ounce of gold sold ⁽¹⁾	(\$/oz)	\$ 2,599	\$ 2,127	\$ 2,399	\$ 2,181

⁽¹⁾ Refer to the Company's Management Discussion and Analysis for the three and six months ended June 30, 2022 and 2021 for a reconciliation to non-IFRS performance measures.

Qualified Persons

Unless otherwise indicated, all technical data contained in this press release that relates to geology, exploration and mineral resources has been reviewed and approved by Dr. Warwick Board, P.Geo, Vice President Exploration of Elevation Gold. Dr. Board is a Qualified Person as defined by National Instrument ("NI") 43-101 and is responsible for the Moss Regional and Hercules Exploration Projects.

Unless otherwise indicated, the technical disclosure contained within this press release that relates to the Company's operating mine has been reviewed and approved by Tim J. Swendseid, President of the Company and a Qualified Person for the purpose of NI 43-101.

Full condensed interim consolidated financial statements for the three months and six months ended June 30, 2022 and 2021 and related MD&A for the same period can be found at www.sedar.com and the Company's website at www.elevationgold.com.

Non-IFRS Performance Measures

The following tables represent the calculation of certain Non-IFRS Financial Measures as referenced in this news release. For further discussion and analysis of all non-IFRS performance measures, refer to the Company's financial statements and MD&A for the three and six months ended June 30, 2022.

Reconciliation of Cash Costs and AISC

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<i>(in thousands of dollars, except per ounce figures)</i>				
Gold ounces sold	6,998	8,045	13,510	16,166
Cost of sales	\$ 20,711	\$ 13,848	\$ 34,335	\$ 27,130
Less: Heap leach and doré adjustment *	(5,343)	-	(5,769)	-
Less: Depreciation and depletion	(2,402)	(2,286)	(4,009)	(4,463)
Add: Refining and transportation	80	57	129	151
Less: Silver and other bi-product revenue	(1,421)	(2,219)	(2,756)	(4,092)
Total Cash Costs	11,625	9,400	21,930	18,726
Sustaining capital expenditures	5,422	6,410	8,460	13,591
Accretion	143	66	262	134
Corporate administration	1,001	1,238	1,752	2,811
Total AISC	\$ 18,191	\$ 17,114	\$ 32,404	\$ 35,262

Cash Costs per ounce of gold sold	\$ 1,661	\$ 1,168	\$ 1,623	\$ 1,158
AISC per ounce of gold sold	\$ 2,599	\$ 2,127	\$ 2,399	\$ 2,181

* Adjustment for heap leach and doré write-down and net realizable value impairment discussed in *Consolidated Financial Results Summary* above.

Reconciliation of Average Realized Price of Gold per Ounce Sold

<i>(in thousands of dollars, except per ounce figures)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Gold revenue	\$ 13,045	\$ 14,428	\$ 25,293	\$ 29,050
Gold ounces sold	6,998	8,045	13,510	16,166
Average realized price per ounce sold	\$ 1,864	\$ 1,793	\$ 1,872	\$ 1,797

ON BEHALF OF THE BOARD OF ELEVATION GOLD MINING CORPORATION

“Tim J. Swendseid”

Tim J. Swendseid, President of Elevation Gold Mining Corporation

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About Elevation Gold Mining Corporation

Elevation Gold is a publicly listed gold and silver producer, engaged in the acquisition, exploration, development and operation of mineral properties located in the United States. Elevation Gold’s common shares are listed on the TSX Venture Exchange (“TSXV”) in Canada under the ticker symbol ELVT and on the OTCQX in the United States under the ticker symbol EVGDF. The Company’s principal operation is the 100% owned Moss Mine in the Mohave County of Arizona. Elevation also holds the title to the Hercules exploration property, located in Lyon County, Nevada.

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

Cautionary Statement on Forward-Looking Information

Certain of the statements made and information contained herein is “forward-looking information” within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts included in this document constitute forward-looking information, including but not limited to statements regarding the Company’s plans, prospects and business strategies; the Company’s guidance on the timing and amount of future production and its expectations regarding the results of operations; expected costs; permitting requirements and timelines; timing and possible outcome of Mineral Resource and Mineral Reserve estimations, life of mine estimates, and mine plans; anticipated exploration and development activities at the Company’s projects; net present value; design parameters; economic potential; processing mineralized material; the potential of robust economic potential at the Moss Mine Project. Words such as “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “goal”, “aim”, “intend”, “continue”, “budget”, “estimate”, “may”, “will”, “can”, “could”, “should”, “schedule” and similar expressions identify forward-looking statements.

Forward-looking information is necessarily based upon various estimates and assumptions including, without limitation, the expectations and beliefs of management, including that the Company can access financing, appropriate equipment and sufficient labour; assumed and future price of gold, silver and other metals; anticipated costs; ability to achieve goals; and assumptions related to the factors set forth below. While these factors and assumptions are considered reasonable by the Company as at the date of this document in light of management’s experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: risks inherent in mining, including, but not limited to risks to the environment, industrial accidents, catastrophic equipment failures, unusual or unexpected geological formations or unstable ground conditions, and natural phenomena such as earthquakes, flooding or unusually severe weather; uninsurable risks; global financial conditions and inflation; changes in the Company’s share price, and volatility in the equity markets in general; volatility and fluctuations in metal and commodity

prices; the threat associated with outbreaks of viruses and infectious diseases, including the COVID-19 virus; delays or the inability to obtain, retain or comply with permits; risks related to negative publicity with respect to the Company or the mining industry in general; health and safety risks; exploration, development or mining results not being consistent with the Company's expectations; unavailable or inaccessible infrastructure and risks related to ageing infrastructure; actual ore mined and/or metal recoveries varying from Mineral Resource and Mineral Reserve estimates, estimates of grade, tonnage, dilution, mine plans and metallurgical and other characteristics; risks associated with the estimation of Mineral Resources and Mineral Reserves and the geology, grade and continuity of mineral deposits, including, but not limited to, models relating thereto; ore processing efficiency; information technology and cybersecurity risks; potential for the allegation of fraud and corruption involving the Company, its customers, suppliers or employees, or the allegation of improper or discriminatory employment practices; regulatory investigations, enforcement, sanctions and/or related or other litigation; estimates of future production and operations; estimates of operating cost estimates; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; risks related to the environmental regulation and environmental impact of the Company's operations and products and management thereof; exchange rate fluctuations; climate change; risks relating to attracting and retaining of highly skilled employees; compliance with environmental, health and safety laws; counterparty and credit risks and customer concentration; litigation; changes in laws, regulations or policies including, but not limited to, those related to mining regimes, permitting and approvals, environmental and tailings management, and labour; internal controls; challenges or defects in title; funding requirements and availability of financing; dilution; risks relating to dividends; risks associated with acquisitions and related integration efforts, including the ability to achieve anticipated benefits, unanticipated difficulties or expenditures relating to integration and diversion of management time on integration; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; uncertainty of meeting anticipated program milestones; and other risks and uncertainties including but not limited to those described the Company's public disclosure documents which are available on SEDAR at www.sedar.com under the Company's profile. All of the forward-looking statements made in this document are qualified by these cautionary statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, forecast or intended and readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, there can be no assurance that forward-looking information will prove to be accurate and forward-looking information is not a guarantee of future performance. Readers are advised not to place undue reliance on forward-looking information. The forward-looking information contained herein speaks only as of the date of this document. The Company disclaims any intention or obligation to update or revise forward-looking information or to explain any material difference between such and subsequent actual events, except as required by applicable law.