



14th September 2022

SNX commences 5000m RC drill program at Nevada gold projects

Reverse Circulation (RC) drill rig to test targets across three SNX projects

Highlights

- SNX has planned a combined 5,000m of RC drilling to test initial targets across three of its Nevada projects in its phase 1 RC program.
- Drill program commences following delays for the RC rig, which was recently built, commissioned, and delivered.
- Drilling commenced at the Colorback Project (Carlin type) to test shallow oxide gold targets, with 600m planned.
- Rig will then move to high-grade New Pass Project (Epithermal type) with 3,500m drilling to test vein positions down dip and along strike of historically mined veins.
- Final stage of drilling at high-grade gold Warrior Project (Epithermal type) in the Walker Lane Trend to test the historic Gold Coin and Discovery Shaft areas, with 1,000m planned.
- Drilling represents first drill testing at New Pass in more than 40 years and first drill testing at Warrior's Gold Coin and Discovery Shaft areas.
- SNX plans to complete 12,000m of drilling in its first 12 months after ASX listing.

Sierra Nevada Gold (ASX: SNX) is pleased to announce commencement of a 5000m RC drill program designed to test highly prospective targets across its Colorback, New Pass and Warrior gold projects in southern Nevada, USA.

In this initial program, SNX will test high impact targets across its portfolio, comprising the first drill testing in more than 40 years of the exciting high-grade gold New Pass vein system, where two parallel north trending veins were mined for more than 100 years.

Additionally, SNX has planned the first ever drill testing of the Gold Coin and Discovery Shaft mine areas at its Warrior project, where historical underground sampling of these mines returned outstanding results from remnant vein material that has never been drill tested.

Drilling commenced following delivery delays of the RC rig, but this has now completed commissioning activities at Colorback to begin the drilling program.

Combined with the core rig currently drilling at SNX's Blackhawk Project, the addition of the RC rig is planned to enable SNX to complete its initial drill test of its entire portfolio within six months of listing on the ASX.



RC Drilling, Colorback Project, Nevada, USA



About the Colorback, New Pass and Warrior Projects

Colorback

The Colorback project is situated within the heart of the Battle Mountain Trend (BMT). The BMT is a remarkable gold province that hosts several world-class gold deposits with total production and reserves of more than 100Moz Au. The giant Pipeline deposit (20Moz Au), Cortez Complex (15Moz Au) and Barrick's recent Goldrush and Fourmile discoveries (+15Moz Au and growing) are all within 25km of the Colorback project (see Figure 1).

Sierra Nevada's Colorback project displays several key similarities to the nearby world-class Carlin gold mines such as the Pipeline deposit and the Cortez Complex deposits. Importantly, controlling structures from these deposits transect and intersect within the Colorback project. Through its data acquisition and exploration program, Sierra Nevada has identified large-scale fertile structures with the potential to host a significant Carlin style mineral system.

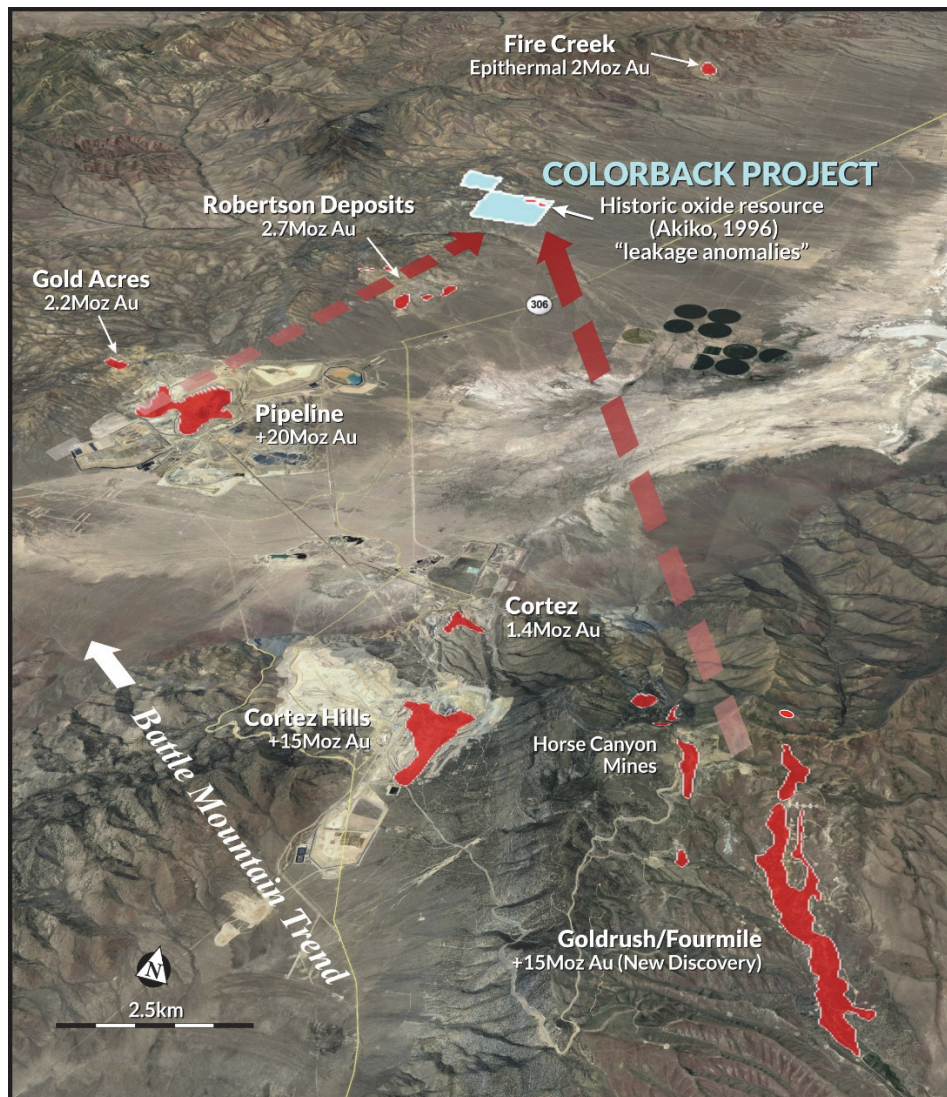


Figure 1. Oblique view of the Colorback project (light blue) looking NNW showing the mineralised footprints and structural trends of the nearby giant Carlin style deposits. Note the historic oxide resources sit at the juncture of major NW and NNE structures.



New Pass

The New Pass mineral system displays all the characteristics of a large-scale epithermal system. It has witnessed both historic and recent mining with vein hosted mineralisation exposed at surface. North-south oriented gold-bearing veins are present at the historically and recently worked New Pass, Superior, Thomas West and Valley View mines and the unexploited Julie, Lander, True-Blue, and Wildcat zones. Complementary datasets across the project indicate a large-scale and highly prospective structural, hydrothermal, and geochemical setting for the formation of epithermal deposits.

With targeted drilling both down dip and along strike of already defined veins, SNX believes that a pathway to a high-grade gold resource can be mapped within 18 months. Considerable potential exists north of the mine area within the “Saddle Target”, an area of extensive argillic and pyrite alteration displaying highly enriched zinc anomalism. A priority NW vein target is 4.5km in length and is covered by shallow post mineral Tertiary and Quaternary rocks.

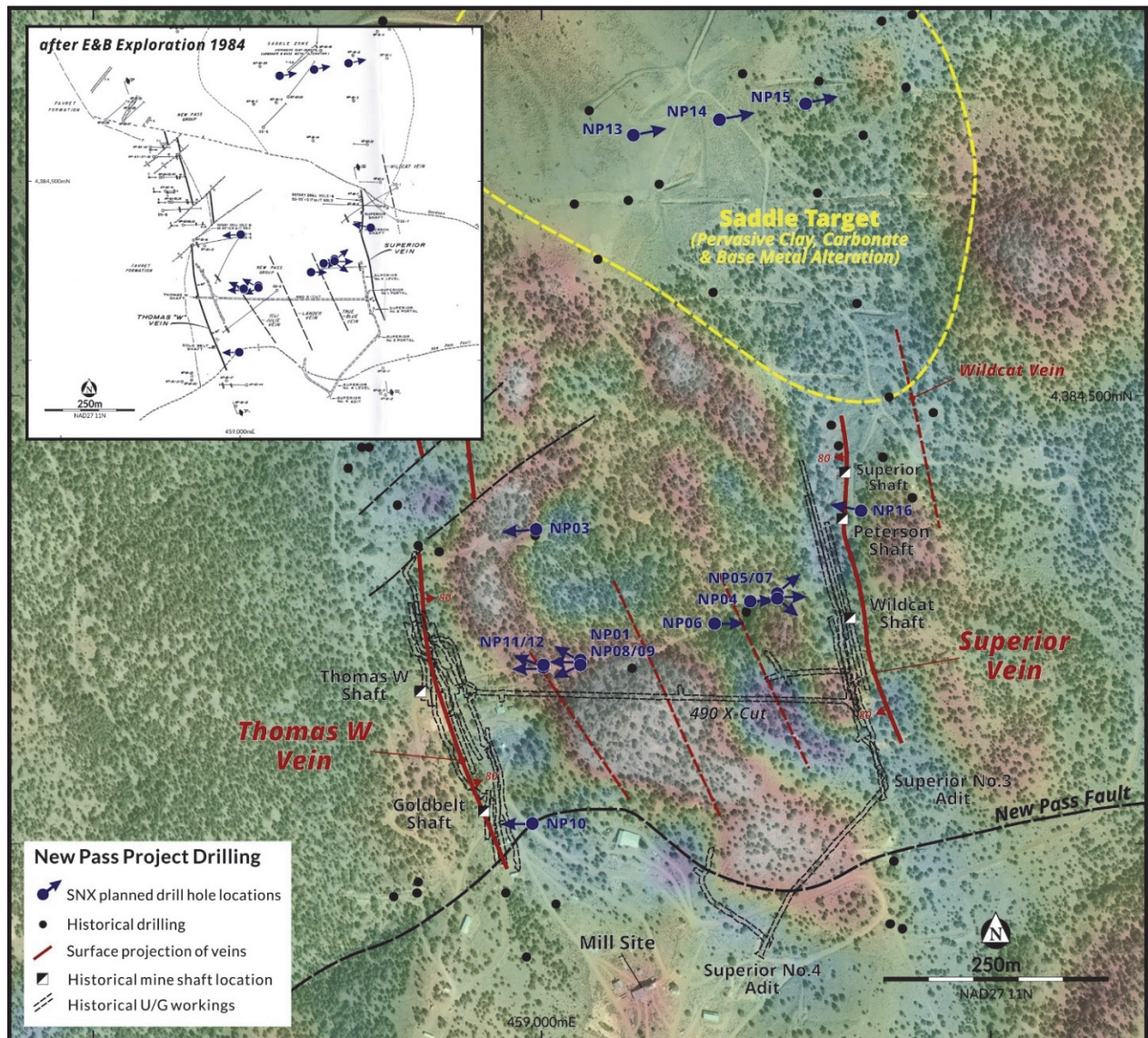


Figure 2. Plan view of the New Pass project showing proposed drilling in relation to historic drilling and mine infrastructure. Image shows orthophoto draped over 1VD magnetic data.

Warrior

Warrior is located within the Walker Lane Trend of southern Nevada. The Walker Lane Trend is a mineral province that host numerous world-class mineral deposits including the giant Round Mountain gold deposit (20Moz Au), Comstock (8.5Moz Au, 200Moz Ag), Yerington Porphyry (4Mt Cu) and Candelaria (230Moz Ag), among others.

The Warrior Project is centred on a large historic mining centre hosted within a substantial alteration system that is prospective for high-grade vein and disseminated Au-Ag epithermal, skarn breccia and carlin style deposits. The Warrior Project exhibits many similarities to and is located just 15km southeast of the Paradise Peak high sulphidation epithermal mine (2Moz Au & 40Moz Ag).

The Warrior Project hosts a large mining camp with four main centres, each of which exploited high-grade epithermal mineralisation, with the Warrior, Hillside, Cute Maid, and Lou Mines mutually aligned on a prominent northeast lineament. The largest of these is located at the northeast of the camp where records from the 1920s reveal bonanza grade veins were sampled, over significant vein lengths including **90m at 52.38g/t Au** (Discovery Shaft Level 1), **15m at 59.93g/t Au** (Discovery Shaft Winze) and **33m at 27.35g/t Au** (Gold Coin Shaft). To date, no follow up drilling has been recorded.

Shown on *Figure 3* below, SNX's initial drilling program targets the historically mined Discovery Shaft and Gold Coin mine areas, where historic sampling of remnant vein material (circa 1920s) suggest bonanza grade veins are present.

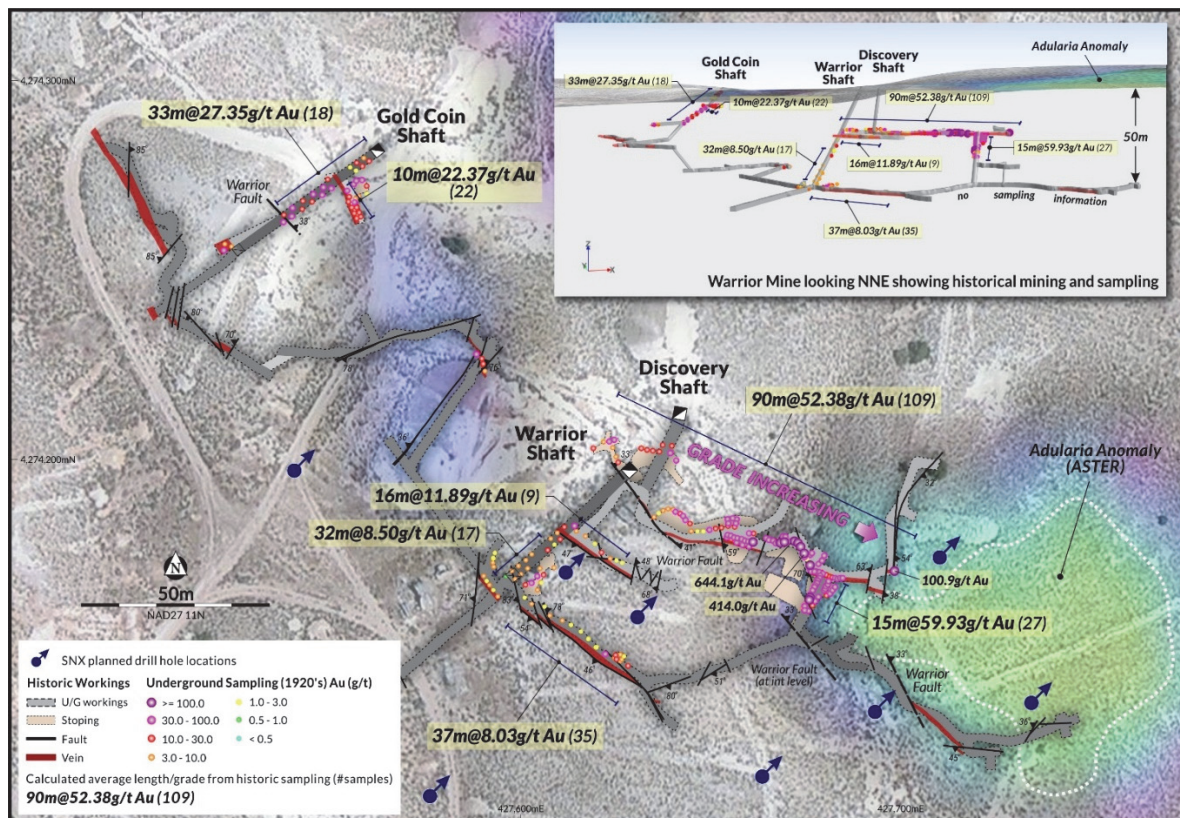


Figure 3. Plan view showing the historic Warrior Mine workings and the results of historic sampling of the remnant veins in the 1920's, with vein composites labelled. SNX planned drilling shown. Top right inset shows the oblique view looking NNE of the mine workings with sampling.



Next Steps

SNX expects the phase 1 RC drilling program to be completed by early November 2022, with first assay results to be received by early December 2022. Together with this drilling program, SNX will have intensive exploration programs in progress across both the New Pass and Warrior Projects.

At New Pass, this includes detailed 3D infrastructure and void modelling of historic workings, together with geomechanical investigations. Once these studies are complete and the mine workings declared safe, SNX will commence a program of detailed underground mapping and sampling of available ore positions with a view to confirming the historic estimates of past production and prospective remnant mineralisation. SNX is confident that a pathway to a high-grade gold resource can be outlined within 18 months.

SNX will also undertake a program of geochemical sampling, mapping and drill targeting at its Warrior Project to aid in developing drill targets across this camp.



About Sierra Nevada Gold (SNX)

Sierra Nevada Gold (SNX) is a recently listed ASX company actively engaged in the exploration and acquisition of precious and base metal projects in the highly prospective mineral trends in Nevada, USA since 2011. The Company is exploring five 100%-controlled projects in Nevada, comprising four gold and silver projects and a large copper/gold porphyry project, all representing significant discovery opportunities for the company.



Figure 5. Location of SNX projects in Nevada, USA showing the location of the major gold and copper deposits.

This announcement was authorised for release by Mr Peter Moore, Executive Chairman of the Company.

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Competent Persons Statement

Information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr. Brett Butlin, a Competent Person who is a fellow of the Australian Institute of Geoscientists (AIG). Mr. Butlin is a full-time employee of the Company in the role of Chief Geologist and is a shareholder in the Company. Mr. Butlin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Butlin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.