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NEWS RELEASE

August 4, 2020

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CHESAPEAKE GOLD ARRANGES \$20 MILLION PRIVATE PLACEMENT FINANCING

Chesapeake Gold Corp. (“**Chesapeake**” or the “**Company**”) (TSXV:CKG, OTCQX:CHPGF), is pleased to announce that it has arranged a non-brokered private placement of 4,000,000 common shares (“**Common Shares**”) at a price of \$5.00 per share for gross proceeds of \$20,000,000 (the “**Private Placement**”). Of that amount, \$15,000,000 is being placed with Eric Sprott’s company, 2176423 Ontario Ltd., a large shareholder of Chesapeake holding 11.8% of the current issued and outstanding Common Shares. The Sun Valley Gold Master Fund, Ltd., an existing shareholder which holds 7.4% of the current issued and outstanding Common Shares, is subscribing for \$5,000,000 of the Private Placement.

After completion of the Private Placement, Eric Sprott will beneficially own and control 9,089,099 Common Shares, representing approximately 16.4% of the issued and outstanding Common Shares. The Sun Valley Gold Master Fund, Ltd. will own 4,790,138 Common Shares, representing approximately 8.6% of the issued and outstanding Common Shares.

The proceeds of the financing will be used to undertake Metates metallurgical test work and ongoing regional exploration and for general working capital. There are no finder’s fees or other commissions associated with the Private Placement.

Randy Reifel, President, stated: “Metates is world class with proven and probable reserves of over 18 million ounces of gold, 500 million ounces of silver and 4.0 billion pounds of zinc in a pro-mining Mexico jurisdiction. Eric Sprott and Sun Valley Gold Master Fund continue to be strong supporters and recognize as major shareholders this compelling opportunity in a record high gold and silver market. We believe the potential future development of Metates together with the satellite exploration project pipeline will create long term significant value for our shareholders”.

The Private Placement is subject to the receipt of all necessary approvals, including the approval of the TSX Venture Exchange. The Common Shares to be issued under the Private Placement will be subject to a hold period under applicable Canadian securities laws until four months after the closing of the Private Placement.

The securities described in this news release 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 applicable securities laws of any state of the United States, 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) or persons in the United States unless registered under the U.S. Securities Act and any other applicable securities laws of the United States or an exemption from such registration requirements is available. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within any jurisdiction, including the United States.

The Private Placement involves a “related party transaction” within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101-*Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) adopted in the Policy. The Company intends to rely on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the Private Placement as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction is expected to exceed 25% of the Company’s market capitalization (as determined under MI 61-101).

About Chesapeake

Chesapeake Gold Corp. is a development stage company focusing on the discovery, acquisition and development of major gold-silver deposits in North and Central America. Chesapeake’s flagship asset is the Metates project (“Metates”) located in Durango State, Mexico. Metates hosts one of the largest undeveloped gold-silver-zinc deposits in the Americas.

Chesapeake also has a portfolio of exploration properties in Mexico comprising 119,000 hectares in the states of Durango, Sinaloa, Oaxaca and Veracruz. In addition, the Company owns 74% of Gunpoint Exploration Ltd. (“Gunpoint”) which owns the Talapoosa gold project in Nevada.

For Further Information:

For more information on Chesapeake and its Metates Project, please visit our website at www.chesapeakegold.com or contact investor relations at 604-731-1094.

CHESAPEAKE GOLD CORP

“P. Randy Reifel”

P. Randy Reifel
President

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

Forward-looking Statements

This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to completion of the Private Placement and use of proceeds of the Private Placement. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the receipt of applicable regulatory approvals, closing of the Private

Placement, general business, economic, competitive, political and social uncertainties; the actual results of exploration activities; changes in project parameters as plans continue to be refined; accidents, labour disputes and other risks of the mining industry, and political instability. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements.