



ANACONDA MINING PROVIDES UPDATE ON THE GOLDBORO GOLD PROJECT

TORONTO, ON – April 23, 2020 - Anaconda Mining Inc. ("Anaconda" or the "Company") (TSX: ANX) (OTCQX: ANXGF) is pleased to provide an update on its 100%-owned Goldboro Gold Project ("Goldboro" or the "Project") located in Nova Scotia, Canada. Given the revised permitting timelines for the Project as discussed below, as well as COVID-19 related delays, the Company has initiated optimization work on the Project based on opportunities identified as part of work undertaken in connection with the preparation of a Feasibility Study, including a robust drill program designed to upgrade certain Inferred Mineral Resources into Indicated Mineral Resources.

Key Takeaways

- The Company has determined, in consultation with government regulatory agencies, that further baseline studies, including water monitoring, and predictive work will be required to support a Provincial Environmental Assessment Registration Document ("EARD"). In addition, further work is required with respect to the tailings pond placement due to evolving Federal regulatory requirements at the regional level, which is expected to extend the permitting timeline into the second half of 2021.
- GHD, a leading environmental engineering firm that brings expertise and experience in mine permitting in Nova Scotia, is leading the permitting process for the Project and is overseeing data collection activities with McCallum Environmental Ltd. ("MEL") to support the EARD and the subsequent Industrial Approval Application.
- The revised permitting timelines provide a timely opportunity to concurrently optimize the Project; preliminary mine planning work has identified significant areas of Inferred Mineral Resources proximal to planned development which, if converted, could add a significant amount of value to the Project.
- In an effort to maximize shareholder value, Anaconda is initiating a 5,500-metre diamond drill program at Goldboro to convert and add Mineral Resources to the Feasibility Study, potentially extending the mine life and improving various economic parameters of the Project. The diamond drill program will be funded from existing flow-through funds.
- Nordmin Engineering Inc., who brings significant experience with narrow-vein underground mining, has been engaged to optimize the mine plan and finalize the Feasibility Study, which is now expected to be completed in the fourth quarter of 2020.

"The revised permitting timeline has provided the Company a timely opportunity to optimize the Goldboro Gold Project, as it has identified many opportunities to increase the net present value of the Project. In particular, we are excited to initiate a robust 5,500-metre diamond drill program, which has the potential to further improve the Project's economics and extend mine life. We look forward to announcing the results in the third quarter of 2020. As we work to submit an updated Environmental Assessment and optimize the Project, Anaconda continues to engage with all of our community stakeholders and rightsholders including ongoing engagement with Nova Scotia Mi'kmaq, as the Company continues to progress Goldboro towards a development decision."

~ Kevin Bullock, President and CEO, Anaconda Mining Inc.

Permitting Process Update

During the first quarter of 2020, in light of feedback from Nova Scotia Environment and recent Anaconda personnel changes, a detailed review of all permitting activity to date was undertaken to identify further work required to support the filing of a EARD. As a result, it was determined that additional data collection and predictive work would be required. GHD is now leading the permitting activities for the Project and is overseeing the water monitoring program and other work to support the EARD and the subsequent Industrial Approval Application (GHD was involved in the permitting of the Moose River Consolidated Project in Nova Scotia and is involved with MEL with ongoing projects and permitting by St Barbara Limited in Nova Scotia).

Furthermore, there are evolving Federal regulatory requirements at the regional level with respect to waterways and the potential location of any mine waste (including tailings facilities), which the Company anticipates will require further assessment and predictive work and extend the permitting timelines. The Company expects to file the updated

EARD in the third quarter of 2020 and as a result, based on the aforementioned matters, expects to receive required permits (including release from the Environmental Assessment, the Industrial Approval, and Mining Lease) in the second half of 2021.

Feasibility Study Update and Mineral Resources Conversion Drill Program

The revised permitting timeline has provided the Company a strong opportunity to optimize the Project, as it has identified many opportunities to increase the net present value of the Project based on initial results and feedback arising from the work undertaken to date in connection with the Feasibility Study. The Company has now engaged Nordmin Engineering Inc., replacing the previous consultants on the Study, to evaluate these opportunities and complete the Feasibility Study. Nordmin is well placed for this optimization work as they bring significant experience with narrow-vein underground mining. The Company continues to work with Ausenco Solutions Canada Inc. ("Ausenco"), who led and completed the process optimization and mill design for the Study (Ausenco was involved in the engineering and construction of Atlantic Gold Corporation's mill at the Moose River Consolidated Project in Nova Scotia).

Furthermore, Anaconda is initiating an approximately 5,500-metre diamond drill program at Goldboro with the aim of converting Inferred Mineral Resources proximal to planned development into Indicated Mineral Resources. Based on conversion rates observed to date in over 27,000 metres of drilling, the Company believes the drill program has the potential to add significant value by possibly extending the life of mine and improving the Project's economics. The diamond drill program will be funded from existing flow-through funds.

The Company has commenced activities required to permit the drill program, and critically consider logistical matters given the ongoing COVID-19 pandemic, to ensure that any drill programs are executed in a way that ensures the absolute health and safety of our personnel, contractors, and the communities where we operate.

Anaconda is now targeting to complete the Feasibility Study on the Project by the fourth quarter of 2020.

Qualified Person

Kevin Bullock, P. Eng., President and Chief Executive Officer, and Paul McNeill, P. Geo., VP Exploration, each with Anaconda Mining Inc., are "qualified person[s]" as such term is defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects and have reviewed and approved the scientific and technical information and data included in this news release.

ABOUT ANACONDA

Anaconda is a TSX and OTCQX-listed gold mining, development, and exploration company, focused in Atlantic Canada. The company operates mining and milling operations in the prolific Baie Verte Mining District of Newfoundland which includes the fully-permitted Pine Cove Mill, tailings facility and deep-water port, as well as ~11,000 hectares of highly prospective mineral lands including those adjacent to the past producing, high-grade Nugget Pond Mine at its Tilt Cove Gold Project. Anaconda is also developing the Goldboro Gold Project in Nova Scotia, a high-grade resource, and the subject of an on-going feasibility study.

FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking information" within the meaning of applicable Canadian and United States securities legislation, including the timing of permitting, filing of the EARD and the completion of the Feasibility Study. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Anaconda to be materially different from those expressed or implied by such forward-looking information, including risks associated with the exploration, development and mining such as economic factors as they effect exploration, development and production, future commodity prices, changes in foreign exchange and interest rates, actual results of current production, development and exploration activities, government regulation, political or economic

developments, environmental risks, risks related to the COVID-19 pandemic, permitting timelines, capital expenditures, operating or technical difficulties in connection with development activities, employee relations, the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of resources, contests over title to properties, and changes in project parameters as plans continue to be refined as well as those risk factors discussed in Anaconda's annual information form for the year ended December 31, 2019, available on www.sedar.com. Although Anaconda 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 or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Anaconda does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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