

# 51% IRR from PEA at TriStar Gold's Castelo de Sonhos Project

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SCOTTSDALE, Nov. 16, 2018 - On behalf of [TriStar Gold Inc.](#) (the "Company" or "TriStar"), GE21 Consultoria Mineral Ltda ("GE21") of Belo Horizonte, Brazil, has completed the Preliminary Economic Assessment ("PEA") for the Company's Castelo de Sonhos gold project in southern Pará State, Brazil.

Key highlights of the PEA include the following:

- Life-of-mine recoverable gold of 1.1 million ounces ("Moz")
- Internal rate of return pre-tax of 51%
- Cash cost of \$660
- All in sustaining cost ("AISC") of \$687

Nick Appleyard, TriStar's President and CEO stated: "This study now shows a robust, low cost base case for the Castelo de Sonhos gold project. With payback in less than two years and an average production of nearly 160,000 ounces per year for the first four years, the remarkable potential of this project is coming into focus. We intend to complete further drilling in 2019 with an aim to further increase the mineral resource estimate."

Table 1. Key economic parameters from the PEA for the Castelo de Sonhos gold project. <sup>1</sup>

Parameter	Unit	Pre-tax	Post-tax
Cash flow	US\$ millions	441	372
IRR	%	51	43
NPV 5%	US\$ millions	319	264
NPV 10%	US\$ millions	233	188
Cash Cost	US\$/oz	660	
AISC <sup>2</sup>	US\$/oz	687	
Initial Capital	US\$ millions	184	
Life of mine production	Moz gold	1.1	
Average annual production	oz gold	120,000	
Payback period (Mine life)	Years	1.9 (of 9.1 years)	

<sup>1</sup> Numbers have been rounded to reflect the precision of a preliminary analysis.

<sup>2</sup> The Company calculates all-in sustaining costs as the sum of total cash costs, sustaining capital expense and corporate general and administrative expense (net of stock option expense).

<sup>3</sup> TriStar intends to file an independent NI 43-101 Technical report to SEDAR within 45 days in support of this disclosure.

Table 2. Technical assumptions for the PEA

Parameter	Unit	value
Process rate	t/day	8,250
Average head grade	g/t	1.44
Gold Recovery	%	95

Mine operating cost	US\$/t moved	2.17
Process operating cost and G&A	US\$/t processed	10.68
LOM strip ratio	Waste t : process t	8 : 1
Gold price	US\$/oz	1,250
Exchange rate	Brazilian Real/US\$	3.8

The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the economic results described in the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

#### *Preliminary Economic Assessment*

The PEA for Castelo de Sonhos has assumed the use of a contract mining company, to conduct open pit mining using technology equipment readily available in Brazil and elsewhere in the World. The open-pit mine is designed assuming 55° slope angle, 8m bench height and a 10% access ramp.

The material for processing will be crushed and then ground to 150 microns before being leached using Carbon-in-pulp ("CIP"). Process tailings will be discharged to an engineered facility designed to international standards of safety.

The economic analysis includes allowances for milestone payments due under the original purchase agreement, as well as mine closure and remediation.

#### *Mineral resource*

The PEA is based on the previously announced mineral resource as shown below:

Mineral Resources (above a 0.3 g/t cut-off) of:

Indicated: 17.7 million tonnes at 1.2 g/t, containing 0.7 Moz of gold  
Inferred: 39.8 million tonnes at 1.0 g/t, containing 1.3 Moz of gold

Details available in the September 17th 2018 press release entitled "35% INCREASE IN RESOURCES AT CASTELO DE SONHOS AS PRELIMINARY ECONOMIC ASSESSMENT BEGINS";

#### *Qualified Person and QA/QC*

Porfirio Cabaleiro Rodriguez (MAIG #3708), Director of GE21, is the Qualified Person, as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects, for the Preliminary Economic Assessment presented in this press release, is independent of the Company and has approved the technical disclosure in this press release.

About TriStar:

TriStar Gold is an exploration and development company focused on precious metals properties in the Americas that have potential to become significant producing mines. The Company's current flagship property is Castelo de Sonhos in Pará State, Brazil. The Company's shares are listed on the TSX Venture Exchange under the symbol TSG. Further information is available at [www.tristargold.com](http://www.tristargold.com).

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*Certain statements contained in this press release may constitute forward-looking statements under Canadian securities legislation which are not historical facts and are made pursuant to the "safe harbour" provisions under the United States Private Securities Litigation Reform Act of 1995. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "expects" or "it is expected", or variations of such words and phrases or statements that certain actions, events or results "will" occur. Forward looking statements in this press release include all estimates from the PEA such as the cash flow, IRR, NPVs, cash cost, AISC, initial capital, life of mine production, average annual production and payback period time, and the Company's intention to complete more drilling in 2019. Such forward-looking statements are based upon the Company's reasonable expectations and business plan at the date hereof, which are subject to change depending on economic, political and competitive circumstances and contingencies. Readers are cautioned that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause a change in such assumptions and the actual outcomes and estimates to be materially different from those estimated or anticipated future results, achievements or position expressed or implied by those forward-looking statements. Risks, uncertainties and other factors that could cause the Company's plans to change include changes in demand for and price of gold and other commodities (such as fuel and electricity) and currencies; changes or disruptions in the securities markets; legislative, political or economic developments in Brazil; the need to obtain permits and comply with laws and regulations and other regulatory requirements; the possibility that actual results of work may differ from projections/expectations or may not realize the perceived potential of the Company's projects; risks of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in development programs; operating or technical difficulties in connection with exploration, mining or development activities; the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of reserves and resources; and the risks involved in the exploration, development and mining business. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable securities laws.*

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