Amarillo Gold Appoints Auramet as a Financial Advisor to Assist in Arranging Project Finance for the Mara Rosa Project, Brazil

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TORONTO, Oct. 09, 2019 - Amarillo Gold Corp. (“Amarillo” or the “Company”) (TSXV: AGC) (OTCQB:AGCBF), is pleased to announce that it has engaged Auramet International, LLC ("Auramet") as Financial Advisor in conjunction with project financing for the Mara Rosa Project in Goias State, Brazil. Auramet's role will be to work with management in reviewing various financing strategies and assist in discussions with potential lenders. Auramet is a US$14 Billion global precious metals merchant and advisory firm that provides a full range of services to the mining industry, including debt advisory, physical precious metals transactions, revenue enhancement strategies and financings.

Mike Mutchler, President and CEO, commented, “The Auramet team has depth of experience in mine finance, and recent success in closing important project finance mandates. With our focus on completing the Feasibility Study, basic engineering and the application for the License to Install, all expected by the end of this year, Amarillo looks forward to advancing this important aspect of mine development with the goal of starting construction in the second half of next year.”

About Amarillo

Amarillo is developing an open pit gold resource at its Mara Rosa Project in the mining friendly jurisdiction of Goias State in Brazil. The Mara Rosa Project was awarded its main (LP) permit which provides the social and environment permission to mine. Amarillo is progressing toward obtaining an installation permit (LI). Based on the NI 43-101 Pre-Feasibility Study 2018 (PFS 2018) update filed on SEDAR on September 13, 2018, the Posse Deposit at the Mara Rosa Project contains estimated 513,000 ounces of gold in the Proven category from 9.6 Mt at 1.65 g/t Au, and 574,000 ounces gold in the Probable category from 14.2 Mt at 1.26 g/t Au, for total estimated Reserves of 1,087,000 ounces from 23.8 Mt at 1.42 g/t Au. In addition to the Mara Rosa Project, Amarillo has an advanced exploration project with excellent grades at Lavras do Sul, Brazil. A Mineral Resource Estimate Study (NI 43-101 technical report) for Lavras do Sul was filed on SEDAR on October 4, 2010. The Lavras do Sul Project is an advanced exploration stage property (190 sq. km.) comprising of more than 22 prospects centered on historic gold workings. The initial resource estimate at the Butia prospect reported 215,000 ounces of gold in the Indicated category from 6.4 Mt at 1.05 g/t Au, and 308,000 ounces of gold in the Inferred category from 12.9 Mt at 0.74 g/t Au using a 0.3 g/t cut-off grade. Both projects have excellent nearby infrastructure.

Mike Mutchler, President and Chief Executive Officer of the Company, is a Qualified Person as defined by NI 43-101 guidelines, and has reviewed and approved the scientific and technical disclosure relating to the PFS 2018 in this section of the news release.

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Forward Looking Statements

This news release contains Forward Looking Statements regarding the Company’s current expectations regarding future events, including with respect to the Company’s business, operations and condition, and management’s objectives, strategies, beliefs and intentions. Various factors may prevent or delay our plans, including but not limited to, the trading price of the common shares of the Company, capital market conditions, counterparty risk, TSXV approval(s), contractor availability and performance, weather, access, mineral and gold prices, and success and failure of the exploration and development carried out at various stages of the program. Permission from the Government and community is also required to proceed with future mining production. Readers should review the Company’s ongoing quarterly and annual filings, as well as any other additional documentation comprising the Company’s public disclosure record, for additional information on risks and uncertainties relating to these forward-looking statements. Readers should also review the risk factors applicable to junior mining exploration companies generally to better understand the variety of risks that can affect the Company. The Company undertakes no obligation to update publicly or otherwise revise any Forward Looking Statements whether as a result of new information or future events or otherwise, except as me be required by law.

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