

MEGUMAGOLD COMPLETES GROUND GEOPHYSICS PROGRAM AT TOUQUOY WEST PROPERTY

IP SURVEY CHARGEABILITY ANOMALIES AT TOUQUOY WEST, SPATIALLY ASSOCIATED WITH SOIL GEOCHEMISTRY ANOMALIES, MAY INDICATE THE PRESENCE OF DISSEMINATED SULPHIDE MINERALIZATION

March 2, 2020

Halifax, Nova Scotia - MegumaGold Corp. (CSE: NSAU, OTC: NSAUF, FWB: 2CM2) (“MegumaGold” or the “Company”) is pleased to announce the results of an extensive ground geophysics program on its Touquoy West Property along the Moose River Anticline in Nova Scotia, that included a high resolution, combined ground magnetometer and VLF-EM survey completed in late 2019, and an Induced Polarization (IP) survey completed in February 2020.

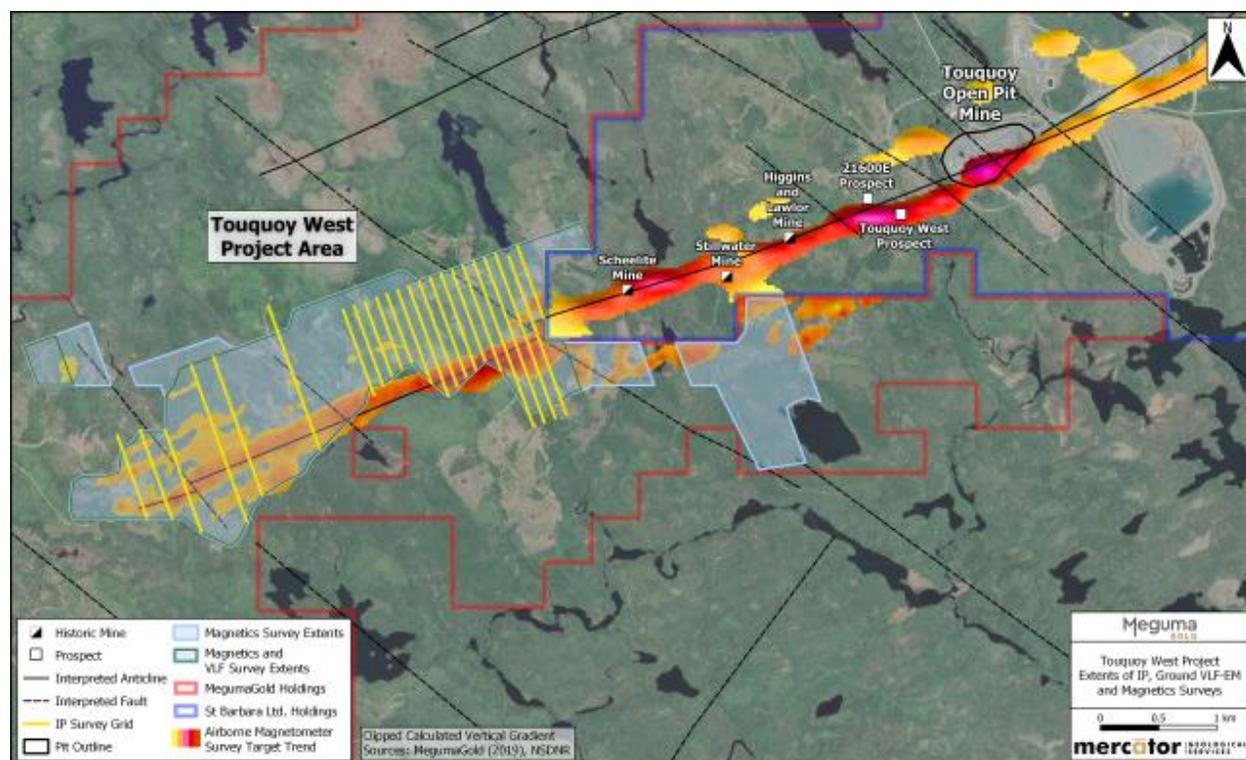
The Company completed approximately 80 line km of high resolution ground magnetometer and VLF-EM surveying over the same area as a soil geochemistry program completed by the Company in early 2019 (Figure 1). Based on the interpreted results of these geophysical surveys and the 2019 soil geochemistry program at Touquoy West (see Company press releases dated January 6, 2020, November 29, 2019, and November 20, 2019), the Company initiated an Induced Polarization (IP) ground geophysical surveying program over grid areas of highest priority. A total of 25.83 line km of IP surveying was completed over coincident soil geochemistry and ground magnetometer/VLF-EM anomalies in mid-February 2020. The purpose of the IP program was to identify areas in which disseminated iron sulphide mineralization is present in association with folded, highly favourable argillite-bearing stratigraphic intervals. Disseminated sulphides in the form of pyrite and pyrrhotite are evident in several prominent Nova Scotia gold deposits such as St Barbara Ltd.’s Touquoy Gold Mine, Fifteen Mile Stream, Cochrane Hill and Beaver Dam deposits, and Anaconda Mining Inc.’s Goldboro deposit.

The Company feels that the IP survey chargeability responses detected at Touquoy West, which are in part spatially associated with existing soil geochemistry anomalies, may indicate the presence of disseminated sulphide mineralization similar in style to that present adjacent to the Touquoy Gold Mine deposit, located a few kilometers to the east along the Moose River Anticline Trend. They therefore constitute high quality targets for a 2020 core drilling program on the property to assess mineralization potential along the trend and at depth.

MegumaGold President Theo Van der Linde stated, *“We are very pleased with the results from our ground geophysics program on the Touquoy West Property, especially the IP survey results, that have been interpreted as indicating presence of disseminated iron sulphide mineralization on the property along the main anticlinal trend that extends continuously northeastward to the Touquoy Mine area. We look forward to using these results plus those of our soil geochemistry program to select our 2020 core drilling targets. The purpose of planned drilling will be to*

confirm the presence of disseminated sulphide mineralization at depth and to assess potential for presence of associated gold mineralization.”

Figure 1: Extents of IP Survey and VLF-EM Surveys



Touquoy West IP Survey Results and Interpretation

Combined IP survey and geological compilation program results indicate that a well-developed chargeability anomaly coincides with the interpreted main anticlinal fold hinge zone trend on the Touquoy West property. This IP anomaly can be traced discontinuously for approximately 3.6 km across the Touquoy West survey grid and coincides with soil geochemistry anomalies at several locations along its length (Figure 2). The anticlinal fold hinge zone trend currently remains open beyond the western grid limit onto exploration licences optioned from Genius Metals Inc.

A second prominent chargeability anomaly occurs approximately 300 metres north of the main trend (Figure 2) and has a strike length of approximately 700 metres. This chargeability anomaly appears to coincide with anomalous 2019 soil geochemistry results and is associated with an interpreted argillite-bearing stratigraphic interval that may indicate a secondary anticlinal fold trend.

A third chargeability anomaly west of the detailed survey block has been tentatively correlated between three survey lines along an 800-metre strike length. This third anomaly parallels the southern margin of a thick unit of interpreted argillite stratigraphy and is supported locally by

anomalous gold and arsenic soil survey values (Figure 2). Several lesser chargeability targets have also been identified (Figure 2).

Resistivity anomalies occur peripherally to all three main chargeability anomaly trends and may mark zones of bedrock silicification associated with mineralization (Figure 3).

Figure 2: IP chargeability survey anomalies with soil geochemistry survey results

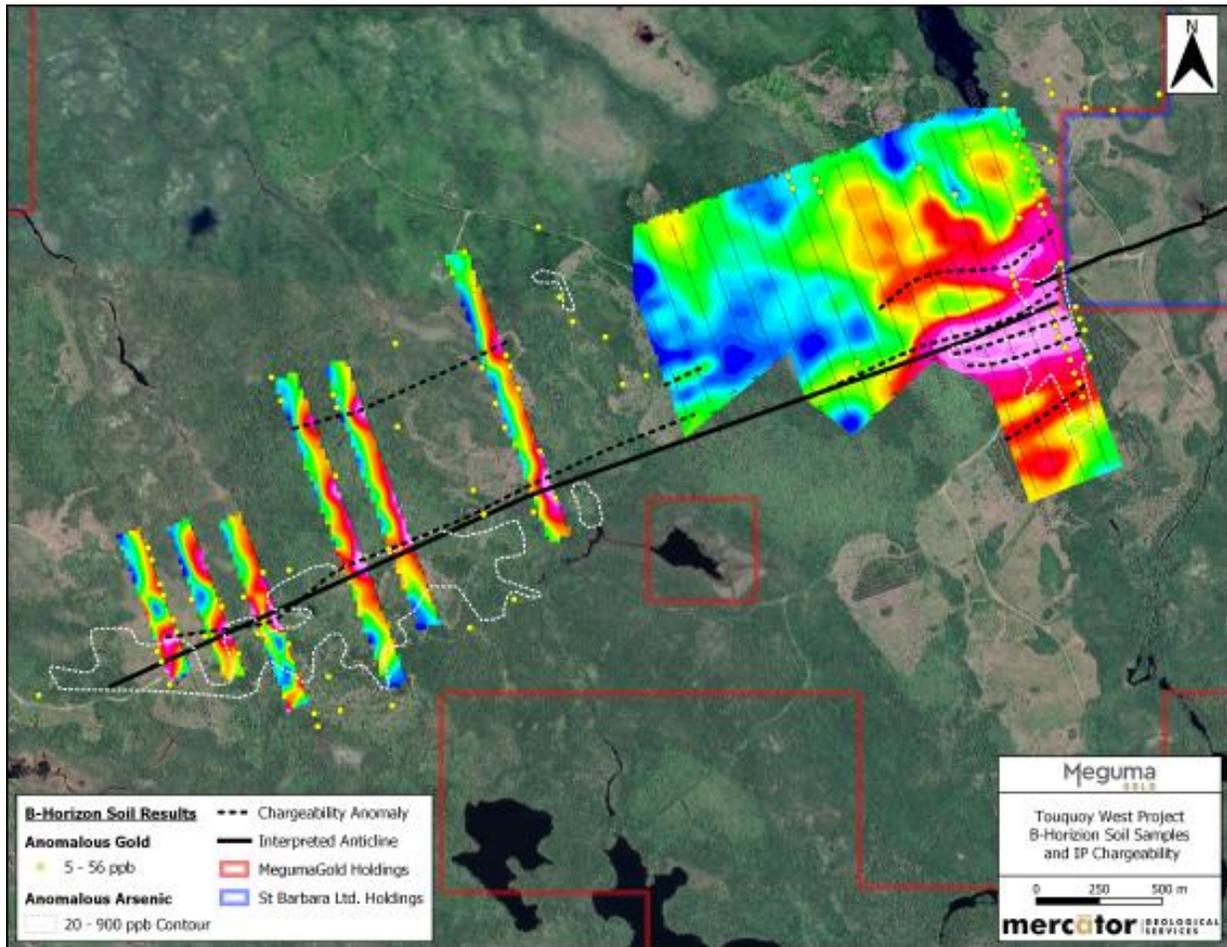
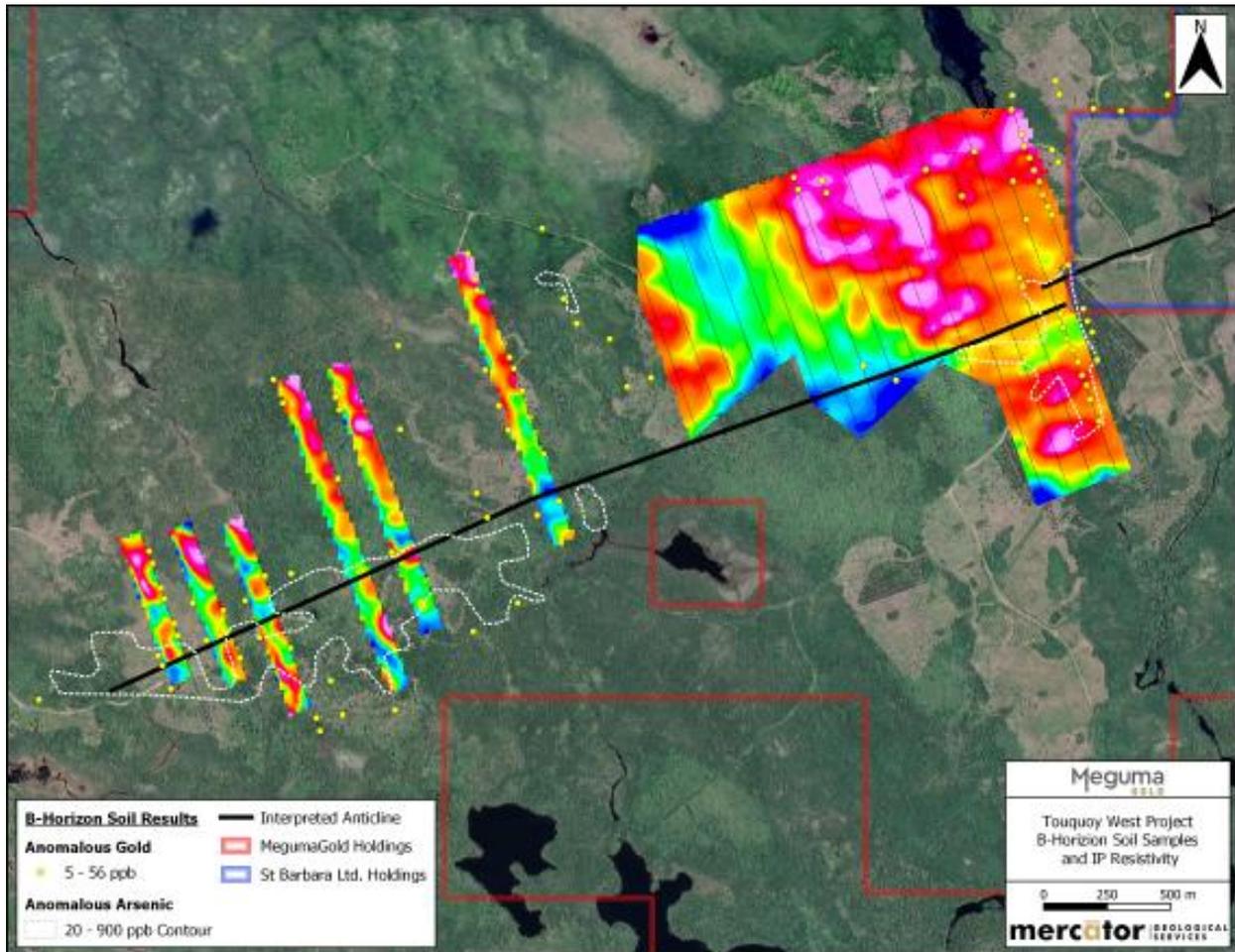


Figure 3: Regional soil geochemistry survey and IP resistivity



The Company considers areas of coincident soil geochemistry, magnetometer, VLF-EM and chargeability anomalism defined to date on the Touquoy West grid as high quality targets for a 2020 core drilling program on the property, with the main anticlinal trend anomaly being highest in priority, followed by the two anomalous trends further north on the grid that parallel the main trend.

Technical Notes

The Induced Polarization (IP) survey was completed by Eastern Geophysics Ltd. of West Pubnico, Nova Scotia between January 13 and February 7, 2020 using a dipole-dipole survey array ($a=25\text{m}$ or $a=50\text{m}$ and $N=6$). IP survey data was processed using inversion methods to produce interpreted sectional and plan presentations of apparent resistivity and chargeability responses. Surveying at 100 metre line spacing was carried out for a distance of 1.7 km westward from the adjacent St Barbara Ltd. claim boundary and broadly spaced lines were surveyed further to the west over discrete soil anomaly areas.

The combined ground magnetometer and VLF-EM surveys were completed by Mercator Geological Services Ltd. field staff between July and November 2019. The surveys were carried out using a GEM system GSM-19 DGPS magnetometer with integrated VLF-EM and GPS capabilities over 100 metre spaced lines that trended north-south across the main structural and stratigraphic trends interpreted from existing regional and/or property scale airborne geophysics surveys. The survey magnetometer measured magnetic field parameters at a frequency of one reading per second and VLF-EM readings were taken at 20 metre intervals. A second GEM system GSM-19 magnetometer serving as a base station was time synchronized with the survey unit to facilitate correction of survey data for effects of diurnal magnetic field fluctuation. The combined magnetometer and VLF-EM survey results were merged with compiled historical survey results from the adjacent St Barbara Ltd. Touquoy gold mine and the resulting dataset was independently processed to maximize definition of stratigraphic trends. These results were then used to interpret strike extensions of the main argillite-bearing stratigraphic intervals and anticlinal fold structures that host gold mineralization on the adjacent Touquoy gold deposit onto the Company's Touquoy West property (Figures 4 and 5). The VLF-EM results define a conductivity trend coincident with the faulted axial zone of the main gold-focusing anticlinal fold in this gold district (Figure 6). This is interpreted to represent the presence of sheared argillite in the hinge zone of the anticline and can be traced southwestward from the Touquoy gold mine area for at least 6 km to the western boundary of MegumaGold's Touquoy West survey grid, where it remains open. This VLF-EM anomaly is also coincident with a series of magnetometer survey anomalies that are interpreted as marking favourable bedrock argillite units that extend onto the MegumaGold property from the adjacent Touquoy deposit.

Figure 4: Compiled ground magnetic survey

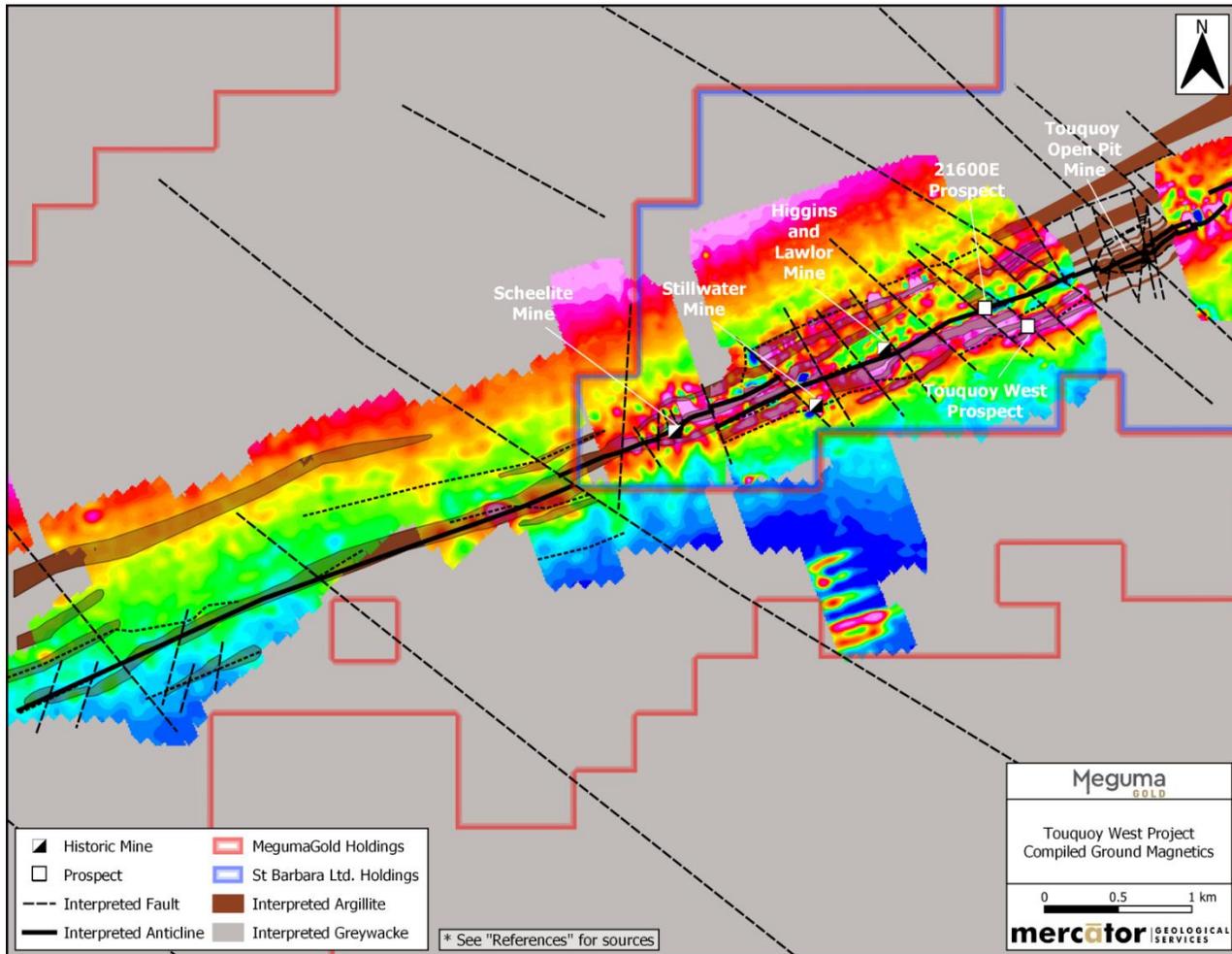


Figure 5: Interpreted geology from ground geophysics surveys

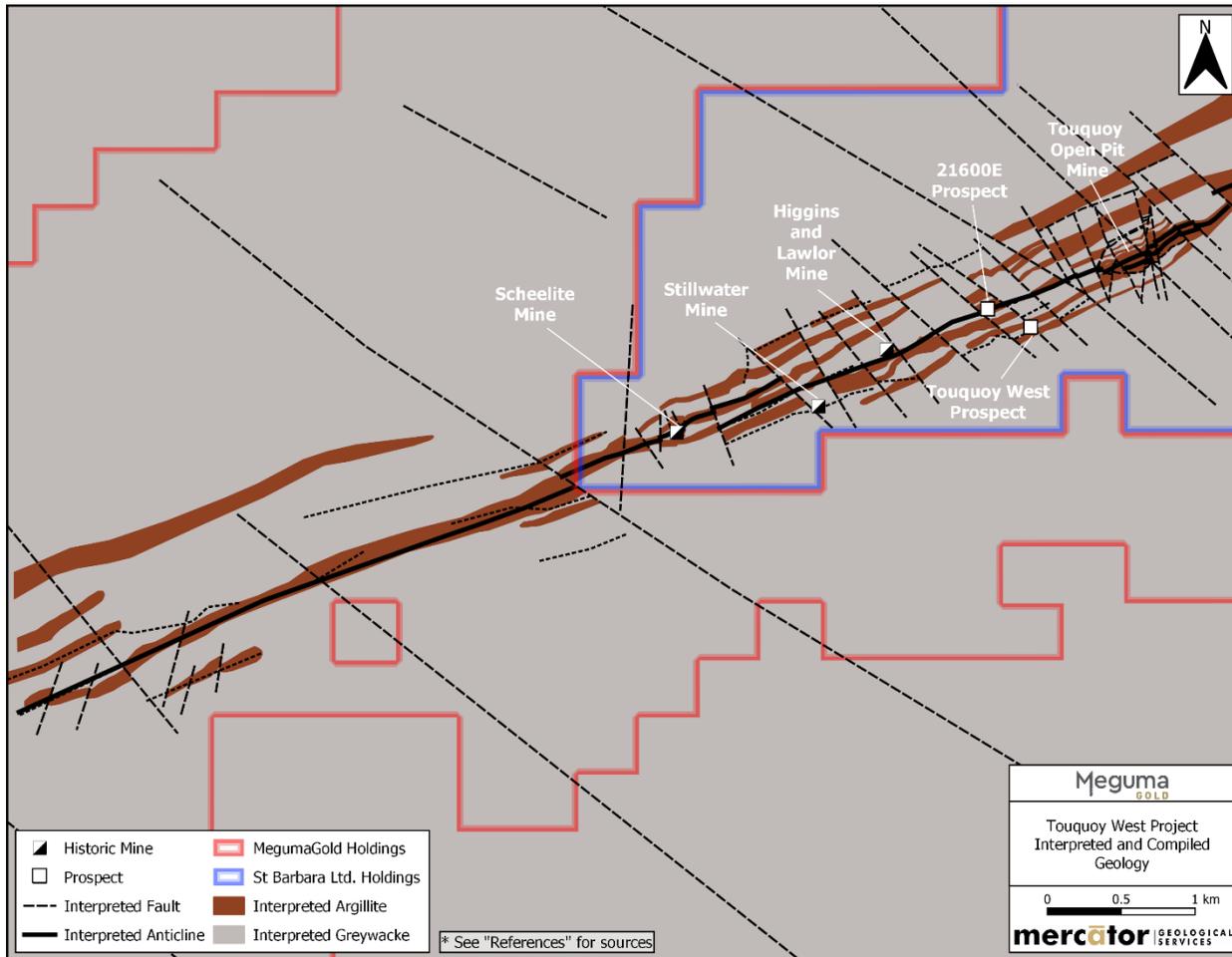
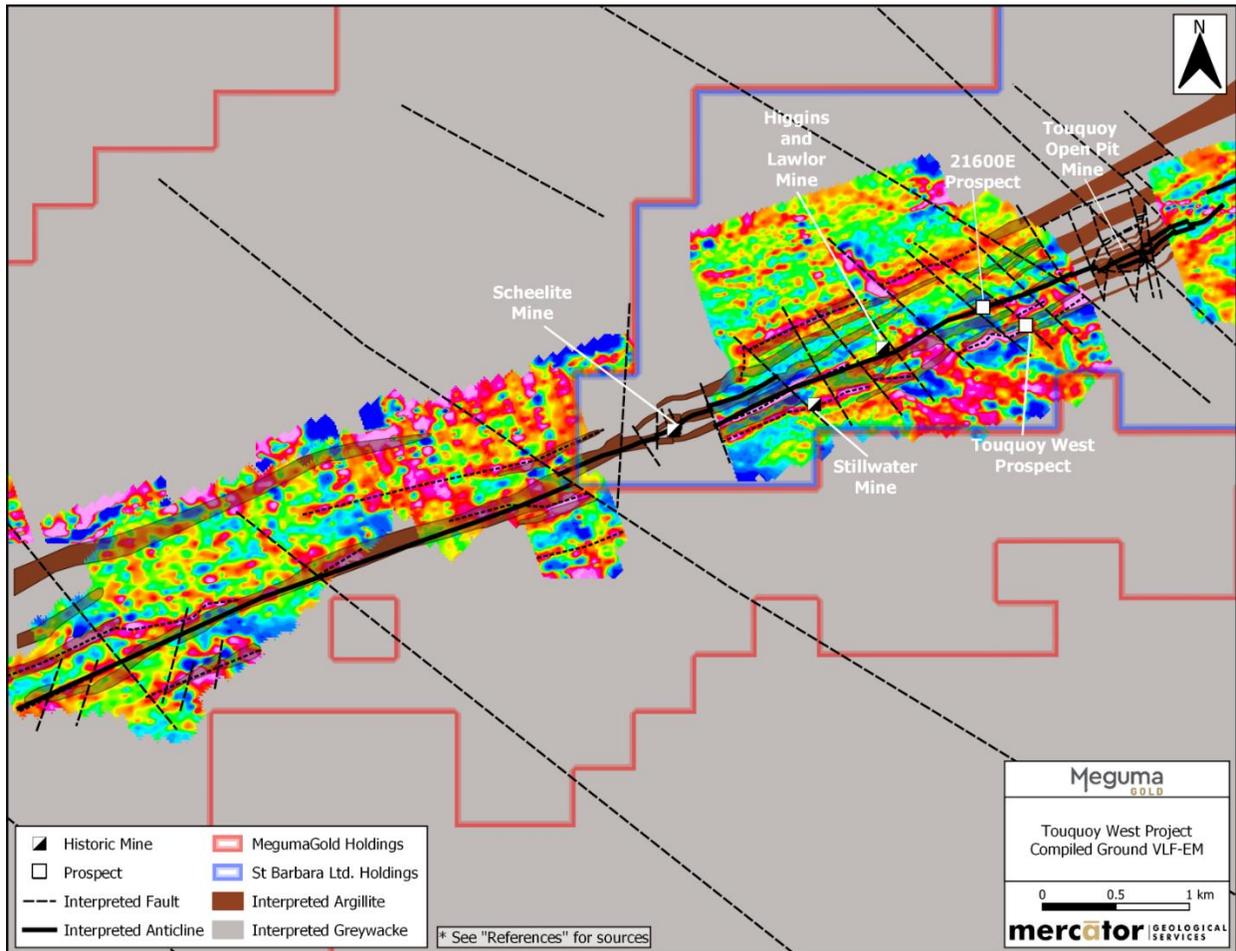


Figure 6: Compiled ground VLF-EM survey results



Qualified Person Statement

This press release has been reviewed and approved by Regan Isenor, Chief Executive Officer of MegumaGold Corp.; and Paul Ténrière, M.Sc., P.Geo. of Mercator Geological Services Ltd., an "Independent Qualified Person" as defined under NI 43-101, has prepared and approved the scientific and technical information disclosed in this press release.

References

D.D.V. Gold Ltd., 2015: Report NS AR ME 1020870; NS Department of Mines and Energy Assessment Report by Mercator Geological Services Ltd.

Seabright Explorations Inc., 1986: Report NS AR ME 1986-131; NS Department of Mines and Energy Assessment Report by MPH Consulting Ltd.

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About MegumaGold Corp.

MegumaGold is a Canadian junior gold exploration company engaged in the business of acquiring, exploring and developing natural resource properties. Since 2018 the Company has centered its exploration focus on the developing Meguma Supergroup gold play of Nova Scotia. As a result, the Company has assembled a strategically-positioned land position of 107,114 hectares within this promising geological domain.

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