

MegumaGold: Phase 1 RC Drilling Program Update

Halifax, N.S., December 18, 2018 – MegumaGold Corp. (“MegumaGold” or the “Company”) is pleased to provide an update on its recently commenced 20,000m Reverse Circulation drilling program, testing various high priority targets within its massive 179,289 hectare land package located in the emerging Nova Scotia gold camp.

MegumaGold Claim License Areas

http://megumagold.com/wp-content/uploads/2018/08/Eastern-Shore-Recently-Staked-no-Fault_V2.png

28 holes averaging 75m per hole have been completed to date

The Company intends to confirm the presence of gold mineralization on at least 10 of its priority targets. With almost 2,500 meters approaching since commencement of the drilling on November 19, 2018, the Company is well under way in highlighting promising and critical mass anomalies across its great land package. The drilling program was designed to test high priority targets on underexplored ground identified by an aggressive pre-drilling target delineation program which took place over the preceding 9 months.

Drilling was initiated at Moser Lake which is a high priority target outlined by a mag signature, that the company feels is the eastern extension of the anticline hosting Atlantic Gold Corporation’s (“Atlantic Gold”) (TSX.V - AGB) 15 Mile Stream project.

All holes will be sampled top to bottom and assayed in 3m intervals.

Moser Lake- 13 holes completed- Located in Central Nova Scotia approximately 160 km north east of Halifax in the heart of the historic Meguma Gold formation. The Moser Lake target is on anticlinal strike of Atlantic Gold’s expanding 15 Mile Stream deposit, which contains Measured and Indicated Resources of 10.58 Mt at an average grade of 1.33 g/t Au, and 6.64 Mt of material at 1.12 g/t Au in the Inferred category with a 2.2:1 strip ratio.(<http://www.atlanticgoldcorporation.com>)

In recent months Atlantic Gold has reported continued success of their “Phase 4 Corridor Regional Program” designed to evaluate the underexplored prospective 45km trend which hosts the Touqouy, Beaver Dam and Fifteen Mile Stream gold deposits. The first target tested in this regional program known as 149 East yielded results highlighted by 15m @1.28g/t Au from 5m, 16m @ 1.38g/t Au from 30m and 17m @1.13g/t Au from 152m (See Atlantic Gold’s Press release dated September 19, 2018). The 149 East results suggest a mineralization style similar to the main zone in Fifteen Mile Stream extends along anticlinal strike to the east and in proximity to MegumaGold’s Moser Lake target.

The targeting map illustrating the holes at Moser and recent Atlantic Gold Drilling at 149 East can be seen here: <https://megumagold.com/wp-content/uploads/2018/12/Fifteen-Mile-Stream.png>

Ragged Falls- 15 holes completed- Located approximately 125 km to the north east of Halifax. Ragged Falls is positioned 6 km south east of the 15 Mile Stream deposit and roughly 6 km west and on anticlinal strike of Atlantic Golds Beaver Dam deposit. Beaver Dam has Measured and Indicated Resources of 9.27 Mt at an average grade of 1.43 g/t Au and 1.84 Mt of Inferred Resources at 1.37 g/t Au (NI 43- 101 Resource Estimate - Atlantic Gold, 2018).

The Ragged Falls targets are characterized by both prospective geophysical signatures and the “Touqouy Style” mineral alteration in outcrop samples.

The targeting maps illustrating hole locations at Ragged falls can be seen here:

<https://megumagold.com/wp-content/uploads/2018/12/Target-Area-Ragged-Falls.png>

Theo van der Linde, the President of MegumaGold Corp. stated “Over the past 9 months we have conducted a robust exploration program on a massive, vastly under-explored land package in an effort to delineate targets along anticlinal structures and expedite the process of drilling for and discovering disseminated gold in an area that seems to be in the early stages of emerging as a world class gold camp. We view this exploration program as a facsimile to what is currently being conducted in parallel by Atlantic Gold. Atlantic Gold’s successful regional exploration drilling assists in developing our understanding of the very real potential for mineral continuity along the massive anticline structures which host large and growing larger disseminated style gold deposits.

Exploration Model

In August, the Company completed one of the largest airborne geophysical programs in Nova Scotia’s recent exploration history; a 12,342-kilometer helicopter-borne magnetic and radiometric geophysical survey over 49 survey blocks along 2 km flight lines at a line spacing of 100 m, and at an altitude of approximately 40 m above the ground surface. In addition, the Company completed the relogging of 11 historical drill holes from known disseminated gold deposits in the area and collected over 1404 outcrop samples. All samples collected to date have been analyzed by XRF and select samples have been analyzed by multi element ICP-MS and for gold.

As a result of its efforts, the Company has now developed a unique prospectivity model for identification of gold deposition environments within its district-scale land holdings. MegumaGold believes this data analysis compilation and the resulting exploration model are significant corporate achievements and will substantially augment and expedite its ability to target prospective areas.

This news release has been reviewed and approved by Fred Tejada, P.Geo., who is a Qualified Person as defined by National Instrument 43-101.

About MegumaGold Corp.

MegumaGold is a Canadian junior gold exploration company engaged in the business of acquiring, exploring and developing natural resource properties. During 2018, the Company has centered its exploration focus on the developing Meguma formation of Nova Scotia. As a result, the Company has assembled a 100%-owned, strategically-positioned tenure position of 179,289 hectares within the Meguma Gold District.

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Forward-Looking Statements

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