



To the shareholders of HighGold Mining,

We would like to wish you all a Happy New Year and thank you for the support and trust you have given us since we launched HighGold in September of 2019. In that time, HighGold has successfully and significantly advanced the projects in both Alaska and Ontario, and we have recently brought our Yukon properties to the forefront in light of their proximity and similarity to a prominent new Canadian discovery.

With a resource that now exceeds 1 Moz at 9.4 g/t AuEq (Gold Equivalent\*) and a significant new satellite discovery at the Ellis Zone, the Johnson Tract Project in Alaska is on a very positive trajectory. As the project has evolved so have our exploration plans, which have pivoted to a dual-focus approach for building value. HighGold has initiated engineering, technical studies and permitting in support of advanced exploration and evaluation, while continuing to execute aggressive drill programs with the goal of defining a multi-million-ounce resource base.

Concurrent with the evolution of Johnson Tract, HighGold is conducting a strategic review of its Ontario and Yukon assets with the objective of realizing greater value for shareholders. The Company anticipates updating shareholders on the outcome in the first quarter of this year, pending completion of the review.

### **Well financed for 2023**

HighGold went into 2023 with C\$8 million in the treasury, sufficient for us to continue to advance our projects and give us the runway to wait for more favourable market conditions to raise additional funds. We have proven to be good stewards of shareholders' funds to this point, and we will continue to make this a priority.

### **Key Achievements for 2022**

We are proud of what we were able to achieve in 2022 for both the Alaska and the Timmins properties.

In Alaska, we were able to:

- Expand the JT deposit – new mineral resource estimate ([news release](#)) released in July 2022 increased the gold equivalent ounces by 40% highlighted by:
  - Peer leading thickness with an average true width of 40 meters, 10 times the typical width of high-grade underground gold deposits
  - Ideal geometry for low-cost methods of underground mining
  - High confidence resource with 91% of the total AuEq ounces in the Indicated Category
- Complete a metallurgical test program that confirmed excellent metal recoveries to high-quality concentrate products, providing critical data for future economic studies
- Confirm the Ellis Zone of the Difficult Creek prospect as a bonanza grade discovery with great potential to become a second mineral deposit on the Johnson Tract property

- Achieve a ranking on the coveted Australian Opax list of the Global Top 10 Best Drill Holes of 2022, as we have in two of the past three years
- Initiate engineering, environmental and technical studies to support future permitting and economic analysis
- Work closely with our Alaska Native Corporation partner, CIRI (Cook Inlet Region Inc) in developing a strategy to successfully and efficiently advance Johnson Tract for the mutual economic benefit of both HighGold and CIRI's Alaska Native shareholders.

In Timmins, we were able to:

- Continue to consolidate the land position in this area of prime exploration real estate & multi million-ounce neighbours and be the first exploration activity in 90 years for most of the consolidated property
- Identify the NEW Argus Zone at the Croesus property with drill results of 136m @ 0.54 g/t Au, signifying similar mineralization to that of our property neighbours, Mayfair Gold and Moneta Gold

In addition to Alaska and Ontario, HighGold brought to the forefront our drill-ready, 100%-owned Yukon properties that have been part of the portfolio since inception. One of the most significant discoveries in Canada in 2022 made by Snowline Gold Inc. in the southeast Yukon shone new light and illustrated new thinking on this highly prospective area. HighGold's properties, King Tut, RGS, Canol and Stan, sit in very close proximity to the Snowline Rouge Valley Discovery, with large scale undrilled gold-in-soil anomalies in a comparable setting to Snowline's discovery. This group of properties will influence our plans for 2023.

### **Market Conditions**

We don't need to tell shareholders that 2022 had its market challenges. Resource funds experienced significant redemptions causing them to sell off entire positions to generate cash to flow back to their own investors and share prices were beaten down across the entire mining sector. We suffered a major share price drop despite good results, good news and a decent gold price. We believe the fundamentals are highly constructive for precious and base metal prices (and markets) as we enter 2023 and expect to see more money flow into the sector. We also anticipate increased participation by the major mining companies in the exploration sector to move more projects toward development to replace dwindling mineral resources the majors are experiencing.

### **HighGold Plans for 2023**

HighGold's management team and board believe 2023 is the year to make significant moves forward – time to game up and move to the next stage. We will continue to increase the value of the JT deposit and conduct expansion drilling at the Ellis Zone with the objective of generating an initial resource estimate for the new discovery. We will approach new targets at the Johnson Tract property with the intent of making more discoveries like the Ellis Zone. We will also advance the elements that will facilitate eventual mining at the JT deposit – an expanded airstrip to accommodate aircraft that can carry large equipment, underground access to the base of the current JT deposit to both expand and upgrade the resource, and a road to a barge landing at the coast. These elements will be completed in

steps. Step one is obtaining permits for the airstrip and portal site access road located on the Johnson Tract property, which are anticipated in late 2023 followed by construction in 2024. Additional data collected in 2023 will support permitting and design of an underground exploration ramp, with permit submission potentially as early as year end.

On the corporate side, we have recognized that the Company's Yukon and Ontario assets have struggled for market recognition behind HighGold's flagship Johnson Tract project, and consequently represent a small fraction of HighGold's valuation. This has precipitated a strategic review in attempt to better realize value for these high-quality assets.

Thank you again for your support. Please feel free to contact us via phone or email when you would like an update or an explanation on any part of a press release. HighGold's fundamentals are strong, we have a track record of success and our team remains committed to creating value for you.

Sincerely,

*Darwin Green*

President & CEO  
HighGold Mining Inc.

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*\*The JT Deposit hosts an Indicated Resource of 3.489 Mt grading 9.39 g/t gold equivalent ("AuEq") comprised of 5.33 g/t Au, 6.0 g/t Ag, 0.56% Cu, 0.67% Pb and 5.21% Zn. The Inferred Resource of 0.706 Mt grading 4.76 g/t AuEq is comprised of 1.36 g/t Au, 9.1 g/t Ag, 0.59% Cu, 0.30% Pb, and 4.18% Zn. For additional details see NI 43-101 Technical Report titled "Updated Mineral Resource Estimate and NI 43-101 Technical Report for the Johnson Tract Project, Alaska," dated August 25, 2022 (effective date of July 12, 2022) authored by Ray C. Brown, James N. Gray, P.Geol. and Lyn Jones, P.Eng. Gold Equivalent ("AuEq") is based on assumed metal prices and payable metal recoveries of 97% for Au, 85% for Ag, 85% Cu, 72% Pb and 92% Zn from metallurgical testwork completed in 2022. Assumed metal prices for the Resource are US\$1650/oz for gold (Au), US\$20/oz for silver (Ag), US\$3.50/lb for copper (Cu), US\$1.00/lb for lead (Pb), and US\$1.50/lb for zinc (Zn).*

*This letter includes certain "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. There can be no assurance that forward-looking statements will prove to be accurate and accordingly readers are cautioned not to place undue reliance on forward-looking statements. For more information on forward looking statements please refer to the Company's website.*