



GT Gold Sets Record Straight on Misleading Statements by Dissidents

VANCOUVER, British Columbia, January 29, 2021 (GLOBE NEWSWIRE) -- **GT Gold Corp.** (TSX-V:GTT; OTCQX:GTGDF) (the “**Company**” or “**GT Gold**”) today set the record straight on misleading statements by The K2 Principal Fund L.P. (“**K2**”) and Muddy Waters Capital LLC (“**Muddy Waters**”) (collectively, the “**Dissidents**”) that materially misrepresent GT Gold’s recent financing (the “**Financing**”) and the Board representation discussions.

Muddy Waters’ Unacceptable Financing Initiative

GT Gold’s Board of Directors unanimously rejected the financing proposed by Muddy Waters because it was not in the best interests of the Company. The Dissidents omitted the following key facts:

- It was at K2’s request that GT Gold became involved in discussions with Muddy Waters. A draft “indicative” proposal, submitted by Muddy Waters on behalf of itself and unidentified related parties, would have made Muddy Waters and those unidentified parties a new control block shareholder. Moreover, the proposal contained highly unusual and restrictive off-market rights. The price, which was at market and not at a premium, was inadequate given the nature of the terms sought. In addition, the Board had concerns about making Muddy Waters a significant shareholder, given Muddy Waters’ reputation as an activist short seller, rather than as a supportive long-term investor.
- The Board pursued a less dilutive financing with existing shareholders, creating no new control block and with the issuance of fewer shares than Muddy Waters’ indicative proposal. Muddy Waters was given the opportunity to participate. However, after initially accepting to participate, Muddy Waters backed away.
- Instead, Muddy Waters submitted a variant of its original indicative proposal, which the Board had already rejected and which created the same issue of a new control block shareholder. By that point, beyond the reasons noted above, GT Gold had significantly advanced the Financing with other large existing shareholders. The Board unanimously determined, after consulting with outside advisors, to continue with the Financing as it was well advanced, had received good-faith commitments from third party investors and was in the best interest of the Company.

GT Gold’s Bona Fide Offer to K2 for Board Representation

The Board made a bona fide offer last year to appoint a K2 representative as a GT Gold director, an offer which K2 accepted but ultimately decided not to take up. K2 omitted the following key facts:

- Subsequent to its initial acceptance of a Board seat, K2 demanded that its representative must be guaranteed a seat on any Special Committee of the GT Gold Board formed to look at possible M&A transactions, should they ever arise.
- No GT Gold director has such a right and the Board unanimously determined, having consulted on the matter with its external advisors, that this right would not reflect best governance practices. GT Gold therefore offered the Board seat without this inappropriate and atypical right. K2 rejected the offer.
- During the discussions about a prospective board seat, the Board granted K2 temporary observer status for Board meetings as a precursor to the anticipated appointment of a K2 representative to the Board. A K2 representative attended part of one Board meeting and all of two others before requesting, on November 19, 2020, to not be exposed to any material non-public information that might restrict K2 from trading. The Board honoured that request.

GT Gold has consistently outperformed its peers, delivering cumulative four-year shareholder returns in excess of 600%. The Company has a strong, majority independent Board with the appropriate mix of skills and experience to guide the execution of its strategy and remains focused on the overriding objective of maximizing value for all shareholders.

Detailed Information to Come in Management Information Circular

As previously disclosed, GT Gold has scheduled a meeting of shareholders for April 13, 2021 in response to a requisition from K2. Shareholders will receive detailed information about the requisitioned meeting by way of a Management Information Circular in advance of the requisitioned meeting. Shareholders should read the circular carefully before reaching a decision with regard to their votes. In the meantime, there is no need for shareholders to take any action.

The Company has published a new Proxy Contest website page to keep shareholders up to date on news and other information related to the requisitioned meeting. For information on GT Gold's current governance practices, guiding documents, directors' biographies and the full independence of Board committees, shareholders are also invited to visit the "Corporate" section of the Company's website at www.gtgoldcorp.ca.

About GT Gold

GT Gold is engaged in advancing its wholly-owned, 47,500 hectare Tatogga property, located in the renowned "Golden Triangle" near Iskut, British Columbia. To date, GT Gold has made two significant discoveries on the Tatogga property, "Saddle South", a precious metal rich vein system and "Saddle North", a gold-rich copper porphyry system. At Saddle North, the Company is currently working to complete a Preliminary Economic Assessment following the July 2020 release of its maiden mineral resource estimate comprising an Indicated resource of 1.81 Blb copper and 3.47 Moz gold and an Inferred resource of 2.98 Blb copper and 5.46 Moz gold.

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