



New Jersey Mining Company Provides 2019 Operating and Financial Results – and some thoughts

COEUR D'ALENE, Idaho, March 23, 2020 (GLOBE NEWSWIRE) -- New Jersey Mining Company (CSE/OTCQB: NJMC) (“NJMC” or the “Company”) today announced its consolidated operating and financial results for the year ending December 31, 2019.

NJMC CEO and President, John Swallow stated, “As I prepare the quotational part of this press release I can’t help but think just how different the global backdrop is today as opposed to a short time ago. We first became aware of the coronavirus while at the VRIC in January, so we kept our distance, Rob brought hand sanitizer for the table and we washed our hands often. And while we had a heightened sense of awareness, the virus had not (officially) landed on our shores. Now, as the world has transformed to a more healthcare wartime footing, NJMC has done its part for stakeholders and the community – while responsibly holding its place on the front lines. We are pleased to see the guns now pointed outward as opposed to what had become a sad commentary on our society.”

Operational Highlights include the following:

- For the year ending December 31, 2019 a record 52,170 dry metric tonnes (dmt) were processed at the Company’s New Jersey Mill with an average gold head grade of 3.46 grams per tonne gold (gpt).
- NJMC produced a record total of 5,060 ounces of gold contained in concentrates.
- Mined 41,385 tonnes of ore from the open pit at an average grade of 2.86 gpt gold with an average stripping ratio of 4.4 and average daily mining rate of 1,200 tonnes per day (tpd).
- Mined and stockpiled 31,870 tonnes of lower grade material from the pit leaving a total of 89,575 tonnes at a gold grade of 1.09 gpt in stockpile at year end for a potential heap leach operation.
- Mined 10,790 tonnes of ore from the underground mine at an average grade of 5.79 gpt gold, placed 1,583 cubic meters of cemented rockfill (CRF) and completed 43 meters of development required for the access of new stopes.
- A new 20-metric tonne underground haul truck was acquired which increased the backfilling rate by 50%, thereby increasing the monthly ore production for the underground mine. A new 2.0 cubic meter LHD was also acquired which significantly increased the mechanical availability of the mining fleet.
- Completed engineering studies that showed an expansion of the current pit (Idaho Pit) to the north and the development of satellite pit (Klondike Pit) to the north are feasible to mine at current gold prices. A permit application for the expansion was submitted to the State of Idaho in January 2020.

Mr. Swallow continued, “One of the (many-faceted) goals for the year was to “get better at what we already do”. And I am proud to say that our record setting operational results are a good representation of our team’s continued improvement and the type of hard work we are known for. We possess more hands-on knowledge of the Murray Gold Belt than anyone alive and anticipate continued to growth in our asset base and overall business. The many benefits of our ‘local’ approach to business has proven its relevance yet again.”

Corporate Highlights include the following:

- The Company achieved revenues from gold concentrate sales of \$6,119,512 for the year ending December 31, 2019, compared to 2018 revenues of \$3,629,837. The increase in revenues for 2019 is the result of an increase in tonnage and higher-grade mineralized material being mined in 2019 as the open pit progressed and underground production became more consistent.
- Gross profit in 2019 was \$738,548 compared to a gross loss of \$726,881 in 2018 due to the increase in production and higher grades.
- The Company recorded a total consolidated net loss for 2019 of \$726,507, which included non-cash charges of \$1,112,434 as follows: depreciation and amortization of \$580,005, accretion of asset retirement obligation of \$9,077, stock-based compensation of \$190,019 and loss on abandonment of mineral property of \$333,333.
- Overall cash costs per ounce decreased to \$940 per ounce for the year ending December 31, 2019 compared to \$1,185 for the same period in 2018. Likewise, the all-in sustaining costs decreased to \$1,075 for the year ending December 31, 2019 and \$1,579 for the same period in 2018.
- Subsequent to December 31, 2019, on February 18, 2020, the Company acquired a strategic land package of approximately 368 acres of patented mining claims having both surface and mineral rights, and situated one mile (1.6 kilometers) west of its Golden Chest Mine, which may contain terrain suitable for future tailings impoundment and/or a new mill for the Golden Chest Mine or other infrastructure related to mineral processing in the Murray area.

Mr. Swallow concluded, “We really turned the corner in 2019 and in my opinion the degree of improvement in revenue and gross profit was very impressive (as reflected above). In addition to the stated items, and as also reflected in our Form 10-K filed with the SEC, cash flow from operations went from a negative \$1,415,135 in 2018 to a positive \$206,407 in 2019. Another financial metric that I feel demonstrates the direction of our business.

In regard to metrics, I have often noted (to myself) that many did not fully appreciate behavioral metrics and/or how certain tendencies can impact operations and/or investments in times of crisis. We have not discussed this topic more directly as it seemed most ‘pre-virus’ investors did not place value (or take time to understand how to value) the intangibles. New Jersey is part of an evolving ecosystem many years in the making. At the core of our approach is building a culture that places value on those that ‘reach for a lifeboat’ versus those that ‘reach for a life jacket’ in times such as these. I believe ‘post-virus’ investors will have to adjust and learn how to recognize certain metrics that are not accompanied by an 8-k or contained in other official filings.”

Qualified person

NJMC's Vice President of Exploration, Robert John Morgan, PG, PLS is a qualified person as such term is defined in National Instrument 43-101 and has reviewed and approved the technical information and data included in this press release.

No PEA, PF or FS has been completed to verify the economic viability or technical feasibility regarding any new construction of future tailings impoundment, a new mill or other infrastructure related to mineral processing in the Murray area.

About New Jersey Mining Company

New Jersey Mining Company is headquartered in North Idaho, where it is producing gold at its Golden Chest Mine. Gold was first discovered in the Coeur d'Alene District within the Murray Gold Belt in 1879, but by 1888 mining declined as the center of activity and demand for labor shifted to the Silver Valley following the discovery of the Bunker Hill, Sunshine, Lucky Friday, and other iconic regional mines. The rebirth of the long-forgotten Murray Gold Belt has been led by NJMC, as evidenced by production from open-pit and underground operations at the Golden Chest Mine, its extensive land package and superior knowledge of the district gained from current development and production, and ongoing exploration activities.

NJMC has established a high-quality, early to advanced-stage asset base in three historic mining districts of Idaho and Montana, which includes the currently producing Golden Chest Mine. The Company's objective is to use its considerable in-house skill sets to build a portfolio of mining and milling operations, with a longer-term vision of becoming a mid-tier producer. Management is shareholder focused and owns more than 15-percent of NJMC stock.

The Company's common stock trades on the OTC-QB Market under the symbol "NJMC."

For more information on New Jersey Mining Company go to www.newjerseymining.com or call:

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Forward Looking Statements

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended that are intended to be covered by the safe harbor created by such sections. Such statements are based on good faith assumptions that New Jersey Mining Company believes are reasonable, but which are subject to a wide range of uncertainties and business risks that could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such factors include, among others, the Company's ability to increase production and revenues, the risk that the mine plan changes due to rising costs or other operational details, an increased risk associated with production activities occurring without completion of a feasibility study of mineral reserves demonstrating economic and technical viability, the risks and hazards inherent in the mining business (including risks inherent in

developing mining projects, environmental hazards, industrial accidents, weather or geologically related conditions), changes in the market prices of gold and silver and the potential impact on revenues from changes in the market price of gold and cash costs, a sustained lower price environment, potential delays in concentrate shipments due to corona virus as well as other uncertainties and risk factors. Actual results, developments and timetables could vary significantly from the estimates presented. Readers are cautioned not to put undue reliance on forward-looking statements. NJMC disclaims any intent or obligation to update publicly such forward-looking statements, whether as a result of new information, future events or otherwise