



(CSE: TRG)

FOR IMMEDIATE RELEASE

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## TARACHI STARTS SECOND DIAMOND DRILLING PROGRAM AT THE LA COLORADA BRECCIA PIPE ON ITS JAVIER CONCESSION IN SONORA, MEXICO

Vancouver, British Columbia (June 16, 2021) – Tarachi Gold Corp. (CSE: TRG) (OTCQB: TRGGF) (Frankfurt: 4RZ) (“Tarachi” or the “Company”) is pleased to announce that diamond drilling has now commenced on the San Javier Concession targeting the La Colorada gold bearing breccia pipe discovered by Tarachi in the November and December 2020 drilling program. The purpose of this summer’s four-hole, diamond drilling program is to follow up on the positive results from 2020 by drill testing the breccia pipe down-dip from last year’s high-grade intercepts.

Announced on February 16, 2021, the Company had completed nine diamond drill holes on the San Javier Concession for a total of 1066.30 metres. The 2020 Tarachi drilling discovered significant gold concentrations in holes SJA-20-005/006 which returned values of **11.9 g/t Au over 2.0m** and **5.39 g/t Au over 5.6m** respectively. In both intercepts the gold mineralization was situated within a large breccia pipe feature containing over 20 percent sulphides, mainly coarse-grained pyrite with minor quartz veining/veinlets. Tarachi geologists determined last year’s program to have discovered the upper portion of an intrusion hosted, breccia pipe where shingle breccias occur and typically are the lower gold grade portion of the pipe.

Tarachi, VP Exploration and Director, Lorne Warner commented: *“Originally the November to December 2020 diamond drilling at the San Javier Concession focused on areas with known gold mineralization from historic drilling programs. The gold mineralization was previously thought to be concentrated along a low angle, west dipping shear zone within mainly monzo-diorites, however, we discovered the gold mineralization is situated within a large intrusion hosted, breccia pipe.*

*Further studies have found our property to be centred along a north-east trend of breccia pipes as shown in Figure # 1, several of which were previously mined for gold and silver by open pit and underground mining methods.”*

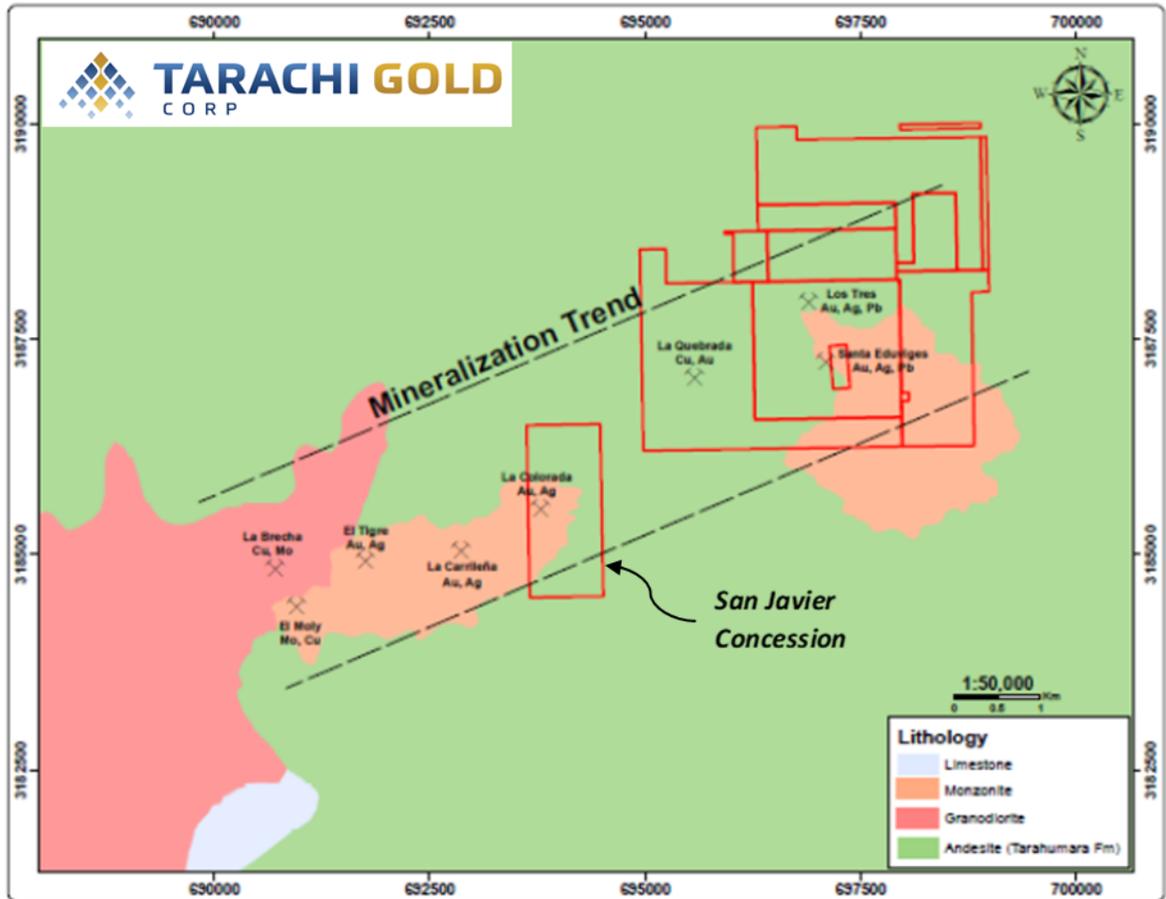


Figure 1 - San Javier Mineralized Trend

### San Javier Trend:

- The El Tigre and La Carrileña are both gold/silver bearing breccia pipes hosted within the same monzonite body as Tarachi's La Colorada and carried gold grades of 5 to 10 g/t where the finer grained, fracture-controlled pyrites occurred.
- These gold/silver deposits all occur within 2-3 kilometres of each other along a north-east trend.
- The three gold/silver deposits contain coarse grained, subhedral-euhedral pyrite shingle breccias that occur above the main gold zones.
- Two copper/molybdenum breccia pipes also occur along the north-east trend, hosted in granodiorites.

## **Quality Assurance/Quality Control**

Core samples will be selected by a geologist and sawed in half. One half of the core remains in the core tray the other half is placed into a plastic bag. Sample tags will be submitted into each bag before being sealed and stored at the campsite in a secure area and were later transported by company truck directly to the Bureau Veritas Mineral Laboratories (BVM) in Hermosillo, Sonora, Mexico. At the laboratory, the samples were dried, crushed and pulverized with the pulps being sent airfreight for analysis to BVM in Vancouver, B.C. for 37-element ICP analysis after modified aqua regia digestion. Gold assays are done in Hermosillo by 50-gram fire assay with an atomic absorption spectroscopy finish.

Samples will be checked using a 50-gram fire assay with a gravimetric finish for samples greater than 10ppm Au and 1Kg metallic fire assay with duplicate minus fraction analyzed. Both Hermosillo and Vancouver BVM facilities are ISO 9001 and ISO/IEC 17025 accredited. Laboratory control samples comprising certified reference samples, duplicates and blank samples were inserted by the laboratory into the sample stream and analyzed as part of the quality assurance/quality control protocol.

## **About Tarachi Gold**

Tarachi Gold is a Canadian-listed junior gold exploration company focused on exploring and developing projects in Mexico. The Company's Tarachi project covers 3,708ha of highly prospective mineral concessions in the Sierra Madre gold belt of Sonora, Mexico in close proximity to Alamos Gold's Mulatos mine and Agnico Eagle's La India mine. Tarachi has also acquired the Magistral Mill and tailings project in Durango, Mexico. Magistral includes a 1,000 tpd mill and access to a tailings resource (non-compliant with NI 43-101) estimated to contain 1.3Mt at 2.05g/t Au which the Company expects to bring into production in 2022.

## **Qualified Person**

Lorne Warner, P.Geo, VP Exploration and Director of the Company is a qualified person as defined by National Instrument 43-101 and has reviewed and approved the scientific and technical disclosure in this news release.

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## **SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS**

This news release includes certain “Forward-Looking Statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” under applicable Canadian securities laws. When used in this news release, the words “anticipate”, “believe”, “estimate”, “expect”, “target”, “plan”, “forecast”, “may”, “would”, “could”, “schedule” and similar words or expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: future exploration programs, and the completion of drill holes; and receipt of assay results.

Forward-looking statements and forward-looking information relating to any future mineral production, liquidity, enhanced value and capital markets profile of Tarachi, future growth potential for Tarachi and its business, and future exploration plans are based on management’s reasonable assumptions, estimates, expectations, analyses and opinions, which are based on management’s experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, the price of silver, gold and other metals; no escalation in the severity of the COVID-19 pandemic; costs of exploration and development; the estimated costs of development of exploration projects; Tarachi’s ability to operate in a safe and effective manner and its ability to obtain financing on reasonable terms.

These statements reflect Tarachi’s respective current views with respect to future events and are necessarily based upon a number of other assumptions and estimates that, while considered reasonable by management, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or forward-looking information and Tarachi has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: the Company’s dependence on one mineral project; precious metals price volatility; risks associated with the conduct of the Company’s mining activities in Mexico; regulatory, consent or permitting delays; risks relating to reliance on the Company’s management team and outside contractors; risks regarding mineral resources and reserves; the Company’s inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; the ability of the communities in which the Company operates to manage and cope with the implications of COVID-19; the economic and financial implications of COVID-19 to the Company; operating or technical difficulties in connection with mining or development activities; employee relations, labour unrest or unavailability; the Company’s interactions with surrounding communities and artisanal miners; the Company’s ability to successfully integrate acquired assets; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; litigation risk; and the factors identified under the caption “Risk Factors” in Tarachi’s management discussion and analysis. Readers are cautioned against attributing undue certainty to forward-looking statements or forward-looking information. Although Tarachi has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be

anticipated, estimated or intended. Tarachi does not intend, and does not assume any obligation, to update these forward-looking statements or forward-looking information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.