



(CSE: TRG)

FOR IMMEDIATE RELEASE

May 20, 2021

TARACHI GOLD COMPLETES TAILINGS DRILLING PROGRAM AT MAGISTRAL PROJECT IN DURANGO, MEXICO

Vancouver, British Columbia (May 20, 2021) – Tarachi Gold Corp. (CSE: TRG) (OTCQB: TRGGF) (Frankfurt: 4RZ) (“Tarachi” or the “Company”) is pleased to announce that drill crews have completed the auger drilling program at the Company’s wholly owned Magistral Mill and Tailings Project (“Magistral”) in Durango, Mexico. The drilling program was part of the resource estimate and Preliminary Economic Assessment (“PEA”) being prepared by Ausenco Engineering.

Tarachi CEO, Cameron Tymstra, commented: *“Completion of this drilling program is the first major step towards commissioning of the Magistral Mill. The drilling crew got off to a delayed start due to delivery delays of the Shelby tube sampling system coming from the US, however they made quick work of the drilling, completing all 37 holes in under 3 weeks. Ausenco will now have the material they need to progress with the PEA, the results of which we expect to see in mid-summer.”*

A total of 37 holes were completed to depths ranging from 1.3 to 14.5 metres using an auger drill and 70-centimetre-long Shelby sample capture tubes (Figure 1 and Figure 2). The samples were logged by the Company’s geology team on site and are now en route to a minerals lab in Kamloops, British Columbia. The samples will be assayed and representative composites prepared as part of the metallurgical test work being overseen by Ausenco Engineering. Once received in Kamloops, this test work is expected to take approximately six weeks to complete. The results will provide the information necessary to complete the resource estimate and PEA and determine what, if any, modifications the Company will make to Magistral’s flowsheet prior to bringing the facility online in 2022. The delayed start of the tailings drilling is expected to result in a small pushback of the completion of the PEA from the original estimate of end of Q2 to mid-summer.

Tarachi’s geological team will be rotating out of the field for roughly two weeks. When crews return to the field in June they will be headed to the Company’s San Javier mining concession in Sonora, Mexico. At San Javier, the team will be conducting a follow-up diamond drill program targeting the potential depth extension of a mineralized breccia system discovered during the

Company's first drill program at San Javier in 2020 (see press release dated February 16, 2021). Results of which included 11.9g/t Au over 2 metres and 5.39g/t Au over 5.6 metres.

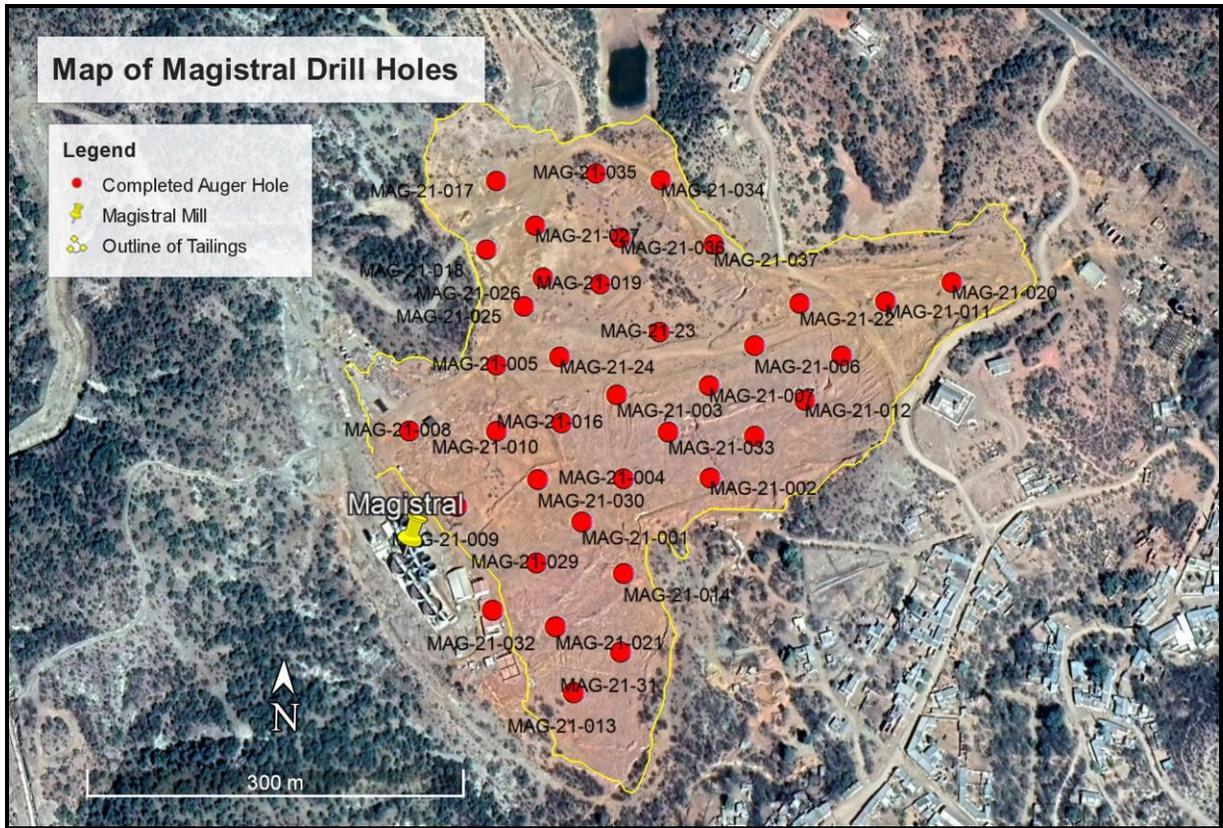


Figure 1 – Map of Auger Hole Collars at Magistral

About the Magistral Mill and Tailings Project

- Acquired by Tarachi Gold from Manto Resources S.A. de C.V. in 2021.
- Located in Durango, Mexico. Highway-accessible and approximately 5km north of Santa Maria del Oro (pop. 5,000).
- 1,000tpd custom-built tailings reprocessing mill with Merrill-Crowe circuit and new tailings storage facility.
- Access to the historic Magistral tailings deposit with an estimated historic resource of 1.3Mt grading 2.05g/t Au (non-NI 43-101 compliant) containing 85,000oz Au.
- PEA being completed by Ausenco Engineering, expected mid-summer 2021.
- Plant commissioning planned for 2022 with expected annual gold production of 15,000oz/year at full capacity.



Figure 2 – Auger Rig and Tailings Sample from Magistral

Quality Assurance/Quality Control

Due to the use of 70 cm long Shelby steel tubes to capture the poorly consolidated, tailings cores, no splitting of the cores could be undertaken. Every 70 cm tube core is weighed, photographed and logged by the company's geologists. Each sample consists of two Shelby tube runs which when combined total 1.4 metres in length. These are placed into a plastic bag with sample tag submitted into each bag before being sealed and stored at the campsite in a secure area.

In every batch of 20 samples the company geologists have determined the location of quality control samples consisting of a standard, blank and duplicate sample batches. The samples will be shipped from Hermosillo, Mexico to Base Metallurgical Laboratories in Kamloops, British Columbia, Canada via Federal Express. Ausenco Engineering will then oversee the analytical and metallurgical test work.

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, including the completion of drill holes; potential mineralization; 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.