

NEWS RELEASE

**American Pacific Mining Signs
Definitive Agreement on Madison
Metals' Interest in the Permitted
Madison Copper Gold Project in
Montana, under Option with Rio
Tinto**



VANCOUVER—April 14, 2020—Madison Metals and American Pacific Mining Corp (CSE: USGD / FWB: 1QC / OTCPK: USGDF) (“APM” or the “Company”) is pleased to announce the company has signed a definitive agreement with Madison Metals to acquire the Madison Copper Gold Project near Silver Star Montana, USA. The project is currently under an earn-in, joint venture agreement [announced by Broadway Gold on April 30, 2019](#), whereby Kennecott Exploration Company, part of the [Rio Tinto Group \(ASX, LON: RIO\)](#) may spend \$30 million USD to earn up to 70% of the project.

Drill results from Kennecott’s 2019 drill program are pending and should be released shortly.

Highlight intervals from the 2017 drill program include the following:

- **UG17-05:** 24.5 g/t Gold over 30m (from 8.2m) including 68.6 g/t Gold over 4.6m (from 22.8m) and 82.9 g/t Gold over 2.7m (from 9.1m)
- **UG17-06:** 41.7 g/t gold over 11m (from 8.2m) including 51.8 g/t gold over 4.6m (from 9.1m)
- **C17-13:** 6% copper over 4.6m (from 123.4m) Including 11.45% copper over 1.8m (from 124.4m)

For more details on the drilling please see this page for more info: <https://americanpacific.ca/projects/madison-cu-au-project/>

APM will also roll back its shares in tandem with this announcement, three for one (3 for 1). An updated share structure will be available on the website post consolidation.

Key terms of the Broadway/APM Madison Transaction

- APM will issue 20 million APM shares to Madison Metals post-consolidation (subject to a 6 month hold period in escrow)
- APM will issue 5 million APM warrants priced at \$0.25 to Madison Metals post-consolidation (18 month expiry)
- Madison Metals will add one member to the APM Advisory board

Terms listed are subject to shareholder approval. Once completed the APM securities will be distributed pro-rata to the Madison shareholders.

“We are very excited to acquire Madison’s interest in the fully-permitted, past-producing Madison Copper Gold Project, under option to Kennecott Exploration Company, part of the Rio Tinto Group,” commented Warwick Smith, CEO and Director of APM. “Our corporate strategy is to build a portfolio of high-grade properties in the Western USA that will attract mid-tier partners to come in and help advance these assets. Madison certainly fulfils this objective and complements our growing portfolio of gold, silver and now copper assets as well.”

“Madison is a great acquisition for APM. The project has infrastructure, power, roads, 3000 feet of underground development, recent production and plenty of exploration potential,” said Eric Saderholm, President and Director of APM. “This high-grade project includes two underground mines, the Broadway and the Madison Mines, plus two distinct geological targets: a high-grade gold skarn and a deeper copper gold porphyry system. Plus, the joint venture partner is currently performing a lot of exploration work to better define what may well be the feeder system for the mineralization at Madison.”

About the Madison Copper Gold Project

The Madison Copper Gold Project is located in the heart of Montana’s prolific copper-gold belt only 38km southeast of the world-renowned Butte Mining District. The project, a high-grade Cadia-like skarn over porphyry system, encompasses 2,514 acres consisting of six patented lode claims and 136 unpatented mineral claims. Recent interpretations identified multiple priority target areas believed to be associated with large-scale porphyry mineralization at depth and located within a well-mineralized, two-mile-long geological, geophysical and geochemical trend. The project is permitted for mining, surface and underground exploration.

The Broadway mine produced 144,000 ounces of gold from 1880-1950. The Madison mine was developed between 2005-2011 and generated 7,570 ounces of gold and 3,020,000 pounds of copper from bulk samples of 19,803 tons (average 0.52 ounce/ton Au and 25% Cu). Approximately 3,000 total feet of underground workings go to a depth of 215 feet underground. Broadway Gold Mining Ltd. refurbished parts of the Madison Mine in 2017, rehabilitating the underground workings in order to access certain stopes and mineralization, allowing for a successful exploration drill program to take place as well.

Currently, known skarn mineralization, gold-bearing jasperoid and massive sulphide gold and copper mineralization is proposed to be linked to a deeper porphyry system.

Roll Back

APM's common shares will consolidate at the start of market trading on April 16th, 2020, with a roll back of three old shares for one new share. The record (effective) date for the consolidation is April 17th, 2020, with the trading symbol remaining unchanged. APM will not issue any fractional common shares as a result of the consolidation. Instead, all fractional shares resulting from the consolidation will be rounded down to the nearest whole number. Outstanding stock options and share purchase warrants will also be adjusted by the consolidation ratio and the respective exercise prices adjusted accordingly.

Registered shareholders will receive a letter of transmittal from the Company's transfer agent, TMX Trust Company, with instructions for exchanging their pre-consolidated shares. Shareholders who hold their common shares through a broker or other intermediary and do not have common shares registered in their name, will not need to complete a letter of transmittal.

Qualified Person

Technical aspects of this press release have been reviewed and approved by Eric Saderholm, P.Geo., the designated Qualified Person (QP) under National Instrument 43-101.

About American Pacific Mining Corp.

American Pacific Mining Corp. is a gold explorer focused on precious metal opportunities in the Western United States. The Gooseberry Gold/Silver Project and the Tuscarora Gold Project are two high-grade, precious metal projects located in key mining districts of Nevada USA. The company's mission is to grow by the drill bit and by acquisition. American Pacific is Eyeing a Gold Discovery amidst gold's next bull market.

About Madison Metals:

Madison Metals Inc is a private B.C registered corporation that was set up to receive the Madison Mine project from Mind Medicine as a Spin-out as a result the Broadway Gold Reverse Take Over. Madison Metals owns 100% interest in the Madison Mine Project including the Company's right, title and interest to the Broadway and Madison mine - 450 acres of land, a 192 acre ranch, buildings, mine equipment and fixtures, 6 patented, 35 unpatented mineral claims, and mineral rights to a four-square-mile property in the Butte-Anaconda region of Montana, a porphyry-based mining district. The Project is currently under option to Kennecott Exploration.

On Behalf of the Board of American Pacific Mining Corp.

"Warwick Smith"
CEO & Director

Corporate Office: Suite 910 – 510 Burrard Street Vancouver, BC, V6C 3A8 Canada

Contact MarketSmart: 1.877.261.4466 info@marketsmart.ca

Forward-looking Information

Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, statements as to planned exploration activities and the expected timing of the receipt of results. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, without limitation, customary risks of the mineral resource industry as well as the performance of services by third parties.

Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential," "goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur, or are those statements, which, by their nature, refer to future events. The Company cautions that Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

