



SAMCO PROVIDES UPDATE ON REVERSE TAKEOVER AND CHANGE OF BUSINESS TRANSACTION WITH ECHO PHARMACEUTICALS B.V.

Toronto, August 23, 2019 – Samco Gold Limited (TSXV: SGA) (“**Samco**” or the “**Company**”) is providing an update on its previously disclosed proposed transaction (the “**RTO**”) with Echo Pharmaceuticals B.V. (“**Echo**”) in accordance with the applicable policies of the TSX Venture Exchange (“**TSXV**”). For additional information with respect to the RTO, refer to the news release of the Company dated July 24, 2019, available on SEDAR.

Samco, Echo, and the shareholders of Echo are in the process of negotiating a definitive agreement with respect to completion of the RTO, and the terms and structure of a proposed concurrent financing of subscription or other equity or equity-linked securities. The Company will provide further updates as the transactions develop.

Certain Principals of the Resulting Issuer

The Company and Echo are in the process of determining the “Principals” and “Insiders” of Samco upon completion of the RTO (the “**Resulting Issuer**”), and expect to announce their names and backgrounds in a future news release in accordance with TSXV policies. The Company currently anticipates that Telor International Limited (“**Telor**”), a private company existing under the laws of the Isle of Man will constitute a “control person” and therefore a “Principal” and “Insider” (as those terms are defined in TSXV policies) of the Resulting Issuer as it will own more than 20% of the outstanding common shares of the Resulting Issuer upon completion of the RTO. Mr. Karl Heinz Hauptmann, a resident of The Federal Republic of Germany, controls and directs Telor. Telor’s business consists of making private equity investments in diverse industries and jurisdictions, including agriculture and real estate, with significant experience in Eastern Europe. Mr. Hauptmann completed studies in Business Administration and Economics from the Free University of Berlin in 1983, and earned a doctorate in International Macroeconomics from the same institution in 1986. Mr. Hauptmann began a career in finance acting as a Vice President of Bankers Trust International in London, with broad exposure to European operations and later, acted as a Managing Director for European Equity Derivatives at Merrill Lynch International, also in London. Mr. Hauptmann has also served as Vice Chairman and as a member of the investment committee for the private equity firm Capiton AG in Berlin, and in various board and executive capacities with private companies and private equity funds.

Completion of the RTO remains subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable, disinterested shareholder approval. If applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Samco is currently halted.

TSXV has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements, including statements with respect to the completion of the RTO and the timing thereof, the completion of a concurrent financing, expected principals of the Resulting Issuer, and TSXV acceptance of the RTO. Forward-looking statements involve known and unknown risks, assumptions, future events, conditions, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the ability to obtain or delays in securing necessary TSXV approvals; as well as those factors disclosed in the Company's disclosure documents publicly available under its profile on the SEDAR website at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not intend, and does not assume any obligation, to update forward-looking statements, whether as a result of new information, future events or otherwise, unless otherwise required by applicable securities laws.