



Samco Gold releases its Audited Consolidated Financial Statements and Related Management's Discussion & Analysis for the Year ended December 31, 2019 and Termination of Change of Business Transaction

TORONTO, June 10, 2020 – Samco Gold Limited (TSXV: SGA) ("Samco" or the "Company") today released its Audited Consolidated Financial Statements and related Management's Discussion & Analysis ("MD&A") for the year ended December 31, 2019. These Financial Statements and MD&A are available at the Company's website and at its profile on the SEDAR website at www.sedar.com.

The Company also announces that it will not proceed with the proposed change of business transaction (the "Transaction") pursuant to the letter agreement with Echo Pharmaceuticals B.V. ("Echo") announced on July 24, 2019 (the "Letter Agreement"). Neither the Company nor Echo have any remaining further obligations to each other under the Letter Agreement.

Upon entry into the Letter Agreement, the Company and Echo constructively engaged in the negotiation of a definitive agreement and satisfying conditions to the Transaction, which conditions included a concurrent financing at an agreed-upon indicative valuation for Echo. While the Transaction was initially well received by industry participants, the market dynamic for cannabis-related financing, and the cannabis industry in general, have significantly changed, such that the Company determined that a concurrent financing at the indicative value described in the Letter Agreement could not be completed. The Company and Echo's shareholders negotiated the terms of the Transaction but ultimately could not agree upon a reduced valuation for Echo that would make the Transaction (including a concurrent financing) viable. Therefore, the parties determined it was in their respective best interests to terminate the proposed Transaction.

The Company will engage with the TSX Venture Exchange ("TSXV") to remove the halt imposed on its common shares since the announcement of the entry into of the Letter Agreement, and will continue to seek and engage with potential change of business opportunities.

About Samco Gold Limited

Samco's legacy business was the acquisition, exploration and development of precious metals properties in Argentina. Since approximately the fall of 2017, the Company has undertaken a process of divesting itself of all of its legacy business interests, and it currently has no significant assets. The Company's principal business activity has been the identification and evaluation of opportunities to acquire interests in other assets or businesses. Additional details with respect to the Company are available on SEDAR (www.sedar.com).

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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. 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 regulatory 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.