



NORTHERN VERTEX
MINING CORP

NORTHERN VERTEX REPORTS FISCAL RESULTS FOR SIX MONTHS ENDED DECEMBER 31, 2020

Vancouver, B.C. – Wednesday, April 14, 2021, Northern Vertex Mining Corp. (TSX: NEE) (“Northern Vertex” or the “Company”) a U.S.-focused gold producer with district-scale exploration potential in the Walker Lane Trend, is pleased to announce audited financial results for its new fiscal year end to December 31st. Results for the fiscal six months ended December 31, 2020 (“Stub Year”) included revenue of \$52.7 million, Adjusted EBITDA of \$23.3m, and a positive working capital position of \$10.9m. All figures are expressed in USD unless otherwise noted, non-IFRS metrics are described later in this press release.

Highlights for the Quarter ended December 31st

- Revenue of \$25.9 million
- Adjusted EBITDA of \$10.5 million
- Net income of \$11.7 million
- Earnings from mine operations of \$11.8 million before depreciation and depletion
- Gold equivalent production of 12,401 ounces¹
- Gold production of 11,124 ounces
- Cash cost of \$894/oz, and Moss Mine AISC of \$1,088/oz – including \$190/oz in capital expenditures
- Cash on hand of \$8.3 million

¹Gold equivalent is calculated at a 75:1 ratio

Highlights for the Stub Year ended December 31st (6 months)

- Revenue Year of \$52.7 million
- Adjusted EBITDA of \$23.3 million
- Gold production of 24,207 ounces
- Transformation of the Northern Vertex capital structure
 - Repaid \$8.5 million of debt
 - Eliminated 25.1 million warrants

Michael G. Allen, President of Northern Vertex stated, “The Northern Vertex team continued to exceed expectations with numerous production records during the stub year ended December 31, 2020, including the completion of key capital projects such as the powerline connection, moving to a larger crush size, installation of a heap leach solution management system, and West pit pioneering. Through an ambitious exploration program that started in 2020, we see significant opportunity to strengthen our mine plan and expand resources. Northern Vertex will be providing updates on near-mine and infill drilling results in the coming months.”

CONSOLIDATED THREE AND SIX MONTHS ENDED December 31, 2020

Financial Results

US\$'000 (except per share amounts)	Three Months Ended December 31, 2020	Six Months Ended December 31, 2020
Revenue	25,910	52,739
Costs of sales (including depreciation and amortization)	(16,218)	(17,214)
Operating income (loss)	7,376	14,803
Net income (loss)	11,675	(7,108) ⁽¹⁾
Net income (loss) per share (basic)	0.05	(0.03)

(1) Includes a *non-cash accounting* derivative liability revaluation loss of \$16,265 - tied to the convertible debentures (\$186) due to an increase in the NEE share price, warrants (\$2,282) due to an increase in the NEE share price, and silver stream embedded derivative (\$13,791) due to an increase in silver price.

	Three Months Ended December 31, 2020	Six Months Ended December 31, 2020
Cash generated from operating activities	2,866	13,608
Average realized gold price (\$/oz)	1,898	1,892
Total Cash Costs (\$/oz)	894	925
Moss Mine AISC (\$/oz) ⁽²⁾	1,088	1,207

(2) AISC for the three months ended December 31, 2020 included \$190/oz in capital expenditures tied to the construction of the powerline, exploration and a heap leach pad expansion.

Operating results	Three Months Ended December 31, 2020	Six Months Ended December 31, 2020
Ore Tonnes Mined (t)	571,703	1,278,332
Ore Stacked (t)	626,518	1,310,224
Grade (g/t Au)	0.55	0.62
Gold Ounces Produced	11,124	24,207
Gold Ounces Sold	11,760	24,584

Quarter ended December 31, 2020 - Operations

During the three months ended December 31, 2020 a total of 571,703 ore tonnes were mined at a strip ratio of 2.68. The proportion of total ore being sourced from the East pit continues to increase as operations transition out of the current phase of the Center pit, while pioneering in the West pit was completed. The elevated strip ratio was partially a result of work to remove a slough in the south wall of the East pit.

During the three months ended December 31, 2020 mining operations included 626,518 tonnes of ore crushed at an average gold grade of 0.55g/t, resulting in production of 11,124 Au ounces and 95,804 Ag ounces.

Numerous important capital projects were completed during the Stub Year:

1. Commissioned a 6.9 mile power line, resulting in the mine being switched over to grid power and costs dropping from 31 cents per kilowatt hour to 8 cents per kilowatt hour,
2. Commissioned an Intermediate Leach System to accelerate gold recoveries from the heap leach pad,
3. Completed the transition to a larger ore crush size,
4. Completed 57,345 feet of infill and exploration drilling from May to December 31, 2020.

Qualified Person

The foregoing technical information contained in this news release has also been reviewed and verified by Mr. Joseph Bardswich, P.Eng., a Qualified Person (“QP”) for the purpose of National Instrument 43-101 (Disclosure Standards for Mineral Projects).

Full Condensed Interim Consolidated Financial Statements and the Management Discussion & Analysis can be found at www.sedar.com and the Company’s website at northernvertex.com.

Non-IFRS Performance Measures

The following tables represent the calculation of certain Non-IFRS Financial Measures as referenced in this news release.

Reconciliation to Cash Costs

	Three Months Ended December 31, 2020	Six Months Ended December 31, 2020
Gold ounces sold	11,760	24,584
Cash costs reconciliation		
Cost of sales	\$ 17,214	\$ 35,821
Less: Depreciation and depletion	(3,109)	(6,844)
Add: Refining and transportation	37	240
Less: Silver revenue	(3,627)	(6,466)
Cash costs	10,515	22,751
Cash costs per ounce of gold sold	\$ 894	\$ 925

Reconciliation to All-In Sustaining Costs

	Three Months Ended December 31, 2020	Six Months Ended December 31, 2020
Gold ounces sold	11,760	24,584
AISC reconciliation		
Cash costs	\$ 10,515	\$ 22,751
Sustaining capital expenditures	2,231	6,767
Accretion	46	162
	12,792	29,680
Moss Mine AISC per ounce sold	\$ 1,088	\$ 1,207

Reconciliation to Adjusted EBITDA

	Three Months Ended December 31, 2020	Six Months Ended December 31, 2020
Net profit (loss)	11,675	(7,108)
Depreciation and depletion	3,110	6,844
Finance costs (income)	5,334	6,725
Loss (gain) on derivative liabilities	(10,014)	16,215
Share-based compensation	46	159
Foreign exchange (gain) loss	381	509
Adjusted EBITDA	10,532	23,344

About Northern Vertex Mining Corp.

Northern Vertex offers investors a rare combination of cash flow, production, top-tier management and exceptional exploration potential within two projects on the Walker Lane Gold Trend of western Nevada and Arizona. Management is executing a clear strategy that expands production and resources at the Moss Mine in Arizona while aggressively exploring the Hercules Project in Nevada.

ON BEHALF OF THE BOARD OF NORTHERN VERTEX

“Michael G. Allen”

President

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Cautionary Note Regarding Forward-Looking Statements:

This news release contains statements about our future business and planned activities. These are “forward-looking” because we have used what we know and expect today to make a statement about the future. Forward-looking statements including but are not limited to comments regarding the timing and content of upcoming work and analyses. Forward-looking statements usually include words such as scheduled, may, intend, plan, expect, anticipate, believe or other similar words. Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many factors, known and unknown, could cause actual results to be materially different from those expressed or implied by such forward-looking statements. We believe the expectations reflected in these forward-looking statements are reasonable. However, actual events and results could be substantially different because of the risks and uncertainties associated with our business or events that happen after the date of this news release. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date made. As a general policy, we do not update forward-looking statements except as required by securities laws and regulations. US investors should be aware that mining terminology used for Canadian mineral project reporting purposes differs significantly from US terminology.