

GENERATION MINING

Generation Mining Files Preliminary Economic Assessment for Marathon Palladium Project

Toronto, Ontario – February 19, 2020 – Further to its press release dated January 6, 2020, Generation Mining Limited (CSE:GENM) (“Gen Mining” or the “Company”) is pleased to announce that it has filed on SEDAR its independent Preliminary Economic Assessment study (“PEA”) on the Marathon Palladium and Copper Project (the “Project”) located in Northern Ontario, the results of which were previously announced.

The PEA was prepared in accordance with National Instrument 43-101. Gen Mining acquired a 51% interest in the Project from Sibayne Stillwater in July, 2019, and has an option to earn up to an 80% interest by spending \$10 million within four years (see Gen Mining’s news release dated July 11, 2019). The PEA provides a compelling base case assessment for the development of the Marathon Palladium Mineral Resource by open pit mining.

Highlights (all dollar amounts in Canadian dollars on a 100% project ownership basis unless otherwise indicated, USD metal prices used in the PEA are \$1,300/oz Au, \$16/oz Ag, \$900/oz Pt, \$1,275/oz Pd and \$3/lb Cu).

- *The Project would produce an average of 194,000 palladium-equivalent ounces per year over a 14-year mine life (including credits for copper, platinum, gold and silver). Constituent metals that make up 194,000 Palladium Equivalent ounces per year are 8,680 oz Au, 151,220 oz Ag, 24,400 oz Pt, 105,740 oz Pd and 25.59 million lbs of Cu per year, respectively. Net Smelter Revenue or NSR is calculated in CAD using a CAD:USD exchange rate of 1.32 and based on an average two year trailing palladium price of USD 1,275 per ounce. Process plant recoveries are estimated at Au:73.2%, Ag:71.5%, Pt:74.5%, Pd=82.9% and for Cu:92% during the first 5 years falling to 90% thereafter.*
- *The Project generates an after-tax internal rate of return (IRR) of 30.0% and an after-tax net present value (NPV) of \$871 million at a 5% discount rate at Nov 30/19 two-year trailing average metal prices (base case).*
- *The Project generates an after-tax net present value of \$1,541 million and an internal rate of return of 45.8% at a 5% discount rate at recent spot metal prices (final LBMA London price fix for precious metals; final LME bid price for copper, Dec 31, 2019)*
- *The Project would generate base case after-tax cashflows of \$520 million in years 1-3, resulting in a 2.5-year payback period.*

- *Actual palladium production will average 107,000 ounces annually over the mine life, at a Cash Cost Per Ounce of \$US504 and an All-In Sustaining Cost (AISC) of \$US586 per ounce, net of by-product credits.*
- *The PEA used only Measured and Indicated Mineral Resources in the Marathon Deposit in its calculations, and did not include the Geordie and Sally Deposits which are located on the same property (see News Release dated December 2, 2019). The Marathon Deposit has no outstanding royalties or financing streams registered against it.*

For more information, please refer to the full PEA and Gen Mining's press release dated January 6, 2020, both of which are available under Gen Mining's profile on SEDAR.

About the Marathon Palladium Project

The Marathon Deposit is the largest undeveloped platinum group metal Mineral Resource in North America. The Marathon Property covers a land package of approximately 22,000 hectares or 220 square kilometres. Gen Mining acquired a 51% interest in the Marathon Property from Sibanye Stillwater on July 10, 2019 and can increase its interest to 80% by spending \$10 million over a period of four years. As of the January 6th, 2020, the effective date of Gen Mining's preliminary economic assessment, approximately \$4 million of the \$10 million has already been spent. Sibanye Stillwater has certain back-in rights that can bring its interest in the Property back to 51% after such time as Gen Mining has earned its 80% interest (see the Company's press release of July 11, 2019, for more details).

Qualified Persons

Rod Thomas, P.Geo., Company Vice-President, Exploration and a Director, and Eugene Puritch, P.Eng. FEC, CET President of P&E Mining Consultants Inc., have reviewed and approved the scientific and technical information contained in this news release. Messrs. Thomas and Puritch are Qualified Persons for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

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Forward-Looking Information

This news release includes certain information that may be deemed "forward-looking information" under applicable securities laws. All statements in this release, other than statements of historical facts, that address acquisition of the Property and future work thereon, Mineral Resource and Reserve potential, exploration activities and events or developments that the Company expects is forward-looking information. Although the Company believes the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results

or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include the results of the Company's due diligence investigations, market prices, exploration successes, continued availability of capital and financing, and general economic, market or business conditions.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.