



**Corporate Update**  
**Potential Impact of Metallic Screen Check Assay Sample Program**  
**on Mineral Resource Estimates and Feasibility Study Net Present Value**

**November 12, 2018**, Toronto, Ontario – **Minnova Corp.** (TSXV: MCI, OTC Pink: AGRDF, "Minnova" or the "Company"), is an advanced-stage mining exploration and gold development company offering gold price leverage through our development-stage PL Gold Mine in central Manitoba and a new exploration property in Peru.

On September 27, 2018 we announced a significant increase in reported gold grades from a check assaying program using Metallic Screen Fire Assay ("MSFA") protocol on larger sample volumes versus the Original Fire Assay ("OFA") results. From the initial 10 samples of a planned 100 sample MFSA program we reported that gold grades increased by an average of 25%. In response to numerous investor and shareholder inquires we are pleased to provide an overview of the potential impact our MSFA program could have on the PL Gold Deposits mineral reserve and resource gold grade estimates and in turn the feasibility study economic assessment results (Net Present Value or NPV). Any comments and analysis are based solely on the sensitivity analysis included in the feasibility study and do not reflect any other changes in parameters, assumptions, costs etc. that may be required to be revised and incorporated into an updated feasibility study.

Highlighted Metallic Screen Fire Assay Check Sample Results vs Original Fire Assay Results from September 27, 2018 press release;

**17.46 g/t OFA increases to 30.2 g/t MSFA - 73% Increase**  
**16.19 g/t OFA increases to 25.7 g/t MSFA - 58% Increase**  
**8.62 g/t OFA increases to 16.1 g/t MSFA - 86% Increase**  
**3.51 g/t OFA increases to 8.61 g/t MSFA - 145% Increase**

**Potential Impact on Mineral Reserves and Resources**

Final results of the MFSA check assay program will be added to the PL deposit assay database and be incorporated into a future update of the November 1, 2017 NI-43-101 mineral reserve and resource estimates (see November 1, 2017 Feasibility Study Press Release and the full Feasibility Study report, both available at [www.minnovacorp.ca](http://www.minnovacorp.ca)).

The PL Gold Deposit is a high-grade gold deposit with an average diluted underground Proven & Probable grade of 7.0 g/t and an average diluted open pit Proven & Probable grade of 4.35 g/t. Mineral Reserve summary in Table 1 below.

**Table 1: PL Deposit Estimated Mineral Reserves as of November 1, 2017**

<b>Category</b>	<b>Diluted Tonnes (Kt)</b>	<b>Au Grade (g/t)</b>	<b>Contained Au (Koz)</b>
<b>Underground</b>			
Proven	367	7.77	92
Probable	586	6.51	123
Sub-Total Underground	953	7.00	215
<b>Open Pits</b>			
Proven	87	4.71	13
Probable	226	4.21	31
Sub-Total Open Pits	313	4.35	44
<b>Total Proven and Probable</b>	<b>1,266</b>	<b>6.34</b>	<b>259</b>



1. Mineral Reserve for the Project was estimated by Malcolm Buck, P. Eng., and an independent Qualified Person of AZM.
2. The Mineral Reserves are not in addition to the Mineral Resources, but are a subset thereof.
3. The QP has not identified any risk including legal, political, or environmental that could materially affect potential Mineral Reserves development
4. Mineral Reserve estimate was calculated using a gold price of US\$1,250/oz and an exchange rate of US\$0.77 to CDN\$1.00.
5. A gold cut-off grade of 4.0 g/t for underground mining and 2.7 g/t for open pit mining.
6. Rounding as required by reporting guidelines may result in summation differences.

The average Measured and Indicated mineral resource gold grade is estimated at 5.93 g/t and the Inferred mineral resource grade is estimated at 5.08 g/t. See mineral resource summary in Table 2 below.

**Table 2: PL Deposit Mineral Resource Estimate as of November 1, 2017**

Category	Au Cut-off (g/t)	Tonnes (Kt)	Au Grade (g/t)	Contained Au oz
Measured	2.5	425	7.53	102,900
Indicated	2.5	1,056	5.29	179,600
<b>M+I</b>	<b>2.5</b>	<b>1,481</b>	<b>5.93</b>	<b>282,500</b>
Inferred	2.5	1,846	5.08	301,700

*Notes PL Deposit:*

1. The volume of the historical mined areas was depleted from the resource estimate.
2. Grade capping values range from 30 to 45 g/t Au and affected 16 samples.
3. Bulk densities of 2.81 t/m<sup>3</sup> were used for tonnage calculations.
4. A gold price of US\$1,250/oz and an exchange rate of US\$0.80=C\$1.00 was utilized in the Au cut-off grade calculations of 2.5 g/t underground. Operating costs of C\$125/t. Process recovery used was 95%.
5. Tonnes and ounces have been rounded to reflect the relative accuracy of the mineral resource estimate; therefore numbers may not total correctly.
6. 1 troy ounce equals 31.10348 grams
7. Mineral Resource tonnes quoted are not diluted.
8. The NI 43-101 mineral resources in this press release were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
9. Mineral resources are not mineral reserves and by definition do not demonstrate economic viability. This mineral resource estimate includes inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to the measured and indicated resource categories through further drilling, or into mineral reserves, once economic considerations are applied.

Gorden Glenn, President & CEO of Minnova commented, "We are encouraged by the positive variance in gold grades achieved from initial check assays. Should additional MSFA check assays also report higher grades than the OFA samples then we would reasonably expect the gold grade of the mineral reserve and mineral resource to be positively impacted."

**Current Feasibility Study Results and Assessment of Impact of Changes to Sensitivities on the Economic Analysis**

The Feasibility Study base case economic analysis is based on the above mineral reserve estimate. Highlights from the Feasibility Study economic analysis include;

- **Pre-tax Net Present Value ("NPV") at a 5% discount rate of \$55.9 million and an Internal Rate of Return ("IRR") of 65%;**
- **After-tax NPV at a 5% discount rate of \$36.7 million and IRR of 53%;**



- **Proven & Probable Mineral Reserves of 259,000 ounces of gold (1.27 million tonnes at 6.34 g/t Au), a subset of the Measured and Indicated Resources of 282,500 ounces of gold (1.48 million tonnes at 5.93 g/t Au). The 2017 FS excludes Inferred Resources of 301,700 ounces of gold (1.84 million tonnes at 5.08 g/t Au)**
- **After-tax payback of 1.5 years after plant start-up;**
- **Minimum 5 year mine life, mining and processing 1.27 million tonnes, averaging 6.34 grams per tonne ("g/t") gold, and producing 232,463 ounces of gold;**
  - **Underground production amounts to 0.95 million tonnes at an average diluted grade of 7.00 g/t gold;**
  - **Open pit production amounts to 0.31 million tonnes at an average grade of 4.35 g/t gold;**
- **Total payable gold production of 232,463 ounces with an average Life of Mine ("LOM") cash cost of US\$715 per ounce and average AISC of US\$942 per ounce;**
  - **Years 2 to 5 mill feed planned at 788 tpd to produce an average of 45,637 ounces;**
- **Pre-production (Year -1) capital cost of \$35.35 million including a 10% for contingency, environmental bonds and initial working capital;**
  - **In Year 1, the projected \$12.5 million capital expenditure is offset by net income of \$38.5 million;**
- **Sustaining Capital and Closure Costs of \$54.16 million over LOM;**
- **Opportunity to increase potentially mineable ounces through;**
  - **a) conversion of inferred mineral resources to the measured and indicated resource categories through further drilling along strike and down dip and;**
  - **b) expansion and delineation of resources on strike to the north of the current resource area, where mineralization has been traced for a further 320 metres on surface.**

Gorden Glenn, President & CEO of Minnova commented, "the purpose of any optimization study, like the MSFA check assay program, following a positive feasibility study is ultimately to positively impact the economic analysis of the project. The MSFA check assay program is a high impact study, any increase in gold grade of the mineral reserve and resource can have a positive impact on the economic analysis. Looking at the financial analysis and sensitivities from the feasibility study contained in Table 3 below, one can see the impact of an increase in gold grades closely mirrors the positive impact of an increase in gold price. For example, a 10% increase in mineral reserve gold grade could potentially increase the project NPV from the base case NPV of \$36.70 million to \$66.49 million, a potential increase of over 80%. We are encouraged by the initial positive results from the MSFA check assay program, which reported an average 25% increase in gold grades. To some degree this supports our view that traditional half-core samples and 30g fire assays could be understating the gold grade of our mineral reserves and mineral resources due to the nugget effect of course gold. We look forward to reporting the results of the MSFA check sample program as they become available and incorporating them into the assay data base. This analysis is based solely on the sensitivity analysis included in the feasibility study and does not reflect any other changes in parameters, assumption, costs etc. that may be required to be revised and incorporated into an updated feasibility study.

## **Financial Analysis and Sensitivities**

The base case financial analysis from the feasibility study used a gold price of US\$1,250/oz, to yield a



a pre-tax NPV<sub>5%</sub> of \$55.9 million and IRR of 65% and an after-tax NPV<sub>5%</sub> of \$36.7 million with an IRR of 53%. The results of the sensitivity analysis for the Base Case indicate that the project is most sensitive to changes in gold price and head grade, and least sensitive to changes in capital cost.

**Table 3: Results of Sensitivity Analysis of the Base Case**

Parameter	After-Tax NPV <sub>5%</sub> (\$M)								
	Variation of Parameter Relative to Base Case								
	-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%
Head Grade	-\$24.78	-\$9.21	\$6.30	\$21.68	\$36.70	\$51.56	\$66.40	\$81.25	\$96.09
Gold Price	-\$24.97	-\$9.36	\$6.21	\$21.63	\$36.70	\$51.56	\$66.49	\$81.38	\$96.29
Operating Costs	\$77.25	\$67.19	\$56.95	\$46.80	\$36.70	\$26.49	\$16.24	\$5.84	-\$4.66
Capital Costs	\$50.17	\$46.79	\$43.40	\$40.04	\$36.70	\$33.37	\$30.06	\$26.76	\$23.46

### Qualified Person

Mr. Chris Buchanan, M. Sc., P. Geo., a consultant of the Company and a "Qualified Person" under National Instrument 43-101, has reviewed and approved the scientific and technical information in this press release.

### About Minnova Corp.

Minnova Corp. is an emerging Canadian gold producer with an expanding portfolio of high quality and advanced stage gold projects including the development stage PL Gold Mine and the La Esperanza grass roots gold project in Peru. The Company has completed a Positive Feasibility Study in support of re-starting the PL Mine at an average annual production rate of 46,493 ounces over a minimum 5 year mine life. The resource remains open to expansion and future surface exploration work programs will target resource expansion. The PL Gold Mine has a relatively short pre-production timeline forecast at 15 months, benefits from a valid underground mining permit (Environment Act 1207E), an existing processing plant, over 7,000 meters of developed underground ramp to -135 metres depth, is fully road accessible and close to existing mining infrastructure in the prolific Flin Flon – Snow Lake Greenstone Belt of Central Manitoba.

### For more information please contact:

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### Forward Looking Statements

*This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, among others. statements with respect to the results of the 2017 FS, including but not limited to, gold price assumptions, exchange rate assumptions, cash flow forecasts, projected capital and operating costs, refining costs, royalties, credits, sustaining and closure costs, processing rates, metal or mineral recoveries, recovery methods, mine life and annual operating periods, construction and commissioning period and other anticipated timelines, closure and reclamation plans, production rates, estimated net present values, internal rates of return and payback periods; the Company's potential plans and operating performance; the estimation of the tonnage, grades and content of deposits and the extent of the resource and reserve estimates; potential production and viability of the PL Mine Re-Start Project; environmental approval plans and anticipated timing of receipt of required environmental approvals; opportunities to enhance the value of the PL Mine Re-Start Project, capital cost reduction opportunities and other plans and objectives of Minnova Corp.. 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. Although Minnova has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking statements herein are made at the date of this release and Minnova Corp. expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as otherwise required by applicable securities legislation.*

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