



VISTA GOLD

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Trading Symbol: **VGZ**
NYSE American and TSX Stock Exchanges

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Mt Todd Project Capital and Capital Intensity

In September 2019, Vista Gold Corp (Vista) announced updated preliminary feasibility study results for its Mt Todd gold project in Northern Territory, Australia. Capital cost estimates are based on feasibility level designs of the mine, earthworks, tailings impoundment facilities, power plant, water treatment plant and of the foundations, structural and mechanical components of the process plant. Piping, electrical and instrumentation design in the process plant are preliminary feasibility level designs. Due to this advanced stage of engineering, Vista has a high level of detail and confidence in the capital cost estimates for Mt Todd.

The initial capital costs for the Mt Todd gold project are estimated to be US\$826 million. Major components of the capital costs include the mining fleet, process facilities, power plant, water treatment plant, and owner's costs, EPCM fees, working capital and contingencies. These estimates are based on first-principle estimates using recent quotes for equipment and consumable supplies.

Vista has no plans for stand-alone development of Mt Todd. It has previously stated that the debt and dilution required for stand-alone development are not in the best interest of shareholders and not its plan. Rather, Vista is seeking a partner who will recognize the value it has created at Mt Todd.

Mt Todd has been designed with capital efficiency in mind. The project has been designed to process 50,000 tonnes of ore per day and to produce an average of approximately 495,000 ounces of gold per year over the first five years of the project. Capital intensity can be evaluated on the basis of the capital allocated to each ounce of gold produced and on the basis of the capital per tonne per day of processing capacity. This results in capital intensities of approximately US\$155 per ounce of gold produced and US\$16,500 per tonne per day of capacity. Both are below the average for gold processing facilities involving crushing and milling.

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There are a couple of strong reasons that Vista is able to realistically achieve these capital cost estimates. First, previous owners made investments in the project infrastructure valued at over US\$130 million today. Mt Todd enjoys paved roads to the site, power line, natural gas pipeline, tailings storage facility and fresh water reservoir. Second, Mt Todd is located in a semi-tropical region where most facilities are open-air and there is no need to heat solutions at any time during the year.

Mt Todd is a large-scale operation with capacity to be a top five gold producer in Australia. Vista has a high degree of confidence in the capital cost estimates, and for a project of this size the capital cost estimate of US\$826 million is very reasonable, especially when compared on a capital intensity basis to other similarly sized projects. Vista recognizes that stand-alone development is not in the best interest of its shareholders and has no intention of undertaking the debt and dilution to build the project on a stand-alone basis.

Notes to Article

Technical Report on Mt Todd

For further information on the Mt Todd Gold Project, see the Technical Report entitled “NI 43-101 Technical Report Mt Todd Gold Project 50,000 tpd Preliminary Feasibility Study Northern Territory, Australia” with an effective date of September 10, 2019 and an issue date of October 7, 2019, which is available on SEDAR at www.sedar.com, on EDGAR at www.sec.gov, as well as on Vista’s website at “Mt Todd - Technical Report.”

John Rozelle, Vista’s Senior Vice President, a Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects, has approved the information in this press release.

This blog post contains forward-looking statements within the meaning



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of the U.S. Securities Act of 1933, as amended, and U.S. Securities Exchange Act of 1934, as amended.