



Nippon Readying Thermal Fragmentation for Mining at Rocmec 1 and Welcomes a New Member to its Team

Brossard (Quebec), October 7th, 2020 Nippon Dragon Resources Inc. (“Nippon” or “NDR”) (TSX-V Symbol: NIP), is pleased to provide a progress report as it moves forward with the development of the Rocmec 1 gold mine.

Highlights include:

- Thermal fragmentation operations have begun on the Talus vein;
- Development of a raise and a sub-level on level 39 within the Talus mineralized structure starting from level 50;
- Development of 2 drifts in the mineralized vein on level 50 of the McDowell structure;
- Employee training on the thermal fragmentation units continues in an accelerated mode

Nippon is turning Rocmec 1 into a dynamic mine through investments in exploration, development, infrastructure and equipment.

About the McDowell and Talus veins

The McDowell vein is the longest gold bearing structure on the property. The vein was developed and followed underground on levels 45, 90 and 130 meters. Grades range from 0.03 g/t to 120.00 g/t and widths vary from 0.07 metres to 5.00 metres. The best intersection encountered is 74.65 g/t over 2.34 metres. The Talus vein is probably a secondary sub parallel branch structure to the McDowell vein. Sampling of the vein was conducted in the drift on the 90m level. The actual known extension at depth is 400m. Grades range from 0.03 g/t to 61.58 g/t and widths vary from 0.05 metres to 3.04 metres. The best intersection encountered is 37.02 g/t over 1.22 metres.

Nippon is very pleased to welcome Mr. Richard Barbeau, P. Eng, M.SC. to its team. Mr. Barbeau brings close to 40 years of experience in the mining industry both in Canada and Africa. Mr. Barbeau has worked on several start-up projects such as Nippon’s Rocmec 1 project.

A graduate of the University of Laval, Richard is a licensed mining engineer, he holds a master's degree in mechanical engineering and a diploma in industrial engineering.

“Richard will play a key leadership role in the execution, planning and supervision of operations at Rocmec 1. His vast experience in start-up projects such as our Rocmec1 project will greatly contribute to Nippon’s development strategy” stated Mr. Donald Brisebois, Nippon’s President & CEO.

Rocmec 1 project

The Rocmec 1 project is located in the Dasserat Township, Province of Québec on the shores of the Labyrinthe Lake. It is approximately 35 kilometres west of the town of Rouyn-Noranda and is easily accessible from Route 117 and the frontier gravel road separating Quebec and Ontario and a secondary gravel road to the site. The property was acquired in October 2005, dewatering and rehabilitation of the mine commenced in January 2006. To date, Nippon Dragon has invested approximately \$33,000,000 in rehabilitating the property, surface and underground infrastructure, diamond drilling, equipment and drifting. The property includes a 100m deep two compartment shaft, an 844 metre decline allowing access to five levels (50, 70, 90, 110 and 130 metres). On these levels a total of 1700 metres (drifts and cross-cut drifts) were driven. The Rocmec 1 mineralized bodies are well defined by diamond drill holes. The 2010 NI 43-101

report by SGS using a cut-off grade of 3 g/t Au reports a Measured and Indicated mineral resources of 570,300 tonnes grading 6.52 g/t (119 500 oz.) and 1,512,400 tonnes Inferred at 7.4 g/t Au (359 600 oz.).

About Nippon

Nippon is active in the exploration and the development of gold resources in Quebec. The Corporation holds two gold properties, Rocmec 1 with resources recognised in accordance with NI43-101 and the Denain property. Nippon also has an exclusive license for the Thermal Fragmentation mining process.

Le présent communiqué est disponible en français site web de Ressources Nippon Dragon

The company's growth strategy is based on:

- *The development of its gold deposits with the objective of producing revenue from its operations;*
- *Increasing the value of its mining assets by prioritizing the exploration targets; and*
- *The commercialisation and employment of its thermal fragmentation technology.*

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