



(CSE: TRG)

FOR IMMEDIATE RELEASE

October 5, 2021

TARACHI ANNOUNCES AVERAGE GRADE OF 2.04g/t Au FROM MAGISTRAL TAILINGS DRILLING

Highlights:

- *All 37 holes intersected high-grade gold tailings material.*
- *Average assay grade of 2.04g/t Au from 171 gold tailings intercepts*

Vancouver, British Columbia (October 5, 2021) – Tarachi Gold Corp. (CSE: TRG) (OTCQB: TRGGF) (Frankfurt: 4RZ) (“Tarachi” or the “Company”) is pleased to announce assay results from the tailings drilling program completed in May (see press release dated May 20th, 2021) at the Company’s wholly owned Magistral Mill and Tailings Project (“**Magistral**”) in Durango, Mexico.

A total of 37 vertical auger holes were completed to depths ranging from 1.3 to 14.5 metres with an average depth of 6.6 metres. Samples were collected in 70-centimetre-long intervals using a Shelby sample capture tube system and sent to Activation Laboratories Ltd. in Kamloops, British Columbia for assaying after being logged by the Company’s geology team on site. Sample recovery averaged 95.9%. Two adjacent samples were combined to form 1.4-metre composites where possible at the lab with a total of 178 composites and samples assayed. Of the 178 samples assayed, 171 of them were determined to be composed of gold tailings and are summarized in Table 1.

Table 1 – Summary of Gold Tailings Assays

Au Range (g/t)	Number of Samples	Average Grade (g/t)
<1.00	3	0.91
1.00 – 1.50	33	1.31
1.51 – 2.00	55	1.77
2.01 – 2.50	44	2.21
>2.51	36	3.00
TOTAL	171	2.04

Table 2 – Magistral Tailings Auger Hole Collars and Gold Tailings Intercepts

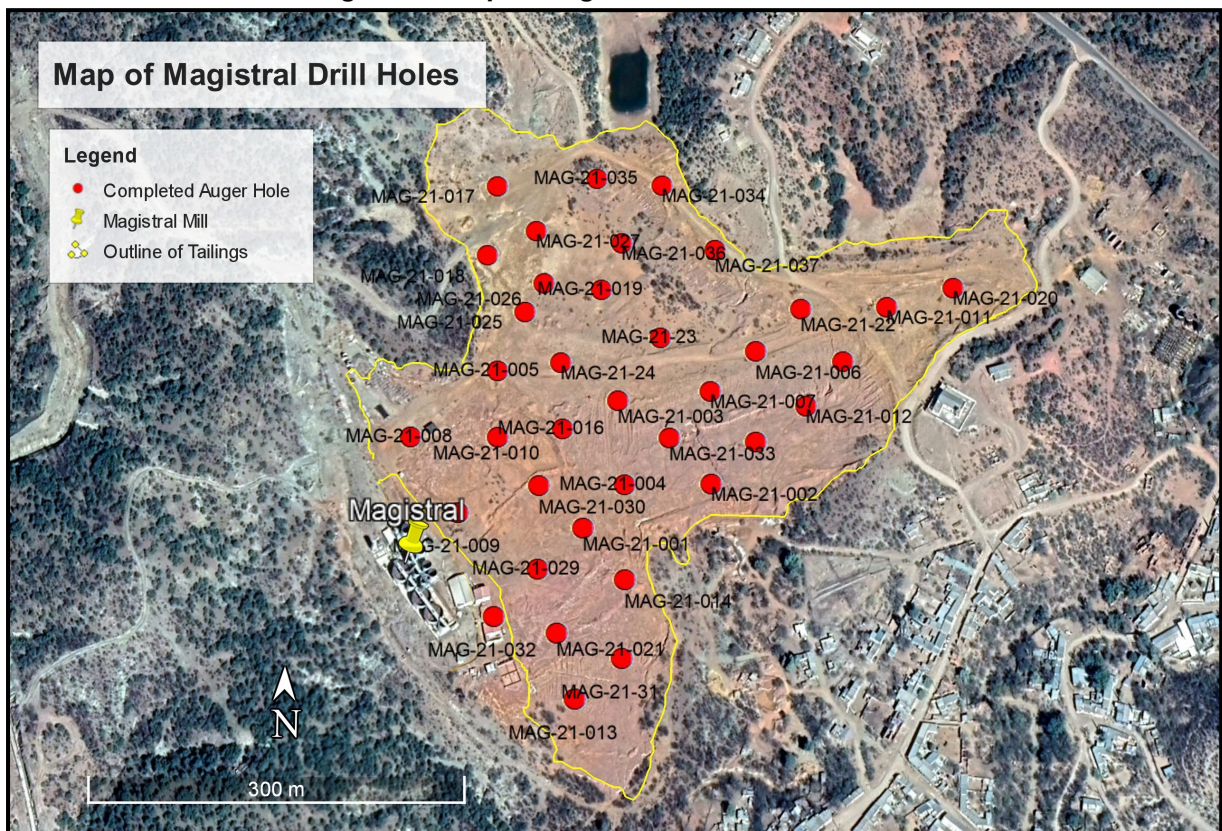
Hole ID	UTM East	UTM North	Elev. (m)	From (m)	To (m)	Interval (m)	Wt. Avg. Au (g/t)	Notes
MAG-21-001	460818.0	2873731.6	1735.5	0.00	10.92	10.92	2.66	Au Tailings.
MAG-21-002	460921.7	2873768.8	1736.5	0.00	8.97	8.97	2.94	Au Tailings.
MAG-21-003	460843.7	2873837.5	1744.5	0.00	14.50	14.50	1.65	Au Tailings.
MAG-21-004	460851.0	2873767.9	1735.8	0.00	3.26	3.26	1.72	Au Tailings.
MAG-21-005	460747.2	2873861.3	1744.2	0.00	2.80	2.80	1.90	Au Tailings.
MAG-21-006	460957.5	2873879.5	1745.1	0.00	8.61	8.61	1.55	Au Tailings.
MAG-21-007	460920.0	2873845.9	1743.2	0.00	14.00	14.00	1.77	Au Tailings.
MAG-21-008	460675.1	2873802.8	1743.7	0.00	8.83	8.83	1.58	Au Tailings.
MAG-21-009	460715.7	2873741.7	1739.1	0.00	1.29	1.29	1.07	Au Tailings.
MAG-21-010	460748.1	2873806.2	1740.0	0.00	5.73	5.73	1.51	Au Tailings.
MAG-21-011	461065.6	2873917.2	1747.8	0.00	9.10	9.10	2.23	Au Tailings.
MAG-21-012	460999.1	2873835.3	1738.4	0.00	8.40	8.40	2.32	Au Tailings.
MAG-21-013	460814.7	2873594.6	1724.8	0.00	1.90	1.90	1.14	Au Tailings.
MAG-21-014	460852.8	2873691.2	1731.1	0.00	4.63	4.63	1.91	Au Tailings.
MAG-21-015	461027.4	2873864.6	1743.7	0.00	8.95	8.95	2.25	Au Tailings.
MAG-21-016	460798.7	2873811.2	1740.8	0.00	3.73	3.73	2.09	Au Tailings.
MAG-21-017	460738.3	2874017.6	1742.7	0.00	1.40	1.40	1.88	Au Tailings.
				1.40	4.20	2.80	0.35	Non-Au tails. Tails from Ag/Pb/Zn ore.
				4.20	7.00	2.80	N/A	No recovery.
				7.00	7.70	0.70	0.34	Non-Au tails. Tails from Ag/Pb/Zn ore.
MAG-21-018	460732.1	2873957.8	1743.2	0.00	2.73	2.73	2.11	Au Tailings.
MAG-21-019	460828.4	2873930.1	1742.5	0.00	6.30	6.30	2.43	Au Tailings.
MAG-21-020	461119.1	2873934.3	1748.4	0.00	5.60	6.30	2.30	Au Tailings.
MAG-21-021	460798.9	2873646.9	1732.6	0.00	5.60	5.60	1.74	Au Tailings.
MAG-21-022	460994.8	2873916.2	1747.9	0.00	6.21	6.21	1.47	Au Tailings.
MAG-21-023	460874.4	2873892.4	1743.2	0.00	6.54	6.54	1.95	Au Tailings.
MAG-21-024	460793.5	2873868.8	1743.8	0.00	6.20	6.20	1.25	Au Tailings.
MAG-21-025	460765.4	2873908.9	1743.8	0.00	7.34	7.34	1.57	Au Tailings.
MAG-21-026	460783.5	2873944.2	1742.6	0.00	9.80	9.80	2.43	Au Tailings.
MAG-21-027	460770.1	2873979.1	1743.2	0.00	1.40	1.40	2.66	Au Tailings.
				1.40	5.60	4.20	0.76	Non-Au tails. Tails from Ag/Pb/Zn ore.
				5.60	6.18	0.58	2.75	Au Tailings.
MAG-21-028	460955.4	2873803.3	1737.3	0.00	6.30	6.30	2.50	Au Tailings.
MAG-21-029	460780.2	2873697.9	1736.5	0.00	3.50	3.50	2.00	Au Tailings.
MAG-21-030	460779.0	2873766.9	1736.9	0.00	9.80	9.80	1.87	Au Tailings.
MAG-21-031	460851.7	2873628.2	1726.5	0.00	3.50	3.50	2.11	Au Tailings.
MAG-21-032	460752.6	2873662.2	1738.6	0.00	4.78	4.78	1.82	Au Tailings.
MAG-21-033	460894.0	2873802.1	1737.6	0.00	6.30	6.30	2.69	Au Tailings.

MAG-21-034	460880.2	2874014.4	1750.3	0.00	5.60	5.60	2.01	Au Tailings.
MAG-21-035	460824.5	2874025.4	1745.6	0.00	11.20	11.20	2.58	Au Tailings.
MAG-21-036	460845.4	2873970.8	1742.4	0.00	1.93	1.93	1.85	Au Tailings.
MAG-21-037	460925.8	2873957.0	1750.1	0.00	4.02	4.02	1.85	Au Tailings.

The 171 gold tailings samples ranged in grade from 0.89 to 4.12g/t with an average of **2.04g/t Au**. Table 2 contains the coordinates of all auger hole collars and the weighted average grade of the tailings intervals. A detailed table of sample assays, including silver and copper grades, will be posted to the Company’s website.

Tarachi CEO, Cameron Tymstra, commented: *“We are incredibly pleased with the results of our tailings drilling program at Magistral. While delays at the assay labs held up this data for several months, these results confirm the historic gold grade estimates for the basin and contribute to the de-risking of the Magistral project. These grades would be impressive for any open pit mining operation, but for a project where the material has already been mined, crushed and ground, you can really get a sense of the potential value here. With assays in hand and much of the metallurgical work completed, Ausenco Engineering now has the majority of the data required to complete the resource estimate and preliminary economic assessment for Magistral, now expected in November.”*

Figure 1 – Map of Auger Hole Collar Locations



The locations of the 37 auger drill holes are shown in Figure 1. Drill holes MAG-21-17 and MAG-21-27 appear to have intercepted a small quantity of tailings originating from a

different mill at the far northern corner of the Magistral tailings basin. Assay chemistry of these samples is noticeably different with lower gold grades and zinc and lead values that are 50 and 100 times greater, respectively, than the average values seen in the rest of the Magistral basin. The assays from this material were excluded from the average gold tailings grade calculation and this material might be excluded from the upcoming resource estimate due to the variation in geochemistry and lower gold grades. None of the other drill holes intercepted this material and it appears isolated to the north corner of the basin.

Ausenco Engineering will be using the results of the auger drilling program to form the basis of the resource estimation component of the upcoming preliminary economic assessment for the Magistral project.

Quality Assurance/Quality Control

Tailing samples were selected by company geologists with each sample placed into plastic bags. Sample tags were inserted into each bag before being sealed and stored at the campsite in a secure area. At the completion of the program the samples were transported by company trucks directly to Tarachi's secure facility in Hermosillo, Mexico for transport to Canada.

All 178 samples from the 37 vertical, auger drill holes completed were shipped to Activation Laboratories Ltd. in Kamloops B.C. Canada for sample preparation and analysis. 30 grams from each sample was analyzed for gold by Fire Assay Fusion with an AA (atomic absorption finish) as well, 0.5 grams of each sample was digested by Agua Regia and then analyzed using an ICP for a 38-element suite. Activation Laboratories is ISO/IEC 17025:2017 and ISC 9001: 2015 accredited and/or certified.

Control samples comprising of certified reference samples, duplicates and blanks were systematically inserted into the sample stream and analyzed as part of the company's quality assurance / quality control protocol.

About Tarachi Gold

Tarachi Gold is a Canadian-listed junior gold exploration company focused on exploring and developing projects in Mexico. Tarachi acquired the Magistral Mill and tailings project in Durango, Mexico in 2021. Magistral includes a 1,000 tpd mill and access to a tailings resource (non-compliant with NI 43-101) estimated to contain 1.29Mt at 2.06g/t Au which the Company expects to bring into production in 2022. The historical estimate was completed by Corporation Ambiental de Mexico S.A. de C.V. (CAM) in 2011 which helped only in determining the drill collar locations of the Company's recently completed drilling program as part of the ongoing Magistral preliminary economic assessment (PEA). Tarachi's qualified person has not done sufficient work to classify the historical estimate as a current mineral resource or mineral reserves. The issuer is not treating the historical estimate as a current mineral resource or mineral reserves.

The Company also has exploration projects covering 3,708ha of highly prospective mineral concessions in the Sierra Madre gold belt of Sonora, Mexico in close proximity to Alamos Gold's Mulatos mine and Agnico Eagle's La India mine.

Qualified Person

Lorne Warner, P. Geo, VP Exploration and Director of the Company is a qualified person as defined by National Instrument 43-101 and has reviewed and approved the scientific and technical disclosure in this news release.

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SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

This news release includes certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" under applicable Canadian securities laws. When used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "would", "could", "schedule" and similar words or expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: future exploration programs, and the completion of drill holes; and receipt of assay results.

Forward-looking statements and forward-looking information relating to any future mineral production, liquidity, timing of completion of reports and studies, enhanced value and capital markets profile of Tarachi, future growth potential for Tarachi and its business, and future exploration plans are based on management's reasonable assumptions, estimates, expectations, analyses and opinions, which are based on management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, the price of silver, gold and other metals; no escalation in the severity of the COVID-19 pandemic; costs of exploration and development; the estimated costs of development of exploration projects; Tarachi's ability to operate in a safe and effective manner and its ability to obtain financing on reasonable terms.

These statements reflect Tarachi's respective current views with respect to future events and are necessarily based upon a number of other assumptions and estimates that, while considered reasonable by management, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or forward-looking information and Tarachi has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: the Company's dependence on one mineral project; precious metals price volatility; risks associated with the conduct of the Company's mining activities in Mexico; regulatory, consent or permitting delays; risks relating to reliance on the Company's management team and outside contractors; risks regarding mineral resources and reserves; the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources,

metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; the ability of the communities in which the Company operates to manage and cope with the implications of COVID-19; the economic and financial implications of COVID-19 to the Company; operating or technical difficulties in connection with mining or development activities; employee relations, labour unrest or unavailability; the Company's interactions with surrounding communities and artisanal miners; the Company's ability to successfully integrate acquired assets; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; litigation risk; and the factors identified under the caption "Risk Factors" in Tarachi's management discussion and analysis. Readers are cautioned against attributing undue certainty to forward-looking statements or forward-looking information. Although Tarachi has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be anticipated, estimated or intended. Tarachi does not intend, and does not assume any obligation, to update these forward-looking statements or forward-looking information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.