

PINECREST RESOURCES LTD.

**Suite 413 – 595 Burrard Street, P.O. Box 49167
Vancouver, British Columbia
V7X 1J1**

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PINECREST ANNOUNCES \$3,000,000 NON-BROKERED PRIVATE PLACEMENT TO ADVANCE THE ENCHI GOLD PROJECT, GHANA, AND MANAGEMENT AND BOARD CHANGES

May 19, 2020

TSX-V: PCR

Vancouver, British Columbia: Pinecrest Resources Ltd. (TSX-V: PCR) (the "Company" or "Pinecrest") is pleased to announce that it intends to conduct a non-brokered private placement of up to 15,000,000 common shares ("Shares") of the Company at a price of \$0.20 per share for gross proceeds of up to \$3,000,000 (the "Private Placement"). The proceeds of the Private Placement will be used to advance the exploration and development of the Company's 100% owned Enchi Gold Project in Ghana and for general corporate purposes.

Pinecrest currently has 64.3 million shares issued and outstanding with the Board and Management owning a 40% equity interest and Kinross Gold Corporation ("Kinross") owning an approximate 17% equity interest.

All shares issued pursuant to the Private Placement will be subject to a hold period expiring four months and a day following the date of issue. A finder's fee may be payable on a portion of the financing. The Private Placement is subject to receipt of all required approvals, including the approval of the TSX Venture Exchange, as well as the execution of formal documentation. The Private Placement is scheduled to close on or before June 17, 2020. Upon closing of the Private Placement, Pinecrest will have approximately 79.3 million shares issued and outstanding.

The Company is also pleased to announce the appointment of Mr. Luke Alexander as President, Chief Executive Officer and Director of Pinecrest, Mr. Douglas Forster, an existing Director, as non-executive Chairman, and Ms. Omayya Elguindi as a Director of the Company effective immediately.

Douglas Forster, Chairman of Pinecrest stated: "We are very pleased to welcome Luke Alexander as President, CEO and Director of Pinecrest and Omayya Elguindi as Director of the Company. Luke is a capital markets and natural resource finance professional and he brings a wealth of mining knowledge, contacts, and experience to the Pinecrest executive team and Board. I have previously worked with Luke on Newmarket Gold and Calibre Mining where he had a significant impact on institutional investor awareness and capital campaigns. Omayya is the founder of several highly successful companies and brings an abundance of valuable business experience, fresh insight and expertise to our board. Our fellow director Blayne Johnson has seen firsthand the significant impact Omayya can have on a young company when a technology start-up they worked on generated exceptional returns for shareholders."

Douglas Forster continued: "I would like to thank Ryan King who has served as President and CEO of Pinecrest since 2017 and he will remain a Director of the Company. Ryan has done an excellent job in

advancing Pinecrest and our Enchi Gold Project and I look forward to continuing to work with Ryan as a valued member of the Board.”

Luke Alexander, President and CEO of Pinecrest stated: “I am very excited to join Doug and the rest of the Pinecrest team. In my 15 years of covering the global natural resources sector, I have always viewed them as one of the best and most respected teams in the business. Ghana is a great country to operate in with a long history of gold mining. The Enchi project with over one million ounces of gold in inferred resources and significant exploration upside, has been overlooked by the market and is an excellent cornerstone asset to grow Pinecrest.”

Luke Alexander is the founder and has been the principal and director of Park Road Capital, a Vancouver-based, natural resource focused consulting company since September 2018. Prior to that he was the Managing Director at GMP Securities based in Vancouver, British Columbia from April 2017 to August 2018. Before relocating to Vancouver, Luke spent 12 years in London, UK, covering the Natural Resource sector. During his time in London he was a senior partner at GMP Securities Europe, Vice President at National Bank Financial, and an equity sales trader at TD Securities. Luke began his career working in the private client group at BMO Nesbitt Burns.

Omayya Elguindi has been a respected member of the North American technology business sector for over 20 years. She founded numerous innovative companies that went on to be successfully bought out. Omayya is co-founder of Ekaria LLP, a company that manages the retail rewards program for American Express USA. She resides in Toronto and South Florida.

Enchi Gold Project

The Enchi Gold Project (“Enchi”) is road accessible, is on the Ghanaian power grid and is situated along the eastern margin of the Sefwi gold belt that hosts multi-million ounce producing mines such as the Kinross’ Chirano Gold Mine located 70 km north of the Enchi Project and past producing Bibiani Gold Mine. The Enchi Project includes seven prospecting licenses comprising a total 216 km² land package. Previous work carried out on the project has includes: RC and diamond drilling (52,385 m in 646 drill holes), 13,799 m of trenching in 102 trenches, airborne geophysical surveys, and soil sampling which resulted in an Inferred Gold Resource of 1.07 million ounces gold and a Preliminary Economic Assessment conducted on three main gold deposits (Boin, Nyamebekyere and Sewum). All gold deposits within the Inferred Resource are open for expansion down dip and along strike, particularly the Boin deposit that has undrilled internal gaps in the well-defined structure of up to 400 metres in strike length. Additional new high priority targets include Boin Northwest and Kojina Hill both located within 10 km of the main Boin deposit where previous work completed includes trenching and drilling.

Enchi Gold Project Inferred Resource and Preliminary Economic Assessment Highlights

The NI 43-101 compliant Preliminary Economic Assessment (the "PEA" or the "Study") was prepared by WSP Canada Inc. ("WSP") using a base case Inferred Mineral Resource of 1.07 million ounces (oz) of gold (37.3 million tonnes grading 0.9 grams of gold per tonne (g/t Au), at a cut-off of 0.5 g/t Au and using a \$1,300/oz gold price) as detailed in the technical report entitled "Technical Report and Preliminary Economic Assessment on the Enchi Gold Project" dated April 2015. It is the opinion of the QP that the PEA remains current for purposes of NI 43-101.

The PEA contemplates an open pit, heap leach mining operation with an 8.7 year mine life and average annual gold production of 61,749 oz gold. Given that all resources are open along strike and to depth with drilling generally confined to near surface oxide zones to a maximum depth of 175 metres, the prospects for expanding gold resources are considered excellent.

For greater detail on the Enchi Gold Project PEA including gold price and cost sensitivities, please see Pinecrest's November 6, 2019 news release.

Enchi Project PEA Base Case Highlights at \$1,300/oz gold price (all figures in \$US Dollars)

Average Mined Gold Grade (g/t)	0.91
Processing Rate (Mtpy)	3.0
Mine Life (years)	8.7
Life-of-Mine (LOM) Strip Ratio	3.16:1
IRR Pre-Tax (%)	34
NPV Pre-Tax (5% Discount Rate) (US\$ Million)	102
IRR After-Tax (%)	25
NPV After-Tax (5% Discount Rate) (US\$ Million)	62
Initial Capital Cost (US\$ Million)	84
LOM Sustaining Capital Cost (US\$ Million)	39
Payback (Pre-Tax)(years)	2.8
Payback (After-Tax) (years)	3.4
LOM Cash Costs (US\$/oz)	802
Metallurgical Recoveries (oxide/transition/sulphide %)	75/75/73
Total Recovered Gold (oz)	538,450
Average Annual Gold Production (oz)	61,749
Peak Annual Gold Production (oz)	76,210

The financial models include the following: an initial capital cost of \$84.4 million, including direct costs, indirect costs, and a contingency of \$11.8 million (20% of direct costs). Sustaining capital of \$38.6 million including a reclamation and closure, mining costs, infrastructure costs, EPCM and contingencies. The financial model was completed on a 100% Project basis and includes a 5% NSR to the Ghanaian Government and a 2% NSR to Red Back Mining Ghana Ltd., a wholly owned subsidiary of Kinross. The Government of Ghana have the right to a 10% free carried interest in the Project.

The PEA is preliminary in nature, and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized. Numbers may not add exactly due to rounding. Cash cost includes all operating costs, royalties, refining charges, environmental monitoring, tenure fees as well as general and administration costs. Cash cost excludes any capital cost, either initial or sustaining and closure and remediation costs. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

In 2017, a 3,406 m, 28-hole RC drill program was successful in locating potential extensions to known resources as well as testing new gold zones outside of the Inferred resources such as Kojina Hill and Boin Northwest.

Highlight Drill Results Outside of NI 43-101 Inferred Resources

Sewum Gold Zone

- Highlight drill holes include;
 - SWRC060 intersected 31.0 m grading 0.94 g/t gold including 20.0 m grading 1.27 g/t gold,
 - SWRC062 intersected 35.0 m grading 0.50 g/t gold and,
 - SWRC064 intersected 38.0 m grading 1.12 g/t gold.
- All of these intercepts are oxidized mineralization expanding previously defined zones of gold mineralization.

Kojina Hill Gold Target

- The Kojina Hill Gold Target ("Kojina") is a new gold zone located outside of the current NI 43-101 inferred resource on the Enchi Gold Project.
- KJRC010 intersected 9.0 m grading 1.99 g/t gold from surface and a second zone of 29.0 m grading 0.87 g/t gold confirming continuity of the mineralized gold zone at depth.

Boin Gold Zone

- Drilling at the Boin Gold Zone ("Boin") successfully intersected mineralization outside of the defined NI 43-101 Inferred resource areas.
- KBRC137 intersected 35.0 m grading 1.15 g/t gold including; 19.0 m grading 1.67 g/t gold, opening a new expanded zone of mineralization to the northeast, potentially open along strike.
- KBRC128 intersected 10.0 m grading 1.46 g/t gold with the drill hole ending in a previously unrecognized new gold zone.
- KBRC127 intersected 25.0 m grading 0.58 g/t gold.

Boin Northwest Gold Zone

- Boin Northwest Gold Zone ("Boin NW") is a new gold zone located outside of the current NI 43-101 inferred resource on the Enchi Gold Project.
- KBRC126 intersected 18.0 m grading 0.59 g/t gold.
- Boin NW has been traced over a strike length of 300 metres and is open along strike and down dip.

Notes for drilling results include; Intervals are core lengths / true width are estimated to be 70-90% of lengths. Length weighted averages from uncut assays. All drilling completed by independent contractor. All drilling samples sealed on site and delivered directly to independent lab Intertek Mineral Limited located in Tarkwa, Ghana for preparation and 50g Fire Assay with AAS finish. QA/QC procedures include industry standard inclusion of standards, blanks, and duplicates in all sample batches.

Pinecrest has granted 4,450,000 stock options at a price of \$0.25 per share for a period of five years to officers, directors, and consultants of the Company. These options are subject to regulatory approval and are granted under the Company's stock option plan and include vesting provisions.

Qualified Person

The scientific and technical data contained in this news release has been reviewed and approved by Gregory Smith, P.Geo., Consulting Geologist, a Qualified Person as defined by NI 43-101.

About Pinecrest Resources Ltd.

Pinecrest Resources Ltd. is a British Columbia corporation that is based in Vancouver, B.C. The Company engages principally in the acquisition, advancement, and development of precious metal properties. The Company is advancing and developing its 100% owned Enchi gold project located in South West Ghana. Major shareholders of the Company include Kinross Gold Corporation and management.

On Behalf of the Board of Directors

Pinecrest Resources Ltd.

"Luke Alexander"

Luke Alexander
President, CEO & Director

For further information contact:

Ryan King
604 628-1012
www.pinecrestresources.com

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