Mexican Gold Corp Provides Update on Financing

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

THUNDER BAY, Ontario, Dec. 21, 2018 -- **MEXICAN GOLD CORP. (TSX-V: MEX; OTCQB: MEXGF; FRA: 4QW1) ("Mexican Gold"** or the **"Company")** is pleased to provide an update on the second tranche of the previously announced non-brokered private placement of units in the Company ("Units") at $0.20 per Unit for gross proceeds of up to $3,000,000, subject to the Company's option to increase the size of the private placement by 25% (the "Private Placement") (see October 22, 2018, November 1, 2018 and November 22, 2019 news releases of the Company).

Each Unit offered under the Private Placement consists of one common share of the Company (a "Common Share") and one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant is exercisable into a Common Share at the price of $0.30 per Common Share for a period of thirty-six months, subject to the Company's option to accelerate the expiry date of the Warrants on notice to the holders of the Warrants, if at any time after four months and one day from the closing date of the Private Placement, the closing price of its Common Shares on a stock exchange in Canada is greater than $0.45 per Common Share for a period of 20 consecutive trading days.

The Company has closed the first tranche of the Private Placement for gross proceeds of $2,063,000 on November 22, 2018 and is aiming to close the second tranche of the Private Placement in the first weeks of January 2019.

The net proceeds from the Private Placement will be used to continue exploration on the Company's Las Minas project located in the State of Veracruz, Mexico, to make the final property payment (done), and for general working capital purposes.

Securities issued pursuant to the Private Placement will be subject to a four month and one day statutory hold period. As at the date hereof there is no material fact or material change related to the Company that has not been generally disclosed. The Private Placement is subject to the final approval of the TSX Venture Exchange.

About Mexican Gold Corp.

Mexican Gold Corp. is a Canadian based mineral exploration company committed to building long-term value through ongoing discoveries and strategic acquisitions of prospective precious metals and copper deposits in North America. Mexican Gold is exploring the Las Minas Project, which is located in the core of the Las Minas mining district in Veracruz State, Mexico, and is host to one of the newest, under-explored skarn systems known in Mexico.

For more information, please contact:
Carl Hering, PhD Geology, CEO
Brian E. Robertson, P. Eng., President
Phone: 303-895-5241 or 807-251-1816
Fax: 807-474-4272

E-mail: info@mexicangold.ca
Website at www.mexicangold.ca

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION*: This news release includes certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. "Forward-looking information" can often, but not always, be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". These statements are based on information currently available to the Company, and the Company provides no assurance that actual results will meet management's expectations. Forward-looking information includes, but is not limited to, statements about the closing of the Private Placement, the future exploration results relating to the Las Minas project, and exploration plans for the Las Minas project and the exploration potential of the Las Minas project. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information, including the risks identified in the Company's disclosure documents. 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. All forward-looking information contained in this press release is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.*