

SEGO Extends the Northern Margin of the Southern Gold Zone and Drill Test Geophysical Anomalies South of the Southern Gold Zone

Vancouver, British Columbia--(Newsfile Corp. - November 22, 2022) - **Sego Resources Inc. (TSXV: SGZ) ("Sego" or "the Company")** is pleased to announce the results of a seven drill hole program located in the Southern Gold Zone of the Miner Mountain Porphyry Copper-Gold project near Princeton, B.C., 15 km north of the Porphyry Copper Mountain Mine. The drill program tested the northern and western extensions of the Southern Gold Zone for the potential of deeper porphyry copper-gold mineralization defined by geophysical anomalies.

Highlights

- *Extended the moderately north-dipping Southern Gold Zone, intersected (0.95 gpt Au over 80 m) and terminated the Southern Gold Zone to the west.*
- *Drilled the deep magnetic and chargeability anomalies to the south of the Southern Gold Zone to intersect broad intervals of strong disseminated magnetite and pyrite that contain low Au and Cu values.*
- *Completed surface mapping and petrology within and around the Southern Gold Zone to identify the fine-grained nature of the host rocks, structural controls and alteration assemblages controlling or tracking Au mineralization and unexposed porphyry Cu-Au mineralization.*
- *Future work will fill-in drill holes within an ~80 m space between previous drill holes in the Southern Gold Zone.*
- *Geochemical and chargeability data will be evaluated to support a deep drill test of porphyry Cu-Au mineralization located north of the Southern Gold Zone.*
- *A resource calculation of the Southern Gold Zone mineralization and on-going petrology to point towards porphyry copper-gold targets, not well exposed at surface, are planned for early 2023.*

2022 Diamond Drill Hole Results

The seven drill hole 2022 program that totaled 1,582 m was two pronged: DDHs 59, 60-64 to test the western and northern extension of the Southern Gold Zone and DDHs 59 and 65 to explore deep blind and deep inverted chargeability-magnetic anomalies located ~200 m south of the Southern Gold Zone (Figure 1). The inverted geophysical data was recalculated to locate the true position of the anomalies in a volume of rock and to explore targets not exposed at surface.

DDH 59 was collared 47 m north on section locating DDH 50 and 52 to test both targets to depth (Figure 1), the northern extension of the Southern Gold Zone and to explore the deep western margin of the chargeability and magnetic anomalies. Based on the inverted data, the anomalies were anticipated to occur at 250 to 400 m vertical depths.



Figure 1. Recent (red) and previous (black) Au values and meterage plotted within the Southern Gold Zone Boundary on a geological plan.

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/1056/145260_cb2429db2485d8ab_002full.jpg

Maps And Tables available at www.segoresources.com

Table 1. 2022 Drill Program Results from the South Gold Zone

Diamond Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)
DDH 59	63.12	143.12	80.00	0.95
DDH 60	9.14	60.80	51.66	0.24
DDH 61	9.14	48.77	39.63	0.27
DDH 62	8.52	100.58		NSA
DDH 63	4.90	106.68		NSA
DDH 64	6.65	100.58		NSA
DDH 65	5.20	368.81		NSA

NSA - No Significant Assays

DDH 59 intersected the extension of the Southern Gold Zone and returned 0.95 gpt Au over 80 m (Table 1, News Release June 13, 2022). The hole defined the northern extension of Southern Gold Zone and defined a steep northern dip of the zone defined by Au data from DDHs 50 to 52 (previously reported News Release August 11, 2021 and January 31, 2022 and Table 2). Deeper portions of the hole intersected altered green interbedded andesitic tuff and lapilli tuffs and microdiorite that contain very fine-grained disseminated pyrite and magnetite to the end of the hole at 447 m. The pyrite and magnetite are the likely cause of the chargeability and magnetic anomalies; however, Au and Cu values are low.

DDHs 60 and 61 are both located on the same section 50 m west of DDHs 54 and 55 section (Figure 1). They intersected shallow unmineralized monzonite and deeper mineralized microdiorite or monzodiorite that penetrated a faulted contact into lower unmineralized massive to laminated sediments

and tuff, that extended to the bottom of these holes. On this section the Southern Gold Zone is a moderate northwest-dipping ~25 m true wide zone that contains 0.24 gpt Au over 51.7 m in DDH 60, whereas the deeper intersection in DDH 61 returned 0.27 gpt Au over 39.6 m (Table 1).

DDHs 62, 63 and 64 are short drill holes in two sections on the west slopes below and west of the mineralized Southern Gold Zone. They penetrated volcanic and diorite pervasively altered to moderate strength propylitic assemblages and carried low Au and Cu values.

DDH 65 was collared 50 m north of DDH 49 and on the same section as DDH 53 and inclined 60° to 160° (Figure 1). The hole was positioned to test to the eastern deep margin of the same strong coincident inverted (see Figure 1) magnetic and chargeability anomalies ~200 m south of the Southern Gold Zone and to also intersect with DDH 59. The top of the hole intersected unmineralized K feldspar-chlorite-calcite altered monzonite or monzodiorite to 152 m. From 268 m to the end of the hole at 368 m the hole intersected moderate chlorite±biotite-calcite-magnetite alteration assemblage in massive to breccia diorite that intrudes lesser amounts of volcanic rocks. The breccia matrix contains abundant magnetite and several % fine-grained disseminated widespread magnetite within this interval, and are the likely cause of both geophysical anomalies. Sporadic 1% pyrite and trace chalcopyrite noted in the interval did not return significant Au or Cu values.

Proposed Drill Program

Drill holes are proposed on a subparallel section midway between sections DDHs 59-52-50 and DDHs 55-54, which are spaced ~80 m apart (Figure 2). All of these previous holes carried significant values (Table 2). The steep slope with small cliffs and a gully prohibited early drill programs that could have drill tested this section. The first and second holes will be collared ~45 m apart on the northern end of the section and will be inclined 50° to 160°. A third hole inclined 50° to 340° will be positioned in the southern end of the section and will be drilled northerly to the first two holes to track the Southern Gold Zone mineralization below the cliffs. On the same pad, a fourth shallow (~50 m) hole at -50° at 160° will locate the base of the Southern Gold Zone. The other proposed drill holes above will be ~140 m long and will track the Southern Gold Zone at depth to add to a later resource calculation as described below.

An ~400 m deep drill hole oriented -50° at 340° on the northern end of this new drill section will explore the potential for porphyry copper-gold mineralization deep below the inaccessible steep slope to the north (Figure 1). Spotty Cu soil anomalies in the area and a chargeability anomaly below the slope are potential clues of deeper mineralization. Historical drill holes located ~340 m north of the Southern Gold Zone intersected spotty chalcopyrite and bornite.



Figure 2 Proposed drill holes labelled A to F shown in bright green in the Southern Gold Zone and Au over metres values plotted on a geological map. The trace of proposed hole E will extend 2 times longer north than shown on the figure.

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/1056/145260_cb2429db2485d8ab_003full.jpg

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Table 2. Significant 2021 and 2022 DDH Intersections in the Southern Gold Zone

Diamond Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)
DDH 46	3.04	62.15	59.10	1.03
DDH 47	12.19	100.30	88.10	1.08
DDH 48	139.50	152.23	12.70	0.18
DDH 49	19.00	84.12	65.10	0.60
DDH 50	11.28	105.48	94.20	0.86
DDH 52	3.00	77.52	74.50	0.79
DDH 53	3.10	86.00	86.50	0.16
DDH 54	3.47	57.54	54.10	0.37
DDH 55	4.40	84.90	80.50	0.69
DDH 56	3.50	38.45	34.90	0.15
DDH 56	48.80	59.20	10.40	0.17
DDH 57	56.50	103.90	57.40	0.43
DDH 59	63.12	143.12	80.00	0.95
DDH 60	9.14	60.80	51.66	0.24
DDH-61	9.14	48.77	39.63	0.27

An outlier proposed drill hole to be located 175 m east of the Southern Gold Zone on an upper bench is designed to drill below a vertical 60 m long drill hole 63-9 previously logged and recorded by Climax Copper Company Ltd. in a 1964 assessment report. A 14 m felsite unit at the bottom of the hole contained several % disseminated pyrite thought to reflect the known chargeability anomaly in the area. Chalcopyrite was not recognized, and no core was analyzed for Cu or Au in the entire hole by the previous owners. An additional single hole (~140 m long) is proposed inclined at 50° at 160° to explore below the felsite unit.

Resource Calculation

An initial resource estimate of the Southern Gold Zone is planned in the New Year following the proposed drill program utilizing results from the proposed holes and past DDH results (summarized in Figure 2, Table 2). Interpretation of geological features, particularly rock types, alteration assemblages, mineralized and post-mineral faults, will guide the control of the gold mineralization and the resource calculation.

Quality Assurance and Quality Control

HQ diamond drill core is delivered by the drill contract to the on-site logging facility where it is photographed, logged for geotechnical and geological data and subjected to other physical tests including magnetic susceptibility analysis. Samples are identified, recorded, split by wet diamond saw, with one half of the core remaining on site and the remainder half shipped to MSALABS in Langley, BC for sample preparation and analysis. MSALABS is ISO/IEC 17025 and ISO 9001 certified. Samples were analyzed using an aqua regia digestion with an ICP finish.

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

Qualified Person

The technical information in this news release was reviewed and approved by Ron Britten, Ph.D., P.Eng., who is a Qualified Person under the definitions established by NI 43-101.

About the Project

Sego is 100% owner of the Miner Mountain project, an alkalic copper-gold porphyry exploration project near Princeton, British Columbia. The property is 2,056 hectares in size and is located 15 kilometres north of the Copper Mountain Mine operated by Copper Mountain Mining Corporation and Mitsubishi Copper. Sego has a Memorandum of Understanding with the Upper Similkameen Indian Band on whose Traditional Territory the Miner Mountain project is situated. Sego has received an Award of Excellence for its reclamation work at Miner Mountain.

For further information please contact:

J. Paul Stevenson, CEO
(604) 682-2933
Or toll free 1-866-683-2933

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Forward-Looking Statements

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