

Altamira Gold Receives C\$500,000 and Completes Sale of Crepori Project

Vancouver, British Columbia--(Newsfile Corp. - December 21, 2020) - **Altamira Gold Corp.'s (TSXV: ALTA) (FSE: T6UP) (OTC Pink: EQTRF)**, ("Altamira" or the "Company") is pleased to announce that it has received the C\$500,000 from Mineracao do Para Ltda. ("MAP") following the completion of the transfer of title regarding the Crepori gold project which is located in the state of Para. The Company has retained a 4% net smelter return royalty ("NSR") as part of the agreement.

Highlights:

- Altamira has received C\$500,000 in consideration for the transfer of titles regarding the Crepori gold project which is located approximately 5 kilometers north of MAP's small hard-rock gold mining operation which currently produces an estimated 4,200 ounces of gold per year
- The Company has been informed that MAP will start stripping cover material in the next few months with the possibility of developing a small open pit mining operation at Crepori which could provide cash flow to Altamira through the 4% NSR as early as Q2 2021

Michael Bennett, President & CEO, commented, "The completion of the sale of the Crepori project to MAP, and the receipt of C\$500,000, gives Altamira necessary working capital as we work to arrange financing for the construction of a mine and processing plant at our Cajueiro gold project in Mato Grosso. Just as important is the fact that the 4% NSR which we have retained could give the Company a revenue stream as early as Q2 2021 ahead of initial production from Cajueiro which is targeted for late 2021."

It should be noted that production decisions respecting the Crepori and Cajueiro projects as currently foreseen may not be based on feasibility studies of mineral reserves demonstrating economic and technical viability. Consequently there may be increased uncertainty as well as economic and technical risks associated with any such production decision.

Crepori Gold Project

The Crepori project is situated in the Tapajos Gold Province approximately 100km SW of the operating underground Palito and Sao Chico gold mines. An estimated 500,000oz of placer gold was recovered from drainages in the area during the Tapajos gold rush from 1978 to 1995 and small-scale historical hard-rock mining was also conducted along two gold bearing quartz veins.

In November and December 2017, Altamira drilled 7 reconnaissance holes for a total of 876m. Results were generally disappointing with the best results returned from CPR-1 (1m @ 4.55g/t gold, 4m @ 3.23g/t gold and 5m @ 1.81g/t gold) and CPR-2 (4m @ 8.52g/t gold). See press release dated 9th February, 2018. No further work has been conducted on the project by Altamira since this time.

Cajueiro Project Update

Altamira continues to actively pursue a number of alternative funding arrangements for the US\$6M required to fund the construction of a 1000t/d gravity processing plant and surface mine, and is confident that it will secure funding in the near term.

Whilst the Company has not formally terminated the Metalstream agreement, Metalstream is in default and has failed to deliver on the contractual arrangement to provide financing to Altamira, this despite repeated assurances from Metalstream of their ability to do so. Altamira has not received any funding from Metalstream to date.

The Company has received several alternative written offers of project financing and is in advanced negotiations with several parties, but at this stage cannot provide further details regarding timing. Management is considering a number of options and is working to determine which, if any, are suitable for Altamira.

Qualified Person

Guillermo Hughes, P. Geo., a consultant to the Company as well as a Qualified Person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Altamira Gold Corp.

The Company is focused on the exploration and development of gold projects within western central Brazil. The Company holds 9 projects comprising approximately 280,000 hectares, within the prolific Juruea gold belt which historically produced an estimated 7 to 10Moz of placer gold. The Company's advanced Cajueiro project has NI 43-101 resources of 5.66Mt @ 1.02 g/t gold for a total of 185,000 oz in the Indicated Resource category and 12.66Mt @ 1.26 g/t gold for a total of 515,000oz in the Inferred Resource category.

On Behalf of the Board of Directors,

ALTAMIRA GOLD CORP.

"Michael Bennett"

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Forward-Looking Statements

Statements in this document which are not purely historical are forward-looking statements, including any statements regarding beliefs, plans, expectations or intentions regarding the future. It is important to note that actual outcomes and the Company's actual results could differ materially from those in such forward-looking statements. Except as required by law, we do not undertake to update these forward-looking statements.

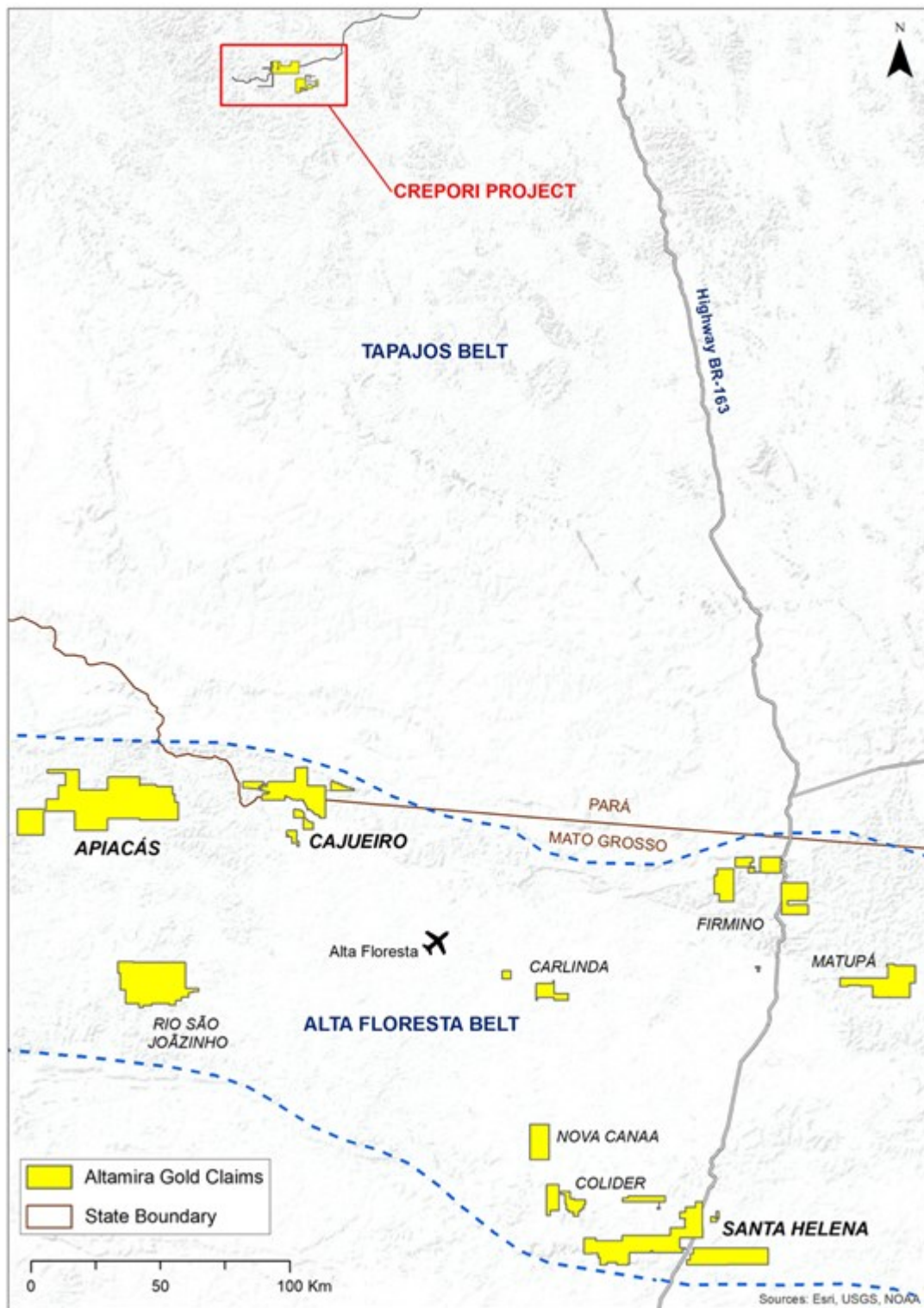


Figure 1: Location of Altamira's projects in Mato Grosso and Para states.

To view an enhanced version of Figure 1, please visit:

https://orders.newsfilecorp.com/files/4500/70687_c6d9f86e84202971_001full.jpg

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