Millrock Enters Definitive Exploration Agreement on Goodpaster Gold Project and Project Name Change, Alaska

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Highlights:

- Millrock has executed a definitive Option to Joint Venture agreement with Resolution Minerals Ltd. (“Resolution”) concerning Millrock’s district-scale 64North gold project in eastern Alaska (the project was previously named the Goodpaster project).
- The legal due diligence period was successfully completed, and Resolution has provided the required US$500,000 exploration advance.
- Funding provided by Resolution has been used to:
  ° Complete a geophysical survey to further define the Aurora target located to the immediate west of the Pogo Gold Mine;
  ° Construct a road from the Pogo Mine road to the Aurora target;
  ° Drill a water well for winter drilling; and
  ° Prepare for a drilling program to begin in the first quarter of 2020.
- The earn-in agreement includes the following key terms:
  ° Initial Year 1 investment of US$5,000,000 in exploration expenditures to earn 30%;
  ° US$20,000,000 in exploration expenditures to earn 60% in the overall project;
  ° Share payments totaling 38 million Resolution shares;
  ° US$200,000 in cash over the option period;
  ° Resolution may elect one of nine claim blocks for advanced earn-in; free carry to Bankable Feasibility Study to earn 70%, loan carry to Commercial Production to earn an 80% interest in the selected block;
  ° Millrock to operate exploration during 2020 in collaboration with Resolution and receive 8% of exploration expenditures as an operator fee; and
  ° District-scale exploration to advance other emerging targets mandated.

VANCOUVER, British Columbia, Dec. 16, 2019 -- Millrock Resources Inc. (TSX-V: MRO, OTCQB: MLRKF) ("Millrock" or the “Company”) announces that it has executed an Option to Joint Venture Agreement concerning the 64North gold project located in the Goodpaster Gold District in east-central Alaska. This announcement follows on from an October 17, 2019 news release which contemplated an agreement concerning the Goodpaster project with Australian Stock Exchange-listed Northern Cobalt Limited. During the recently completed due diligence period, Northern Cobalt changed its name to Resolution Minerals Ltd. (“Resolution” ASX: RML) and the project was renamed 64North.

Millrock President & CEO commented: *“Millrock is very pleased to enter this agreement and we have enjoyed the first 60 days of collaboration with Resolution. The Aurora target is a compelling prospect and is now ready for immediate drilling. The target is located just west of the Pogo Gold Mine, where mine owners Northern Star Resources have announced a new gold deposit discovery* a short distance from the shared claim boundary. The planned US$5,000,000 exploration program for 2020 will provide adequate funds for a thorough drill test of the Aurora target and advancement of the numerous other prospects evident on the claim block. Millrock and Resolution share the view that the Goodpaster Gold District has the potential to become one of the world’s great gold mining camps. We aim to discover another ore body like Northern Star’s Pogo Gold Mine which has produced more than 4 million ounces of gold and is reported by Northern Star to have remaining resources and reserves of approximately 6 million ounces*”. *Source; Northern Star Limited website.*

Figure 1 accompanying this announcement is available at
https://www.globenewswire.com/NewsRoom/AttachmentNg/a20d7462-b8ac-42a2-9114-e14a06d3cbc5

Key Highlights of Option to Joint Venture Agreement

1. Sole Funding Period

US$20,000,000 exploration expenditures, cash payments, and share payments over four years to earn 60%, as laid out in the following table:

Stage	Resolution Expenditure US$	% Earn in Resolution	Cash US$ to Millrock	Resolution Shares to Millrock
Commence	-	-	-	5,000,000
Drilling Target	7,500m Drilling			5,000,000
Year 1	$5,000,000	30%	$50,000	10,000,000
Year 2	$5,000,000	42%	$50,000	10,000,000
Year 3	$5,000,000	51%	$50,000	4,000,000
Year 4	$5,000,000	60%	$50,000	4,000,000
Totals	$20,000,000	60%	$200,000	38,000,000

During the option period Resolution can earn up to 60% of the project by sole funding exploration and making the share and cash payments set out in the table above. While Resolution will be the Manager throughout the sole funding period of the project, Millrock’s Alaska subsidiary, Millrock Exploration Corp (“MEC”), will act as the Operator in Year 1 with an operator fee of 8% of exploration expenditures. MEC may be re-appointed as exploration operator each year at Resolution’s discretion. If MEC ceases to become Operator the annual cash fee payable to Millrock will double. If Resolution fails to reach the minimum expenditure and payments to achieve the Year 1 earn-in of 30% interest, no encumbrances will be recorded over the project by Resolution. Resolution may elect to form a joint venture at the completion of any stage and co-funding conditions will commence. Non-contributing parties will be diluted according to an industry standard formula. If any party is diluted to less than a 10% equity ownership interest their interest will revert to a 1.0% Net Smelter Returns royalty.

2. Right to Earn up to 80% on One Block
The project is subdivided into nine blocks of ground as shown on Figure 1. If Resolution completes a 60% earn-in, a joint venture will be formed over the entire project. At that point Resolution can then elect to form a specific joint venture on one block of interest, and Resolution could then earn up to 80% ownership on that one block, as per the terms in the table below:

Milestone	Resolution $ Commitment	% Earned	Details
Bankable Feasibility Study	Fully Funded	70% earn-in	US$3 million cash or shares payable to MRO on decision to min
First Production	Loan Carry	80% earn-in	Profit share at an 80/20 split

3. Grace Period; six months
During the sole funding earn-in period, Resolution has the right to trigger a single “grace period”, allowing for a six-month extension to meet their required minimum expenditure for a particular earn-in stage.

4. Joint Venture (JV) co-funded period
Once a JV is formed, both parties are required to fund according to their percentage interest. A party may voluntarily elect to dilute using a standard industry formula using a 2X weighting on new funding. A penalty dilution of 3X will be imposed on a defaulting party in certain circumstances. Management is by committee with voting according to percentage interest. The party with the largest interest will hold the right to be the Manager, in line with standard industry conditions.

5. Area of Interest (“AOI”)
The AOI is depicted in Figure 1. Under terms of the agreement all new properties acquired by Resolution in the “AOI” shall be included in the terms of this agreement. Resolution has agreed to fund at least US$2,000,000 of exploration expenditures outside of the West Pogo block during the first two years of the option. After this period, any block not funded will revert to Millrock.

Qualified Person
The scientific and technical information disclosed within this document has been prepared, reviewed and approved by Gregory A. Beischer, President, CEO and a director of Millrock Resources. Mr. Beischer is a qualified person as defined in NI 43-101.

About Millrock Resources Inc.
Millrock Resources Inc. is a premier project generator to the mining industry. Millrock identifies, packages, and operates large-scale projects for joint venture, thereby exposing its shareholders to the benefits of mineral discovery without the usual financial risk taken on by most exploration companies. The company is recognized as the premier generative explorer in Alaska, holds royalty interests in British Columbia, Canada and Sonora State, Mexico and is a significant shareholder of junior explorer ArcWest Exploration Inc. Funding for drilling at Millrock’s exploration projects is primarily provided by its joint venture partners. Business partners of Millrock have included some of the leading names in the mining industry: EMX Royalty, Centerra Gold, First Quantum, Teck, Kinross, Vale, Inmet and Altius, as well as junior explorers Riverside, PolarX and Resolution.

ON BEHALF OF THE BOARD
“Gregory Beischer”
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Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, management’s expectation that Resolution will successfully raise capital, that Millrock will receive funding from Resolution, and that drilling will be conducted in the first quarter of 2020. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, without limitation, Millrock’s ability to raise funds needed to perform additional exploration on the claims staked and customary risks of the resource industry.

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