



PRESS RELEASE
For immediate release

TRX Gold Delivers Production Growth and Lower Operating Costs Reports Third Quarter Results

TORONTO, Ontario, July 14, 2022 – TRX Gold Corporation (TSX:TNX) (NYSE American:TRX) (the “Company” or “TRX Gold”) today announced results for the third quarter of 2022 (“Q3 2022”). Financial results for Q3 2022 will be available on the Company’s website and will be filed on SEDAR and provided on EDGAR on or around July 14, 2022.

Q3 2022 was another milestone for the Company as it reflected the first full quarter operating the 360 tpd processing plant at full design capacity and using the cash flow generated from mining operations to fund successful exploration. During Q3 2022 the Company recorded its highest quarterly: (i) production, (ii) sales, (iii) gross profit margins, (iv) net income, and (v) operating cash flow, at a low cash cost¹ of \$508 per gold ounce. Also, during the quarter the Company announced a 250 meter strike length extension of the Buckreef Gold Main Zone from 1.55 kilometers to 1.80 kilometers, and positive assay results from the northeast step-out drilling program on the Buckreef Gold Main Zone. These positive results continue to demonstrate the immense opportunity at Buckreef Gold and reflect a significant step towards successful execution of utilizing cash flow from operations to fund value creating activities, including exploration.

Q3 Accomplishment and Highlights

- **Achieved Low Cash Costs and High Gross Margins:** The Company achieved a low cash cost¹ of \$508 per ounce of gold, and a significant gross margin of 73% resulting in record quarterly net income of \$2.0 million. TRX Gold was operating cash flow positive (\$2.0 million) in the quarter, the second consecutive (operating cash flow positive) quarter in the Company’s history.
- **Successful Operation of 360 tpd Process Plant:** Buckreef Gold successfully completed the first full quarter operating the 360 tpd mill at Buckreef Gold to nameplate capacity. This is the first phase of 360 tonnes per day (tpd) for the 1,000+ tpd processing plant. The Company achieved production of 2,733 ounces of gold, exceeding guidance, and sold 3,033 ounces of gold – both quarterly records for the Company.
- **Advanced 1,000+ tpd Processing Plant Expansion:** Buckreef Gold continued to advance construction on the 1,000+ tpd processing plant. During the quarter, the Company made significant progress on the plant build, including successful completion of geotechnical earthworks, carbon-in-leaching (“CIL”) tank farm foundation construction, ball mill foundation and plinth curing, plant steel fabrication, tank construction, and procurement of all key long lead items, thus reducing considerable timeline risk for plant commissioning. The Company has sufficient liquidity to fund the remaining capital expenditures for the larger 1,000+ tpd oxide processing plant, which is expected to be completed in calendar Q3 2022 and is forecast to produce 15,000 – 20,000 oz of gold per year.
- **Expanded Exploration:** Buckreef Gold confirmed a strike extension of the Buckreef Main Zone by 250 meters (16% increase in the strike length of the Buckreef Main Zone to 1.8 kilometers) and reported positive assay results from the northeast step-out drilling program on the Buckreef Gold Main Zone. Buckreef Gold added an additional drill rig to expand the exploration program and, to date, has drilled 21 holes representing over 7,415 meters in the northeast extension of Buckreef Main Zone. The Company has finalized the planning for a 10,000 meter (approximate) infill and extension drill program to: (i) upgrade Mineral Resources currently in the inferred category in Buckreef Gold Main Zone, and (ii) commence infill drilling at Buckreef West.

“In Q3, we achieved low cash costs, significant gross profit margins and record net income, proving we have a viable business at Buckreef Gold. The goal now is to make this operation much larger, with a focus on resource expansion, and build a significant gold business that unlocks shareholder value. We were able to use cash flow from operations to fund value accretive activities, including exploration. We were pleased to report a 250 meter extension to the Main Zone and are excited to test for extension of gold mineralization to the southwest with our expanded drill program. The processing plant expansion is well advanced and will triple in size to 1,000+ tpd in the next few months. We are enthusiastic about the growth potential for the Buckreef Gold project which will be funded from operating cash flow from the expanded operation. Congratulations to all of my colleagues on another milestone quarter.” noted Stephen Mullaney, Chief Executive Officer of TRX Gold.

Pictured Below: Dorè Bars from Buckreef Gold, Buckreef Gold 360 tpd Processing Plant at Night, Buckreef Gold Drill Rig in Northeast Extension, CIL Tank Construction at 1,000+ tpd Plant at Buckreef Gold



About TRX Gold Corporation

TRX Gold is rapidly advancing the Buckreef Gold Project. Anchored by a Mineral Resource published in May 2020, the project currently hosts an NI 43-101 Measured and Indicated Mineral Resource of 35.88 MT at 1.77 g/t gold containing 2,036,280 oz of gold and an Inferred Mineral Resource of 17.8 MT at 1.11g/t gold for 635,540 oz of gold. The leadership team is focused on creating both near-term and long-term shareholder value by increasing gold production to generate positive cash flow. The positive cash flow will be utilized for exploratory drilling with the goal of increasing the current gold Resource base and advancing the Sulphide Ore Project which represents 90% of current gold Resources. TRX Gold's actions are led by the highest ESG standards, evidenced by the relationships and programs that the Company has developed during its nearly two decades of presence in Geita Region, Tanzania.

Qualified Person

Mr. Andrew Mark Cheatle, P.Geo., MBA, ARSM, is the Company's Qualified Person under National Instrument 43-101 "Standards of Disclosure for Mineral Projects" ("NI 43-101") and has reviewed and assumes responsibility for the scientific and technical content in this press release.

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Endnotes and Forward-Looking Statements

Endnotes

¹ The Company has included certain non-IFRS measures in this news release. Refer to the Company's MD&A for the three and nine month periods ended May 31, 2022 ("Q3 2022 MD&A") for an explanation, discussion and reconciliation of non-IFRS measures. The Company believes that these measures, in addition to measures prepared in accordance with International Financial Reporting Standards ("IFRS"), provide readers with an improved ability to evaluate the underlying performance of the Company and to compare it to information reported by other companies. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to similar measures presented by other issuers. Cash cost per ounce of gold sold was determined by dividing the cost of gold sold of \$1.542 million for the three months ended May 31, 2022 calculated in accordance with the IFRS per the Company's financial statements divided by the number of ounces of gold sold (3,033) during such three months.

Forward-Looking Statements

This press release contains certain forward-looking statements as defined in the applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "hopes", "intends", "estimated", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. Forward-looking statements relate to future events or future performance and reflect TRX Gold management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to continued operating cash flow, expansion of its process plant, estimation of mineral resources, ability to develop value creating activities, recoveries, subsequent project testing, success, scope and viability of mining operations, the timing and amount of estimated future production, and capital expenditure.

Although TRX Gold believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance. The actual achievements of TRX Gold or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors. These risks, uncertainties and factors include general business, legal, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in costs; future prices of gold and other minerals; mining method, production profile and mine plan; delays in exploration, development and construction activities; changes in government legislation and regulation; the ability to obtain financing on acceptable terms and in a timely manner or at all; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business. These risks are set forth in reports that TRX Gold files with the SEC. You can review and obtain copies of these filings from the SEC's website at <http://www.sec.gov/edgar.shtml>.

The information contained in this press release is as of the date of the press release and TRX Gold assumes no duty to update such information.