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Vancouver, British Columbia **July 6, 2016**

NEWS RELEASE

AM GOLD TO DEFEND NOTICE OF CIVIL CLAIM BY KAIZEN

AM GOLD INC. (TSX-V: AMG; Frankfurt: AMX) ("**AM Gold**", or the "**Company**") reports it is aware of a notice of civil claim (the "**Claim**") filed on June 30, 2016 with the Supreme Court of British Columbia by Kaizen Discovery Inc. ("**Kaizen**") naming AM Gold as a defendant. Although the Claim was filed with the Court, AM Gold has not been served with a Notice of Civil Claim. The limitation period for filing the Claim expired on July 3, 2016.

Management believes the Claim is without merit, and if served with the Claim, AM Gold will vigorously defend itself.

About AM Gold Inc.

AM Gold Inc. is a publicly held resource company based in Vancouver, Canada. The company is listed on the TSX Venture Exchange under the symbol AMG and is quoted on the Frankfurt Exchange under the symbol AMX.

More information on AM Gold is available at www.amgold.ca.

ON BEHALF OF AM GOLD INC.

"John Fiorino"

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John Fiorino
Chief Executive Officer
AM GOLD INC.

For further information on AM Gold, please contact Murray Caruth at 1-604-646-0067 or by email at mcaruth@amgold.ca, or visit AM Gold's website at: http://www.amgold.ca.

Cautionary Statement Regarding "Forward-Looking" Information

Some of the statements contained in this press release are forward-looking statements and information within the meaning of applicable securities laws. Forward-looking statements and information can be identified by the use of words such as "expects", "intends", "is expected", "potential", "suggests" or variations of such words or phrases, or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements and *information are not historical facts and are subject to a number of risks and uncertainties beyond the Company's control. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, except as may be required by law.*

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