



July 6, 2016

TSXV: PGX

NEWS RELEASE

Prosper Gold Corp. Closes First Tranche of Private Placement

Quesnel, British Columbia – July 6, 2016 – Prosper Gold Corp. (“Prosper Gold” or the “Company”) (TSXV:PGX) is pleased to announce that it has closed on the first tranche of its non-brokered private placement financing previously announced on June 13, 2016 and June 27, 2016.

The first tranche consisted of 4,000,000 hard dollar units (“Units”) for gross proceeds of \$1,000,000 at a price of \$0.25 per Unit, with each Unit consisting of one common share (a “Prosper Share”) and one common share purchase warrant (a “Warrant”). Each Warrant will be exercisable for one Prosper Share at a price of \$0.35 for a period of 36 months from the date of closing of the financing.

In connection with the Private Placement and in accordance with the policies of the TSX Venture Exchange, finder's fees totaling approximately \$9,125 in cash were paid and approximately 73,500 common share purchase warrants (each, a “Finder Warrant”) were issued. Each Finder Warrant is non-transferable and exercisable for one Prosper Share for a period of 36 months following closing at an exercise price equal to \$0.35.

All securities issued pursuant to this Private Placement will be subject to a four month and one day hold period in accordance with applicable securities laws. The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and were not permitted to be offered or sold within the United States absent registration or an applicable exemption from the registration requirements of such Act. The net proceeds from the non-flow-through portion of the Private Placement will be used to fund exploration activities for 2016 and for working capital and general corporate purposes.

For a detailed overview of Prosper Gold please visit www.ProsperGoldCorp.com

ON BEHALF OF THE BOARD OF DIRECTORS

Per: “*Peter Bernier*”

Peter Bernier
President & CEO

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Unless otherwise specified, all dollar amounts used herein refer to the law currency of Canada.

Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “intend” and similar expressions. Forward-looking statements in this news release include, but are not limited to, statements with respect to the use of proceeds from the Private Placement. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, the Company’s ability to implement its business strategies; risks associated with mineral exploration and production; risks associated with general economic conditions; adverse industry events; marketing and transportation costs; loss of markets; volatility of commodity prices; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; industry and government regulation; changes in legislation, income tax and regulatory matters; competition; currency and interest rate fluctuations; and other risks. Readers are cautioned that the foregoing list is not exhaustive.

Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this news release represent the expectations of the Company as of the date of this news release, and, accordingly, are subject to change after such date. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

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.