

Nevada Sunrise exercises option for water rights in Clayton Valley, Nevada



VANCOUVER, March 21, 2016 /CNW/ - **Nevada Sunrise Gold Corporation** ("Nevada Sunrise" or the "Company") (**TSXV: NEV**) is pleased to announce that it has exercised its option to secure water rights in the Clayton Valley of Nevada by executing a definitive purchase agreement (the "Agreement") with an arms-length vendor. The pre-existing certificated water rights allow for 1,770 acre/feet of water use for mining and milling per year (the "Permit"). An interim letter agreement for the purchase of the Permit was previously disclosed by Nevada Sunrise on January 28, 2016.

"We are pleased to have completed the first step for the purchase of water rights in the Clayton Valley," said Warren Stanyer, President and CEO of Nevada Sunrise. "The Clayton Valley Basin was recently 'designated' by the State of Nevada as requiring additional administration, and we believe the acquisition of water rights is paramount for future lithium brines development in the area."

In December 2015, Nevada Sunrise received a written appraisal from an independent appraiser certified in the State of Nevada, which valued the Permit at US\$1.42 million. According to the appraisal report, the Clayton Valley basin is currently "over-appropriated", with Albemarle Corp.'s (NYSE: ALB) Silver Peak lithium mine being the largest consumer of water in the area. The report further states that any new application for water use in an over-appropriated basin would be carefully reviewed by the Nevada Division of Water Resources, and that it is uncertain if any new applications would be granted.

In consideration for an option to purchase the Permit, Nevada Sunrise has agreed to pay the vendors a combination of cash, common shares and common share purchase warrants, on the following schedule shown below:

Schedule of Payments

Date of Payment	Cash (USD)	Common Share Payments	Common Share Purchase Warrants
\$50,000 to be paid upon execution of a letter agreement – a further \$75,000 to be paid upon execution of definitive agreement	\$125,000 (paid)	200,000 on execution of definitive agreement subject to TSXV acceptance	750,000 @ CDN\$0.50 750,000 @ CDN\$0.70 750,000 @ CDN\$1.00 Issuable on execution of definitive agreement subject to TSXV acceptance
1 st Anniversary of The Agreement	\$150,000	250,000	n/a
2 nd Anniversary of the Agreement	\$175,000	300,000	n/a
3 rd Anniversary of the Agreement	\$200,000	350,000	n/a
4 th Anniversary of the Agreement	\$300,000	400,000	n/a
5 th Anniversary of the Agreement	\$350,000	500,000	n/a
Total	\$1,300,000	2,000,000	2,250,000

Nevada Sunrise has paid to the vendor a total of US\$125,000 in cash to secure its option to purchase the water rights, and will issue the first tranche of 200,000 common shares and the 2,250,000 common share purchase warrants due to the vendor upon acceptance of the definitive agreement by the TSX Venture Exchange ("TSXV").

In addition to the terms of payment described above, the parties have agreed to the following additional terms:

- If within 10 years after the execution of the Agreement, Nevada Sunrise sells the Permit to a third party, the vendor will receive 50% of the proceeds of such sale, less the amounts already paid to the vendor in cash and common shares, with the common shares valued by way of a 20-day volume-weighted average price (the "VWAP"), with the VWAP to begin following the day the 4-month hold has expired for each tranche of common shares released. Upon a sale of the Permit in total to a third party, the Company's obligations under the Agreement will terminate.
- The payment of \$75,000 cash and 200,000 common shares made upon execution of the Agreement will be refundable to Nevada Sunrise within the first year from the effective date of the receipt of the appraisal report (December 21, 2015) should the Company's ability to use the Permit to its fullest extent be restricted by any regulation or statute.
- Nevada Sunrise will have the right to accelerate the timing of cash payments and common share payments to the vendor, at its discretion. All common shares issued by Nevada Sunrise are subject to a 4-month hold period according to the policies of the TSXV, and would bear a restrictive legend under Rule 904 of Regulation S of the U.S. Securities Act of 1933.

The Agreement is subject to acceptance for filing of the transaction by the TSXV.

Nevada Sunrise currently has three lithium exploration projects in the Clayton Valley, which hosts known lithium brine deposits. A drilling permit for the Neptune Project was obtained in December 2015 by Nevada Sunrise from the U.S. Bureau of Land Management, and the Company is currently drilling at the Neptune Project during March 2016.

For further information on the Company's lithium properties, see the Nevada Sunrise website under "Projects-Nevada Lithium" at: <http://www.nevadasunrise.ca/projects/nevadailithium/>

About Nevada Sunrise

Nevada Sunrise is a junior mineral exploration company with a strong technical team based in Vancouver, BC, Canada, that holds interests in nine exploration projects in the State of Nevada, USA. Nevada Sunrise began acquisitions of Nevada lithium properties in September 2015, which include options to earn 100% interests in the Neptune and Clayton Northeast projects, and a 100% interest in the Aquarius Project, all located in the Clayton Valley. The Company also holds options to earn 100% interests in the Jackson Wash and Atlantis projects, and has a 50% participating interest in the Gemini Project, each located in playas proximal to the Clayton Valley.

Our three key gold assets include a 21% interest in a joint venture with Pilot Gold Inc. (TSX: PLG) at Kinsley Mountain near Wendover, a 100% interest in the Golden Arrow project near Tonopah, and a 100% interest in the Roulette gold property in the southeastern Carlin trend near Ely, with each of the properties subject to certain production royalties.

FORWARD LOOKING STATEMENTS

All statements in this release, other than statements of historical fact, are "forward-looking information" with respect to Nevada Sunrise Gold Corporation ("Nevada Sunrise") within the meaning of applicable Canadian securities laws, including statements that address the potential acquisition of water rights, future mineral production, reserve potential, exploration drilling, the future price of lithium, potential quantity and/or grade of minerals, potential size of a mineralized zone, potential expansion of mineralization, the timing and results of future resource estimates, or other study, proposed exploration and development of our exploration properties and the estimation of mineral resources. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Nevada Sunrise to differ materially from those anticipated in such forward-looking information.

Such factors include, among others, risks related to the potential acquisition of water rights, the interpretation and actual results of historical exploration at Nevada Sunrise's exploration properties,, reliance on technical information provided by third parties on any of our exploration properties, including access to historical information on exploration properties, current exploration and development activities; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labor disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or in the completion of exploration, as well as those factors discussed in the section entitled "Risk Factors" in the Company's Management Discussion and Analysis for the Three Months Ended December 31, 2015, which is available under Company's SEDAR profile at www.sedar.com.

Although Nevada Sunrise has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Nevada Sunrise disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Accordingly, readers should not place undue reliance on forward-looking information.

Forward-looking statements are made as of the date hereof and accordingly are subject to change after such date. Except as otherwise indicated by Nevada Sunrise, these statements do not reflect the potential impact of any non-recurring or other special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of our operating environment. Nevada Sunrise does not undertake to update any forward-looking statements that are included in this document, except in accordance with applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of TSX Venture Exchange) accepts responsibility for the adequacy of accuracy of this release. The Securities of Nevada Sunrise Gold Corporation have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to the account or benefit of any U.S. person.

SOURCE Nevada Sunrise Gold Corporation

Image with caption: "Nevada Sunrise Gold Corporation (CNW Group/Nevada Sunrise Gold Corporation)". Image available at: http://photos.newswire.ca/images/download/20160321_C7381_PHOTO_EN_646810.jpg

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