**Kapuskasing Gold Closes Private Placement**

**Vancouver, B.C., July 11, 2016 – KAPUSKASING GOLD CORP. (TSX-V: KAP)** (the "**Company**" or "**KAP**"), announces that further to its news release of May 27, 2016, the Company has closed on a total of 1,640,000 Non Flow-Through Units ("**NFT Units**") at a price of $0.05 per NFT Unit and 2,743,334 Flow-Through Units ("**FT Units**") at a price of $0.06 per FT unit for aggregate gross proceeds of $246,600.04 (the "**Offering**").

Each NFT Unit consists of one NFT Common Share (a "**NFT Share**") and one Non Flow-Through share purchase warrant ("**NFT Warrant**"). Each FT Unit will consist of one FT Common Share (a "**FT Share**") and one NFT warrant. Each NFT Warrant will entitle the holder to purchase one NFT Share at $0.10 for 18 months from the date of issuance.

In connection with the Offering, the Company paid certain finders (the "**Finders**") a cash commission equal to 8% of the proceeds of the sale of Shares by such Finder.

All securities issued in connection with the Offering will be subject to a four month hold period expiring on November 11, 2016, in accordance with applicable Canadian securities laws. Net proceeds of the private placement will be used for general working capital purposes and to advance the company's mineral properties. The Offering remains subject to final acceptance by the TSX Venture Exchange.

On behalf of the Board of Directors:

**KAPUSKASING GOLD CORP.**

Jonathan Armes
President & CEO, Director
Phone 1 (416) 708-0243



***Forward Looking Statements and Cautionary Notes***

*Statements in this document, which are not purely historical, are forward-looking statements, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Forward-looking statements contained in this document are based on certain key expectations and assumptions made by Kapuskasing, including, without limitation, expectations and assumptions respecting the outlook of exploration activity on the Borden and Rollo properties and the impact on Kapuskasing's business and management assessment of future operations. Although the forward-looking information contained in this press release is based upon what Kapuskasing's management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such information. Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this press release.*

*It is important to note that actual outcomes and the Company's actual results could differ materially from those in such forward-looking statements. Risks and uncertainties include, but are not limited to, economic, competitive, governmental, environmental and technological factors that may affect the Company's operations, markets, products and prices. Readers should refer to the risk disclosures* *outlined in the Company's Management Discussion and Analysis of its audited financial statements filed with the British Columbia Securities Commission.*

*The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. Forward-looking information reflects management's current beliefs and is based on information currently available to the Company. The forward-looking information is made as of the date of this press release and Kapuskasing assumes no obligation to update or revise such information to reflect new events or circumstances, except as may be required by applicable law.*