

Lago Dourado Minerals Ltd. and GPM Metals Inc. Announce Property Sale

TORONTO, March 29, 2016 /CNW/ - Lago Dourado Minerals Ltd. (TSXV:LDM) ("**Lago**") and GPM Metals Inc. (TSXV:GPM) ("**GPM**") are pleased to announce that they have agreed upon terms of the proposed acquisition (the "**Acquisition**") by Lago from GPM of GPM's interests in the Sandy Lake district, Northwestern Ontario. These interests include a 100% interest in 1400 contiguous claim units known as the "East Block" as well as GPM's right to earn up to a 70% interest in the Weebigee Project, also known as the "Northwest" claim block (collectively, the "**Project**").

The Weebigee Project is a joint venture between GPM and Goldeye Explorations Ltd (TSXV:GGY) ("**Goldeye**"), the terms of which are outlined in a press release of GPM dated April 15, 2015 available on SEDAR at www.sedar.com.

GPM has agreed to sell its interests in consideration of the issuance of 40,000,000 common shares of Lago (the "**Consideration Shares**"). It is a condition to the completion of the Acquisition that GPM shall effect a distribution of the Consideration Shares to its shareholders immediately following the closing of the Acquisition (the "**Share Distribution**"). Following the closing of the Acquisition, the board of directors of Lago shall be increased to consist of five (5) directors, three (3) of which shall be nominees of Lago and two (2) of which shall be nominees of GPM. In addition, it is proposed that Lago change its name to Sandy Lake Gold Inc.

The Project consists of approximately 28,000 hectares of contiguous exploration rights and covers more than 50 km of strike length of the Sandy Lake greenstone belt. The Sandy Lake greenstone belt is located on the same geological terrain as Goldcorp Inc.'s world class Musselwhite Mine, however the Sandy Lake greenstone belt remains significantly under explored. An aggregate of approximately 3,000 meters of historical exploration drilling had been conducted between 1932 and 1988. Goldeye completed an exploration agreement with Sandy Lake First Nation ("**SLFN**") in 2013 and conducted a further 2,200 meter shallow drill program reporting significant Au results (see Goldeye's press release dated April 9, 2014, available on SEDAR at www.sedar.com). Utilizing both the economic and geological models of the Musselwhite Mine, the primary exploration target is a 50 km segment of a regional scale banded iron formation (BIF). Patrick Sheridan, Chief Executive Officer of GPM, states "This transaction creates a new entity with a 100% focus on this exciting exploration project. I am sure that Lago will continue to build upon the existing relations with the SLFN community and other members of the 1910 Ontario Treaty No.5. This coveted relationship founded on the basis of respect, dialogue and cooperation is a vital asset to the success of this project."

Forbes Gemmell, Chief Executive Officer of Lago states "This purchase allows existing shareholders of Lago to participate in the exploration of this exciting gold district. We look forward to working with Goldeye and other stakeholders to build upon the strong community relationships."

Further Particulars of the Acquisition

Concurrently with the Acquisition, Lago will complete a private placement to raise minimum gross proceeds of Cdn\$1,000,000, of which a minimum of Cdn\$750,000 will be raised pursuant to the sale of "flow-through" securities and a minimum of Cdn\$250,000 will be raised pursuant to the sale of non-"flow-through" securities (the "**Financing**"), upon terms yet to be determined.

The Acquisition will be a "non-arm's length" transaction between the parties within the meaning of the TSX Venture Exchange ("**TSXV**") policies and may be subject to a vote of disinterested shareholders due to the fact that (i) Mr. Daniel Noone serves as a director of both Lago and GPM (Mr. Noone owns 102,300 common shares of Lago representing 1.09% of common shares outstanding and owns 1,642,000 common shares of GPM representing 2.67% of common shares outstanding); and (ii) Rosseau Asset Management Ltd. ("**Rosseau**") is a significant shareholder of both companies (Rosseau owns 2,374,674 common shares of Lago representing 25.19% of common shares outstanding and owns 9,500,000 common shares of GPM representing 15.44% of common shares outstanding). Accordingly, Lago will be required to obtain shareholder approval of the Acquisition in accordance with the regulations of the TSXV. In addition, GPM will be required to obtain shareholder approval of the Share Distribution, and may also be required to obtain shareholder approval of the Acquisition if required by the TSXV. The boards of directors of each of Lago and GPM formed special committees comprised entirely of independent directors in order to consider and make recommendations with respect to the proposed Acquisition.

The Acquisition remains subject to various conditions including the execution of a definitive agreement, receipt of all requisite shareholder, third party and regulatory approvals (including, without limitation, the approval of the TSXV), and the receipt of an independent technical report in respect of the Project in a form acceptable to the TSXV.

Forward Looking Statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "might", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information and/or statements. Forward-looking statements and/or information are based on a number of material factors, expectations and/or assumptions of Lago and GPM which have been used to develop such statements and/or information but which may prove to be incorrect. Although Lago and GPM believe that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements as neither Lago nor GPM can give any assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the completion of the Acquisition and/or Financing either as currently proposed or at all, the timely receipt of all applicable shareholder, regulatory and third party approvals, planned exploration and drilling activities, and any plans of Lago to exercise the option to acquire an interest in the Weebigee Project; availability of financing to fund current and future plans and expenditures; the impact of increasing competition; the general stability of the economic and political environment; the general continuance of current industry conditions; future commodity prices; currency, exchange and/or interest rates; taxes and/or environmental matters. The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and/or statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results and/or events to differ materially from those anticipated in such forward-looking information and/or statements including, without limitation: risks that the Acquisition and/or Financing may not be completed as currently proposed or at all, risks associated with the uncertainty of exploration results and estimates, currency fluctuations, exploration risk, the uncertainty of obtaining all applicable regulatory approvals, the availability of labour and/or equipment, the fluctuating prices of commodities, the availability of financing and dependence on management personnel, other participants in the property areas and/or certain other risks detailed from time-to-time in Lago's and/or GPM's public disclosure documents. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and neither Lago nor GPM undertakes any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws.

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 and / or accuracy of this release.

SOURCE GPM Metals Inc.

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