

## **Continental Gold Announces Serious Incident at an Illegal Mine**

**Toronto, Ontario, July 29, 2017 - Continental Gold Inc. (TSX:CNL; OTCQX:CGOOF)** (“Continental” or the “Company”) is extremely saddened to announce that six security contractors (“Contractors”) providing services to the Company perished from apparent asphyxiation during an incident in an illegal mine located away from the Company’s current operations at the Buriticá Project in Antioquia, Colombia. The Company is working with government agencies to provide full support to the families of the victims and will continue to cooperate with the government to intensify efforts to ensure security and legality in the region.

According to the information available at this time, during the evening of Friday, July 28, 2017, the Contractors were performing routine underground inspections of a government-closed illegal mine as ordered by the National Government of Colombia in order to maintain its post-intervention strategy. Upon entering the underground mine, the Contractors were accosted by illegal miners, followed by a subsequent explosion. A seventh Contractor managed to escape and immediately notified all relevant authorities. Rescue efforts were led by the ANM (National Mining Agency of Colombia, the top mining authority under the Ministry of Mines) and DAPARD (the government’s disaster recovery agency), with assistance from Continental. The Company has urged local communities, the State Government of Antioquia and the National Government to unite on this tragedy and pursue all legal means under the law to bring the perpetrators to justice.

The intervention effort in 2016, led by the National Government of Colombia, the State Government of Antioquia and the Municipal Government of Buriticá, to permanently close illegal mines within the Buriticá area was successful in closing the vast majority of illegal mines in an orderly and peaceful manner. However, a few illegal mines continue to operate and the Company is looking to authorities to enforce the rule of law to prevent this kind of tragic event from ever happening again.

“We are deeply saddened by this terrible tragedy and our thoughts and prayers go out to the families, friends and colleagues of the victims,” commented Ari Sussman, CEO of Continental. “It is shameful that this incident has tarnished the remarkable progress made in establishing peace in the municipality over the past 18 months. These efforts have been fully embraced by the local community, which has publicly voiced their strong preference for the benefits of legal versus illegal activities. The health and safety of our employees and contractors is our highest priority at Continental. The Company stands united with the community of Buriticá to bring modern mining that respects the rule of law, the environment and all of the law-abiding stakeholders in the area.”

Mateo Restrepo Villegas, President of the Company stated: “We stand steadfast against illegal mining and will remain vigilant in our efforts to support Colombia in addressing and resolving this problem. We remain committed to working with the Colombian government to eradicate illegal mining in the region to provide the harmony that the Company, communities and all stakeholders deserve.”

“I hope that the control entities, and the entities that have to take measures on this matter and perform the investigations, enforce the law and impose exemplary sanctions against the people responsible, so these things do not keep happening in Buriticá,” Humberto Castaño Usuga, the Mayor of Buriticá stated. “We have been working so that mining in Buriticá operates legally, formally and in an orderly manner while complying with all labor, safety, environmental and legal standards that contribute to the development of our municipality.”

### **About Continental Gold**

Continental Gold Inc. is an advanced-stage exploration and development company with an extensive portfolio of 100%-owned gold projects in Colombia. Formed in April 2007, the Company – led by an international management team with a successful track record of discovering and developing large high-grade gold deposits in Latin America – is focused on advancing its fully-permitted high-grade Buriticá gold project to production with first gold pour on track for early 2020.

### **For further information, please contact:**

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