

Continental Gold Announces 137,000-metre Drill Program for Buriticá in 2018

Drilling to focus on defining, infilling and expanding the Yaraguá and Veta Sur systems as well as testing up to 9 greenfield targets

Toronto, Ontario, January 17, 2018 – Continental Gold Inc. (TSX:CNL; OTCQX:CGOOF) (“Continental” or the “Company”) is pleased to announce plans for the 2018 exploration program at its 100% owned high-grade Buriticá project in Antioquia, Colombia. The program will consist of up to 100,000 metres of core drilling from both surface and underground, mainly involving the use of direction-drilling equipment. There are currently 10 drill rigs turning on site and, depending on productivity, up to six additional rigs may be added in due course.

“We will be very active in 2018 as we embark on a multi-strategy exploration program. It is our firm belief that the upside to our Buriticá project remains largely untested and we plan to be aggressive in our quest to unlock this potential during the construction phase of the project,” commented Ari Sussman, CEO.

2018 Exploration Plans

- 40,000 metres of definition drilling in the Yaraguá and Veta Sur vein systems targeting areas where stopes will be developed during construction for early production years of the mine. Select results from recent definition drilling completed at the location where the Company extracted two vertically-stacked trial stopes are as follows (see CNL news release dated October 2, 2017):
 - 6.10 metres @ 67.69 g/t gold and 136.8 g/t silver (BUUY320);
 - 7.55 metres @ 19.96 g/t gold and 33.5 g/t silver (BUUY321);
 - 6.72 metres @ 28.07 g/t gold and 36.8 g/t silver (BUUY322);
 - 3.25 metres @ 51.76 g/t gold and 95.3 g/t silver (BUUY324) and
 - 7.85 metres @ 39.13 g/t gold and 44.2 g/t silver (BUUY326).
- 41,000 metres of infill drilling in the Yaraguá and Veta Sur vein systems largely focused on converting portions of the 4.5 million ounces of inferred mineral resources at 9 g/t gold and 29 g/t silver (8.8 million tonnes) into measured or indicated resources in accordance with Canadian National Instrument 43-101 (“NI 43-101”). Additionally, a primary focus will be continued outlining and testing for broad mineralized zones (“BMZ”), where six targets have been identified to date. The BMZ consists of a group of modelled precious metal-bearing veins in the current mineral resource block model with significant mineralization occurring between these veins, generally in the form of veinlets at oblique angles to strike. The majority of the mineralization between modelled veins is not in the current mineral resource estimate, providing potential upside both in terms of identifying significantly broader and more productive zones for mining and increased mineral resources. The Company is currently drilling to potentially expand the vertical extent of BMZ #1 and will systematically test the other five BMZ targets throughout the year. Select drill results previously announced for BMZ #1 (see CNL news release dated September 18, 2017) are as follows (see **Figure 1**):
 - 29.6 metres @ 14.33 g/t gold and 20 g/t silver (BUUY330);
 - 45.6 metres @ 17.67 g/t gold and 16 g/t silver (BUUY331);
 - 34.0 metres @ 10.54 g/t gold and 4.9 g/t silver (BUUY335); and
 - 33.9 metres @ 17.17 g/t gold and 25.6 g/t silver (BUUY336).
- 15,000 metres of step-out drilling along strike and at depth at the Yaraguá and Veta Sur vein systems to expand the deposits, with a particular focus on targeting areas that are relatively close to existing mineral reserves and areas that are being infill-drilled as part of the overall program. Additionally, the program will also probe the potential for a porphyry system at depth, following up on earlier drill holes that hit gold-rich porphyry-style mineralization as follows (see CNL news release dated April 29, 2015):
 - 65.1 metres @ 10.4 g/t gold and 9 g/t silver (BUSY291; elevation of 654 metres);
 - 17.38 metres @ 10.8 g/t gold and 7 g/t silver (BUUY291D01; elevation of 614 metres);

- o **10.3 metres @ 6.2 g/t gold and 5 g/t silver** (BUUY291D02; elevation of 640 metres);
 - o **7.95 metres @ 4.7 g/t gold and 6 g/t silver** (BUUY291D03; elevation of 537 metres); and
 - o **21.15 metres @ 4.6 g/t gold and 4 g/t silver** (BUUY291D05; elevation of 595 metres).
- 41,000 metres of drilling will test up to nine greenfield or near greenfield targets at Buriticá (see **Figure 2**) with a goal of making a new material precious metal discovery. Each of the nine targets are located within short trucking distance to the future plant site presently under construction in the Higabrá Valley and have been generated using the same exploration techniques that have led to the discovery of both the Yaraguá and Veta Sur vein systems. A brief description of the greenfield targets is as follows:

Target Name	Mineralization Style	Select Sampling Results (Previously Released)
Perseus (formerly Arados)	Carbonate base metal ("CBM") and mesothermal veins	21.2 g/t gold, 1,850 g/t silver
Orión	CBM veins	88.18 g/t gold, 630 g/t silver
Laurel	CBM veins	2.15 m @ 26.3 g/t gold, 121 g/t silver (BUSY367D01)*
Yaraguá East Deep	CBM veins	Deep target, no surface exposure
Yaraguá North (formerly San Agustín)	CBM veins	121 g/t gold, 629 g/t silver across 0.5 metres true width (historical tunnel sampling)
Adonis (formerly Pinguro)	CBM veins	94.5 g/t gold, 26.6 g/t silver
Electra (formerly Obispo)	CBM veins	188.5 g/t gold, 258 g/t silver
Poseidón (formerly Guarco)	Porphyry system and mesothermal veins	6.47 g/t gold, 1.6 g/t silver
Medusa (formerly Pajarito)	CBM and mesothermal veins	9.5 g/t gold, 44.2 g/t silver

* Diamond drill hole

- Drilling is presently underway at Perseus, Orión and Laurel, with additional rigs anticipated in the near term to begin testing Yaraguá East Deep and Yaraguá North. Drilling will commence in H2 2018 at the Adonis, Electra, Poseidón and Medusa targets.
- Updated mineral reserve and mineral resource estimates are planned for 2019 and will incorporate all results from H2 2017, 2018 and any additional drilling completed in 2019.
- As announced on November 9, 2017, the Company negotiated a nine-month option agreement with Red Kite Mine Finance for an additional US\$25 million.

Mauricio Castañeda, Vice President, Exploration of the Company, stated: "We are excited that management and the board of directors are supportive of this major exploration program and we look forward to making our next major discovery at our Buriticá project."

Geological Description of the Buriticá Project

Continental's 100%-owned, 70,764-hectare project, Buriticá, contains several known areas of high-grade gold and silver mineralization, of base metal carbonate-style ("Stage I") variably overprinted by texturally and chemically distinctive high-grade ("Stage II") mineralization. The two most extensively explored of these areas (the Yaraguá and Veta Sur systems) are central to this land package. The Yaraguá system has been drill-outlined along 1,100 metres of strike and 1,700 vertical metres and partially sampled in underground developments. The Veta Sur system has been drill-outlined along 1,000+ metres of strike and 1,800 vertical metres and has been partially sampled in underground developments. Both systems are characterized by multiple, steeply-dipping veins and broader, more disseminated mineralization and both remain open at depth and along strike, at high grades.

Technical Information

Mauricio Castañeda, Vice-President, Exploration of the Company and a qualified person for the purpose of NI 43-101, has prepared or supervised the preparation of, or approved, as applicable, the technical information contained in this press release.

The Company utilizes a rigorous, industry-standard QA/QC program. HQ and NQ core is sawn or split with one-half shipped to a sample preparation lab in Medellín run by ALS Colombia Limited ("ALS") in Colombia, whereas BQ core samples are full core. Samples are then shipped for analysis to an ALS-certified assay laboratory in Lima, Peru. The remainder of the core is stored in a secured storage facility for future assay verification. Blanks, duplicates and certified reference standards are inserted into the sample stream to monitor laboratory performance and a portion of the samples are periodically check assayed at SGS Colombia S.A., a certified assay laboratory in Medellín, Colombia.

The Company does not receive assay results for drill holes in sequential order; however, all significant assay results are publicly reported.

For information on the Buriticá project, please refer to the technical report, prepared in accordance with NI 43-101, entitled "Buriticá Project NI 43-101 Technical Report Feasibility Study, Antioquia, Colombia" and dated March 29, 2016 with an effective date of February 24, 2016, led by independent consultants JDS Energy & Mining Inc. The technical report is available on SEDAR at www.sedar.com, on the OTCQX at www.otcmarkets.com and on the Company website at www.continentalgold.com.

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. Additional details on Continental Gold's suite of gold exploration properties are also available at www.continentalgold.com.

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Forward-Looking Statements

This press release contains or refers to forward-looking information under Canadian securities legislation, including statements regarding timing of a production decision, advancing the Buriticá project, exploration results, potential mineralization, potential development of mine openings, potential improvement of mining dilution grades, increasing the drill program and amount of equipment and exploration and mine development plans, and is based on current expectations that involve a number of significant business risks and uncertainties. Forward-looking statements are subject to other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, an inability to advance the Buriticá project to the next level, failure to convert estimated mineral resources to reserves, capital and operating costs varying significantly from estimates, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and the other risks involved in the mineral exploration and development industry. Specific reference is made to the most recent Annual Information Form on file with Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements. All the forward-looking statements made in this press release are qualified by these cautionary statements, and are made as of the date hereof. The Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by law.

Differences in Reporting of Resource Estimates

This press release was prepared in accordance with Canadian standards, which differ in some respects from United States standards. In particular, and without limiting the generality of the foregoing, the terms "inferred mineral resources," "indicated mineral resources," "measured mineral resources" and "mineral resources" that may be used or referenced in this press release are Canadian mining terms as defined in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves (the "CIM Standards"). The CIM Standards differ significantly from standards in the United States. While the terms "mineral

resource," "measured mineral resources," "indicated mineral resources," and "inferred mineral resources" are recognized and required by Canadian regulations, they are not defined terms under standards in the United States. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. Readers are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into reserves. Readers are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, United States companies are only permitted to report mineralization that does not constitute "reserves" by standards in the United States as in place tonnage and grade without reference to unit measures. Accordingly, information regarding resources contained or referenced in this press release containing descriptions of our mineral deposits may not be comparable to similar information made public by United States companies.

Figure 1 – Cross Section of Drilling Results on BMZ Target #1 Located in the Yaraguá System

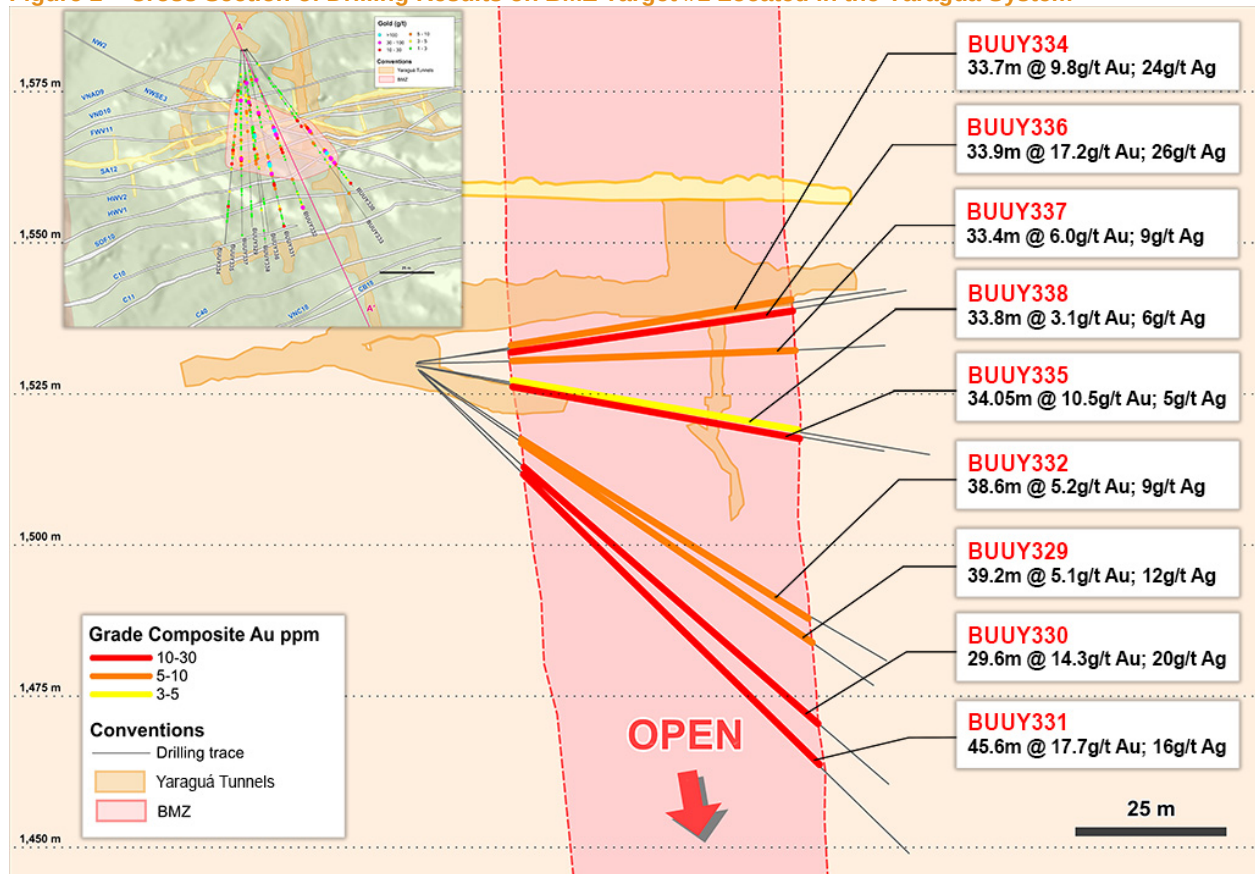


Figure 2 – Plan View of Greenfield Targets at the Buriticá Property

