

Continental Gold Extends BMZ1 by 200+ Vertical Metres and Discovers a New Zone with BMZ Potential at Buriticá

Toronto, Ontario, October 1, 2018 — Continental Gold Inc. (TSX:CNL; OTCQX:CGOOF) (“Continental” or the “Company”) announces additional high-grade assay results from 11 holes drilled into the Yaraguá system as part of its 2018 exploration drilling and underground channel sampling program at its 100%-owned Buriticá project in Antioquia, Colombia.

Ari Sussman, CEO of Continental Gold, stated: “Continental's most important and cherished resource is our people. Our hearts are heavy from the recent tragedies and we are in the process of taking the necessary measures to take care of our employees and their families. We are grateful for the enormous outpouring of support from the communities and from all levels of government, Colombians in general and our shareholders. Together, we will come through this process strengthened as a team. We will continue to build Colombia's most modern mine in Buriticá, which will become an important economic and social contributor to an undeveloped region of the country. While we have temporarily halted exploration activities in projects outside of Buriticá, we continue to work for all our employees and shareholders by looking after the Company's second most precious resource: our Buriticá deposit.”

The Company presently has 11 diamond drill rigs in operation; two rigs are being utilized for the recently-started stope definition drilling program, seven rigs are conducting infill and resource expansion drilling at the Yaraguá and Veta Sur deposits and two rigs are testing the Laurel and Perseus greenfield targets.

Highlights:

- Drilling of the BMZ1 target has increased the vertical extent of the zone by more than 130% and continues to intercept strong grades and widths as follows:
 - **14.58 metres @ 33.53 g/t gold and 14.8 g/t silver** (DYR0047, upper block, elevation 1,442 RL)
 - **23.80 metres @ 22.80 g/t gold and 18.9 g/t silver** (BUUY393, lower block, deepest drill hole to date at an elevation of 1,258 RL)
 - **13.60 metres @ 7.70 g/t gold and 5.9 g/t silver** (BUUY391, upper block, elevation 1,373 RL)
- A new broad zone of mineralization has been discovered and is located 150 metres southwest of BMZ1 in the Yaraguá system, with results as follows:
 - **37.55 metres @ 7.92 g/t gold and 8.7 g/t silver** (DYR0050, elevation 1,460 RL)
- Channel sampling along a new drift on the HW Vein in the Yaraguá system has yielded high-grade results that are 1,063% higher in weighted grades X widths versus the block model as follows:
 - **4.05 metres @ 12.32 g/t gold and 33.32 g/t silver along 21 metres**
 - **3.92 metres @ 12.04 g/t gold and 18.71 g/t silver along 28 metres**

“Our Buriticá project has delivered remarkable results and the correlation between increased sample density and improved grades X widths continues to be robust,” Mr. Sussman added. “The discovery of a new broad mineralized zone (BMZ) is motivating, as its location is central to planned underground mine development for the Yaraguá deposit and could be accessed in the first year of mining for the project. We are focused on discovering and defining BMZs as they could reduce start-up risks for the project, expedite the production ramp up from 2,100 to 3,000 tonnes per day as outlined in the feasibility study and eventually allow for production throughput to increase past 3,000 tonnes per day.”

“Additionally, underground development at our Veta Sur deposit has advanced rapidly and, as a result, we have begun drilling the BMZ5 target (located in the centre of the Veta system) ahead of schedule. We anticipate first results from this drilling over the coming weeks and are optimistic about the potential from this zone.”

Detail Summary (see Figures 1, 2 and 3)

- Drilling has increased the vertical extent of BMZ1 in the Yaraguá system by more than 130% and now measures 360 metres vertically. The zone remains wide open in high grades at depth for expansion.
- BMZ1, which our exploration team initially thought would be cut-off by the Diatrema Fault at 1,325 RL, has re-emerged in subsequent drill holes drilled approximately 15 metres below the fault with thicknesses and gold grades increasing as drill holes move further away from the fault at depth.
- Highlights of BMZ1 drilling include:
 - o **14.58 metres @ 33.53 g/t gold and 14.8 g/t silver** (DYR0047, upper block, elevation 1,442 RL)
 - o **13.60 metres @ 7.70 g/t gold and 5.9 g/t silver** (BUUY391, upper block, elevation 1,373 RL)
 - o **23.80 metres @ 22.80 g/t gold and 18.9 g/t silver** (BUUY393, lower block, deepest drill hole to date at an elevation of 1,258 RL).
- A potential new zone of broadly-disseminated mineralization was identified during comprehensive mine development mapping and systematic sampling, which was followed up with definition drilling. The new discovery is an additional BMZ to the six zones previously identified and disclosed. This high-grade and broad intercept is hosted within the Yaraguá system at a contact between a breccia zone and andesitic volcanic rocks containing a different package of veins than the veins which are part of BMZ1. The new discovery is located approximately 150 metres southwest of BMZ1 with results as follows:
 - o **37.55 metres @ 7.92 g/t gold and 9.7 g/t silver** (DYR0050, elevation 1,460 RL).

Additional drilling is planned in the near term to test the vertical potential of this new zone as it is ideally located within the Yaraguá system to be mined at the beginning of planned commercial start-up in 2020.

- Underground development for the mine, which remains ahead of schedule, has begun drifting along the HW vein and a small part of the San Antonio vein located directly to its north. This drift development is located immediately southwest of BMZ1 and will be extended into BMZ1 shortly. High-grade gold has been encountered along the HW vein and the small portion of development along the San Antonio vein as follows:
 - o **4.05 metres @ 12.32 g/t gold and 33.32 g/t silver along 21 metres** (west drift on HW vein)
 - o **3.92 metres @ 12.04 g/t gold and 18.71 g/t silver along 28 metres** (east drift on HW vein)
 - o **4.34 metres @ 20 g/t gold and 47.23 g/t silver along 5 metres** (San Antonio vein).

The results on the HW vein are significantly higher in grades X widths than the mineral resource estimate block model as follows:

Drift ID	True Horizontal Width (m)	Gold** (g/t)	Silver** (g/t)	Gold Equivalent (70:1) (g/t)	Block Model (g X m)	Crosscut (g X m)	Difference ⁽¹⁾
GA9551E	3.92	12.04	18.71	12.31	2.94	48.26	1,541%
GA9551W	4.05	12.32	33.32	12.80	7.39	51.84	601%

(1) Represents difference between block model and the true horizontal width of the crosscut on a grams x metre basis

(2) Channel chip samples are taken continuously along the walls of the underground cross-cuts and across the face of the underground drifts. Faces are nominally spaced every 3 metres along the drift and face composites average six length-weighted channel samples. Widths are true horizontal metres at 0 g/t gold grade cut-off.

Stope definition drilling will begin in early October on this section and in BMZ1.

BMZ Details

The BMZ consists of a group of modelled precious metal-bearing veins in the current mineral resource estimate block model with 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. To date, the Company has identified up to seven BMZs for testing

and will systematically drill each target zone as underground mine development advances. BMZ1 encompasses a matrix of the east-west trending FW, San Antonio and HW veins as well as a package of a NW-SE vein and subsidiary veinlets.

Table I: Drill Hole Results (BMZ intervals highlighted below)

Hole ID	From (m)	To (m)	Intercept Interval* (m)	Gold** (g/t)	Silver** (g/t)	Gold Equivalent** (g/t)	Mid Point Elevation (m)	Vein
BUUY366	145.00	146.00	1.00	16.50	17.1	16.74	1385	C3
<i>incl</i>	145.00	145.50	0.50	28.40	4.3	28.46	1385	
	174.20	179.00	4.80	10.39	17.9	10.64	1359	SOF
<i>incl</i>	176.55	177.15	0.60	45.70	7.6	45.81	1361	
	190.60	198.55	7.95	5.84	20.3	6.13	1344	BMZ
<i>incl</i>	193.30	193.80	0.50	14.65	10.4	14.80	1347	
<i>and</i>	193.80	194.35	0.55	36.50	239.0	39.91	1347	
	208.75	209.25	0.50	32.30	44.3	32.93	1336	HWV
	211.90	213.45	1.55	4.17	8.9	4.30	1333	HWV2
	221.10	222.10	1.00	5.05	8.2	5.17	1326	NWSE
	245.75	247.90	2.15	2.32	6.9	2.41	1307	FWV
BUUY367	195.75	205.60	9.85	5.67	17.4	5.92	1331	BMZ
<i>incl</i>	195.75	196.30	0.55	22.30	4.7	22.37	1338	
<i>and</i>	197.80	198.30	0.50	26.20	16.6	26.44	1336	
	210.80	211.30	0.50	8.37	71.6	9.39	1326	SOF
BUUY371	89.50	90.00	0.50	9.60	45.7	10.25	1448	CB
	91.90	92.90	1.00	5.87	9.1	6.00	1447	CB
	99.50	101.00	1.50	4.04	11.6	4.21	1442	VNC
	101.60	103.90	2.30	1.95	9.2	2.08	1441	C41
	105.60	106.10	0.50	7.72	14.9	7.93	1439	C4
	107.60	109.45	1.85	2.49	12.1	2.67	1437	C4
	137.50	140.00	2.50	1.90	5.1	1.97	1420	C1
	141.50	144.50	3.00	2.89	6.1	2.98	1418	C1
	147.05	155.90	8.85	5.71	7.3	5.82	1411	BMZ1
<i>incl</i>	150.60	151.10	0.50	36.50	35.4	37.01	1414	C0
<i>and</i>	153.60	154.10	0.50	15.00	21.2	15.30	1412	
EV	171.60	171.80	0.20	35.39	38.0	35.93	1402	HWV1
	174.50	175.00	0.50	11.10	64.2	12.02	1400	HWV2
	213.30	216.30	3.00	8.12	6.8	8.22	1378	FWV
<i>incl</i>	214.70	215.25	0.55	15.70	14.3	15.90	1378	
	218.00	219.20	1.20	9.05	18.5	9.31	1376	FWV
<i>incl</i>	218.70	219.20	0.50	20.00	38.7	20.55	1376	
	224.25	225.80	1.55	3.02	9.8	3.17	1372	New

Hole ID	From (m)	To (m)	Intercept Interval* (m)	Gold** (g/t)	Silver** (g/t)	Gold Equivalent** (g/t)	Mid Point Elevation (m)	Vein
	235.50	236.00	0.50	8.46	135.0	10.39	1366	NWSE
	256.50	258.65	2.15	19.32	67.8	20.29	1354	VNAD
<i>incl</i>	257.05	257.55	0.50	69.30	153.0	71.49	1354	
BUUY391	69.10	69.65	0.55	11.50	20.0	11.79	1447	
	89.60	90.20	0.60	7.29	8.7	7.41	1432	
	91.75	92.25	0.50	39.20	76.0	40.29	1430	
	157.40	171.00	13.60	7.70	5.9	7.78	1373	BMZ1
<i>incl</i>	160.70	161.20	0.50	147.00	74.5	148.06	1380	
	191.15	193.80	2.65	7.50	34.6	7.99	1357	
<i>incl</i>	192.30	192.80	0.50	20.60	147.0	22.70	1358	
	198.30	202.00	3.70	6.19	7.4	6.29	1351	
<i>incl</i>	200.30	200.80	0.50	20.70	29.8	21.13	1352	
	204.50	208.10	3.60	2.15	5.8	2.23	1347	
BUUY393	100.30	102.05	1.75	6.20	26.3	6.58	1407	
	162.05	162.55	0.50	12.80	20.5	13.09	1352	
	176.20	196.80	20.60	4.21	5.3	4.29	1322	BMZ1
<i>incl</i>	183.80	184.30	0.50	73.90	30.8	74.34	1333	
<i>and</i>	194.50	195.80	1.30	11.88	6.6	11.97	1323	
	220.15	223.60	3.45	3.45	8.9	3.58	1298	
	236.55	238.20	1.65	5.12	14.1	5.32	1285	
	257.45	257.95	0.50	8.21	49.8	8.92	1267	
	267.80	291.60	23.80	22.80	18.9	23.07	1258	BMZ1
<i>incl</i>	289.60	290.10	0.50	910.00	243.0	913.47	1238	
	303.15	304.25	1.10	9.34	50.9	10.07	1226	
	338.70	339.60	0.90	8.06	14.7	8.27	1194	
BUUY399	104.00	106.45	2.45	1.91	2.8	1.95	1407	
	120.40	120.90	0.50	191.50	22.2	191.82	1394	
	190.40	194.30	3.90	2.95	48.8	3.65	1332	
	198.30	199.30	1.00	4.93	10.3	5.08	1327	
	211.00	211.55	0.55	16.55	8.6	16.67	1317	
	232.30	241.65	9.35	3.06	31.3	3.51	1292	BMZ1
	247.20	261.50	14.30	3.89	22.9	4.21	1275	BMZ1
<i>incl</i>	247.20	251.60	4.40	8.08	62.6	8.97	1283	
	262.20	264.80	2.60	3.37	4.6	3.43	1272	

Hole ID	From (m)	To (m)	Intercept Interval* (m)	Gold** (g/t)	Silver** (g/t)	Gold Equivalent** (g/t)	Mid Point Elevation (m)	Vein
	265.30	270.40	5.10	3.40	20.2	3.69	1268	
<i>incl</i>	265.30	265.90	0.60	13.25	114.0	14.88	1271	
	297.85	306.30	8.45	1.82	6.4	1.92	1238	
	368.60	373.40	4.80	6.13	39.0	6.69	1182	
<i>incl</i>	368.60	369.70	1.10	15.80	77.2	16.90	1186	
BUUY402	123.40	124.00	0.60	37.10	75.1	38.17	1388	
	125.80	129.60	3.80	35.79	24.2	36.13	1383	
<i>incl</i>	125.80	128.00	2.20	58.54	37.8	59.08	1385	
	200.15	200.65	0.50	32.20	47.6	32.88	1320	
	215.35	219.80	4.45	5.95	6.2	6.04	1304	
<i>incl</i>	216.00	217.10	1.10	17.72	12.7	17.90	1306	
	241.60	271.60	30.00	4.27	11.2	4.43	1259	BMZ1
<i>incl</i>	253.10	253.60	0.50	47.90	7.7	48.01	1274	
<i>and</i>	265.00	265.50	0.50	25.00	7.3	25.10	1264	
	357.60	358.60	1.00	9.26	67.8	10.22	1184	
DYR0047	35.85	36.20	0.35	16.20	4.2	16.26	1465	
	41.24	41.44	0.20	13.00	27.1	13.39	1463	
	76.96	91.54	14.58	33.53	14.8	33.74	1442	BMZ1
<i>incl</i>	76.96	90.90	13.94	34.95	15.4	35.17	1443	
	103.62	110.20	6.58	3.00	3.7	3.06	1435	
	120.90	121.85	0.95	10.83	28.0	11.23	1430	
DYR0048	0.00	39.00	39.00	3.16	9.2	3.29	1466	Breccia Contact
	70.10	70.62	0.52	12.22	31.7	12.67	1454	
	80.07	82.50	2.43	1.77	4.9	1.84	1450	
	85.65	86.60	0.95	5.25	11.0	5.41	1448	
	88.20	90.35	2.15	4.17	14.4	4.37	1447	
	94.55	96.45	1.90	2.91	12.6	3.09	1445	
	110.10	123.60	13.50	4.50	8.8	4.63	1435	BMZ1
<i>incl</i>	110.10	110.30	0.20	31.25	67.8	32.22	1439	
<i>and</i>	112.80	113.50	0.70	20.46	51.2	21.19	1438	
<i>and</i>	118.00	119.20	1.20	9.42	25.7	9.79	1436	
DYR0049	0.00	13.00	13.00	3.63	11.1	3.79	1475	
	17.80	19.30	1.50	3.58	5.4	3.66	1473	
	23.26	24.20	0.94	6.24	11.0	6.39	1471	

Hole ID	From (m)	To (m)	Intercept Interval* (m)	Gold** (g/t)	Silver** (g/t)	Gold Equivalent** (g/t)	Mid Point Elevation (m)	Vein
	33.65	51.15	17.50	3.29	11.2	3.45	1461	BMZ1
<i>incl</i>	37.60	38.80	1.20	10.77	22.3	11.09	1465	
<i>and</i>	39.75	40.35	0.60	11.35	26.3	11.73	1465	
<i>and</i>	39.75	39.95	0.20	31.14	32.4	31.60	1465	
	104.10	107.10	3.00	23.03	13.1	23.22	1439	
<i>incl</i>	105.00	105.60	0.60	104.97	38.6	105.52	1440	
	110.70	114.30	3.60	4.92	9.5	5.05	1437	
	122.00	125.40	3.40	1.15	14.0	1.35	1432	
	131.50	132.00	0.50	8.84	1.9	8.87	1430	
	134.70	134.93	0.23	34.01	452.7	40.48	1428	
	136.23	136.83	0.60	9.46	26.6	9.84	1428	
DYR0050	2.40	6.25	3.85	3.51	3.7	3.56	1479	
	21.47	22.40	0.93	3.84	3.4	3.89	1473	
	23.40	60.95	37.55	7.92	8.7	8.05	1460	BMZ (NEW)
<i>incl</i>	33.00	37.80	4.80	50.56	32.9	51.03	1468	
<i>and</i>	33.00	34.40	1.40	169.08	106.4	170.60	1469	
	99.00	101.45	2.45	4.62	4.9	4.69	1447	

* Intercepts calculated for minimum intervals of 0.5 metres.

** Grades herein are reported as uncapped values.

Geological Description of the Buriticá Project

Continental's 100%-owned, 75,023-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.

Reported intervals include minimum weighted averages of 3 g/t gold equivalent (70:1 Au/Ag) over core lengths of at least 1.0 metres. Assays are uncut except where indicated.

Underground development along the veins was sampled by trained crews under the direct supervision of mine geologists. The sampling consisted of channel samples that were taken by hammer and chisel across the full width of the face every 3 metres along strike. Distinct geological zones were sampled separately (vein separate from wall rock), with minimum-maximum horizontal sample widths of 0.2 to 1.0 metres. The widths of the channels were adjusted so that each sample weighed between approximately 2 to 8 kilograms. Sample locations were

measured from a surveyed control point. Duplicate channel samples were collected with a frequency of one every 25 samples. Bar code tags were inserted into the individual sample bags by the geologist, including duplicates which were numbered in sequence with the primary samples. The bags were then secured with a cable tie and transported out of the mine by the sampling crew to a secure staging area on surface using a procedure supervised by the Mine Geologist and Chief Geologist. Channel samples were prepared and analyzed at Continental's Yaraguá mine laboratory at Buriticá, Colombia. Blanks, field duplicates from each heading, pulp duplicates, check assays and analysis of results using industry-accepted best practices and certified reference standards are inserted into the sample stream to monitor laboratory performance. Channel samples were analyzed using a 50-gram gold fire assay with gravimetric finish. All silver values were determined by four acids digestion and atomic absorption method.

Besides rigorous chain-of-custody procedures, the Company utilized a comprehensive quality control/quality assurance program for the channel samples. All quality control anomalies were addressed and/or corrected as necessary to assure reliable assay results; no material quality control issues were encountered in the course of the program. Crush rejects and pulps are kept and stored in a secured storage facility for future assay verification. Although historic correlation between analytical results from the Company's internal laboratory and certified independent laboratories for gold and silver analysis have been within acceptable limits, the Company's internal laboratory is neither independent nor certified under NI 43-101 guidelines and, as such, channel sampling results in this release should only be taken by the reader as indicative of future potential.

For exploration and infill core drilling, the Company applied its standard protocols for sampling and assay. 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.

For stope definition core drilling, the Company applied its standard protocols for sampling and assay. The HQ3 samples were full core and provided sample widths between 0.2 to 1.0 in metres weighing approximately 2 to 8 kilograms. Custody of the Samples were transferred at the mine site to Actlabs Colombia using rigorous chain-of-custody procedures. Full-core HQ3 samples are prepped and analyzed at Actlabs Colombia's ISO 9001 accredited assay in Medellín, Colombia. The remainder of crushed rejects and pulps are stored in a secured storage facility for future assay verification. Blanks, pulps duplicates, coarse duplicates and purchased certified reference standards are inserted into the sample stream to monitor laboratory performance. A portion of the samples are periodically check-assayed at ALS Peru's ISO 9001 accredited assay laboratory in Lima, Peru.

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 is the leading large-scale gold mining company in Colombia and is presently developing its 100% owned Buriticá project in Antioquia. Buriticá is one of the largest and highest-grade gold projects in the world and is being advanced utilizing best practices for mine construction, environmental care and community inclusion. Led by an international management team with a successful record of discovering, financing and developing large high-grade gold deposits in Latin America, the Buriticá project is on schedule with first gold pour anticipated during the first half of 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 drill results and commercial production, advancing the Buriticá project, exploration results, potential mineralization, potential development of mine openings, potential improvement of mining dilution grades, reducing start-up risks, increase in production throughput 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 – Plan View of drilling into BMZ targets at the Yaraguá system

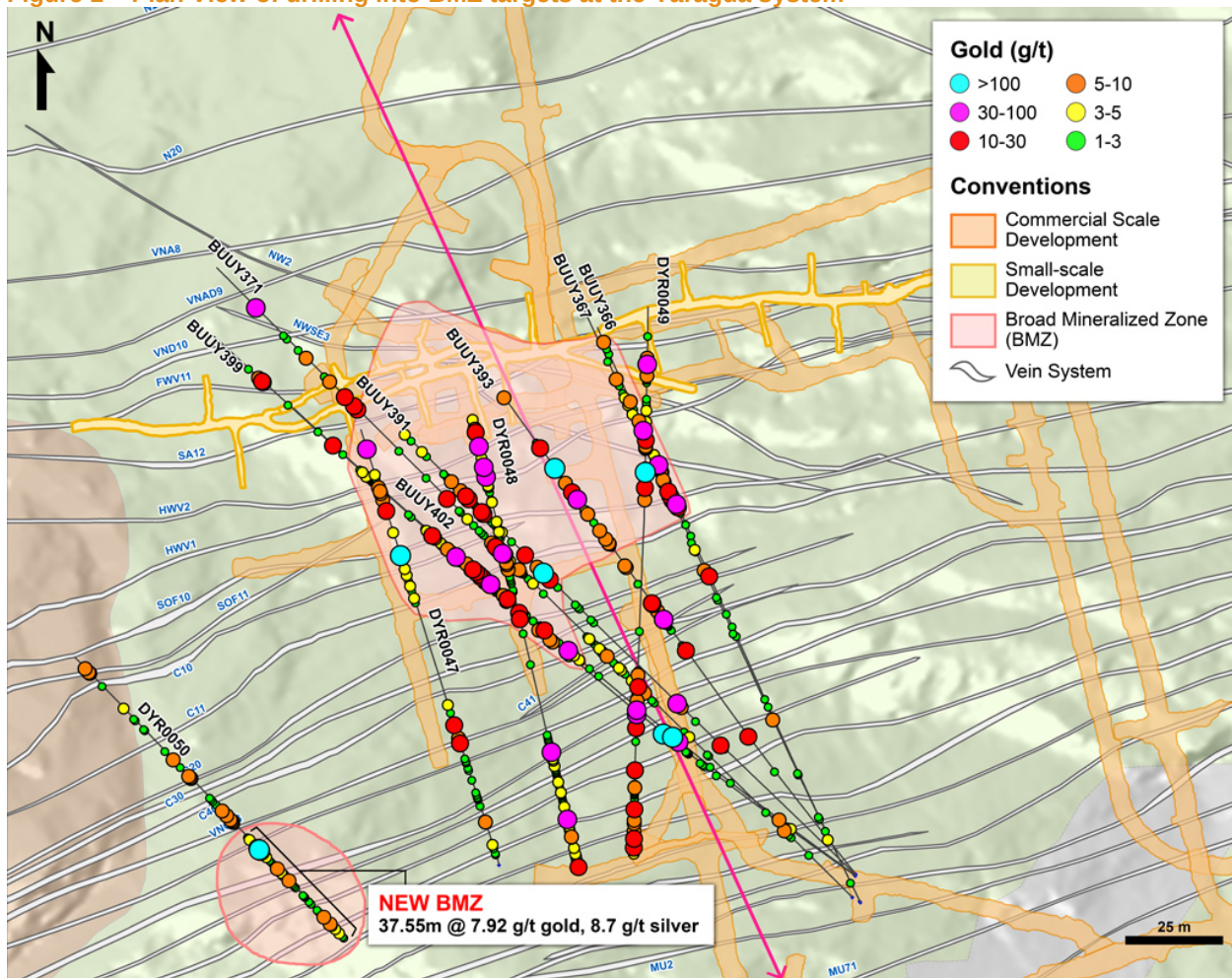


Figure 2 – Cross Section A-A' of Drilling into BMZ1

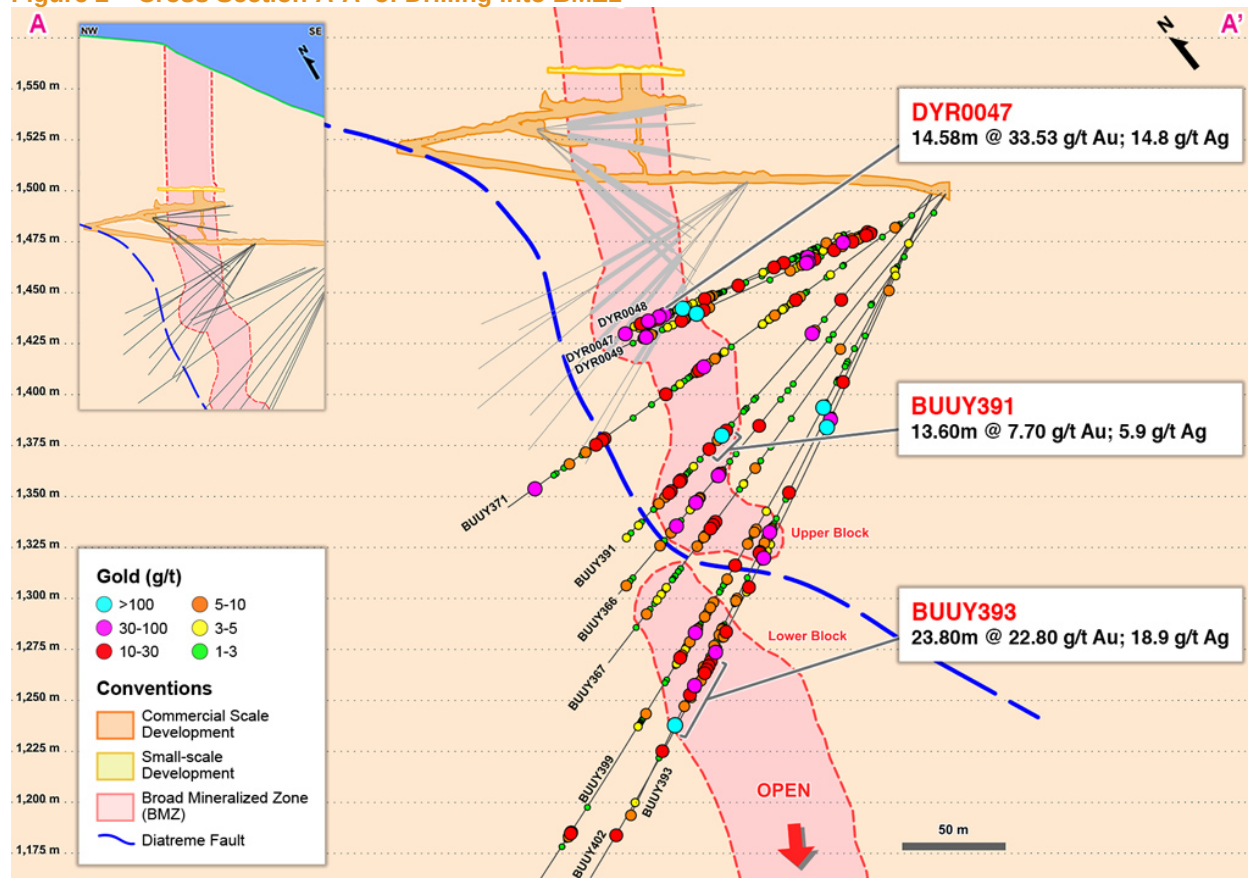


Figure 3 – Long Section of Drift Sampling Results Along the HW and San Antonio Veins

