

VANCOUVER, BC--(Marketwired - July 14, 2015) - [CB Gold Inc.](#) (TSX VENTURE: CBJ) ("CB Gold" or the "Company") announces that its board of directors has voted unanimously to recommend that shareholders reject the hostile offer by [Red Eagle Mining Corp.](#) ("Red Eagle") to acquire all of the outstanding common shares of CB Gold at a price of 0.162 Red Eagle shares per CB Gold share. CB Gold's board of directors has determined that the Red Eagle offer is inadequate and not in the best interests of shareholders. The CB Gold board unanimously recommends that CB Gold shareholders REJECT Red Eagle's hostile offer and NOT TENDER their common shares, and that any CB Gold shareholders who have previously tendered their shares into Red Eagle's offer WITHDRAW them immediately.

Hernan Martinez, CB Gold's Chairman states, *"The board has concluded that Red Eagle's offer fails to provide adequate value for CB Gold shares and is an attempt by Red Eagle to acquire CB Gold without offering adequate consideration to the Company's shareholders. In particular, the Red Eagle offer does not adequately reflect CB Gold's current value nor the value of CB Gold's substantial growth prospects and development opportunities."*

CB Gold is exploring a range of strategic alternatives to enhance the Company's value and improve its balance sheet for the benefit of CB Gold shareholders and other stakeholders. CB Gold has been approached by, and has initiated contact with, a number of third parties who have expressed an interest in considering alternative transactions. CB Gold has also initiated discussions with Red Eagle to assess the opportunity for an improved offer. While it is impossible to predict whether any successful value-enhancing proposals will emerge from these efforts and discussions, the CB Gold board believes that CB Gold and its assets are potentially very attractive to other parties in addition to Red Eagle.

The reasons for the CB Gold board's recommendation with respect to Red Eagle's hostile offer include, among other things, the board's belief that:

- The Red Eagle offer does not reflect CB Gold's current value.
- The Red Eagle offer of approximately C\$8.4 million fails to adequately compensate CB Gold shareholders for the significant value of the Company's flagship Vetás Gold Project (the "VGP").
- The VGP is located within the prolific Vetás-California mining district of Colombia, just 8km from a multi-million ounce resource and where property consolidation opportunities have the potential to unlock significant shareholder value.
- CB Gold owns 100% of the properties forming the VGP, six of the properties have environmental management plans, and the company has recently finalized the process of change of modality for almost all of the properties. The change of modality process transforms the exploration and exploitation licenses held by the Company into concession contracts with a duration ranging between 20 and 30 years thus guaranteeing the long-term development opportunity of the project. The Company now has seven concession contracts and is waiting for the finalization of the change of modality process on an additional two titles. Post change of modality process, the VGP will be formed by nine contiguous concession contracts and a separate license of exploitation.
- The Vetás Project is a highly attractive gold mining asset with significant resource expansion potential, and has the opportunity for a low-capex and low-opex, underground, short-term production scenario.
- The Red Eagle offer does not reflect CB Gold's significant exploration upside and substantial growth prospects.
- The Company has drilled 71,000 meters at the VGP and invested a total of C\$30 million in exploration activities. The Company has drilled only 3 targets distributed over 5 out of the 10 properties forming the VGP.
- The Company's independent technical report has identified a number of additional zones that currently fall within drilling coverage gaps due to the high relief of the VGP area. The Company expects to expand its current resource through additional drilling that targets these gaps.
- The timing of the Red Eagle offer is opportunistic, as Red Eagle has repeatedly challenged CB Gold's previous corporate and financing opportunities within a challenging junior mining market.
- CB Gold is currently trading at historic lows -- a situation exacerbated by Red Eagle enabling Red Eagle to disguise a low offer as being a premium to the market price. In particular:
 - The sale transaction proposed by CB Gold and considered by shareholders on June 23, 2015 would have provided CB Gold with cash, the reduction of \$3 million in liabilities, and a royalty, having a total worth in excess of \$20 million -- compared to the approximately \$8.4 million valuation of the Red Eagle offer. Red Eagle hired a proxy solicitation agent to encourage CB Gold shareholders to vote against the proposed sale transaction, arguing the \$20 million valuation was insufficient. Red Eagle was successful in convincing CB Gold shareholders to vote against the transaction on June 23, 2015. Red Eagle announced its offer on June 16, 2015 and launched its offer on by a circular dated June 29, 2015.
- Given CB Gold's working capital requirements and the necessity that it also raise sufficient funds to make the pending payments required to maintain certain of its titles to the VGP, CB Gold arranged for a modest (up to \$3.5 million) private placement at a price of \$0.05 per share (a price that is greater than the per share price offered under Red Eagle's offer) to finance these requirements. Red Eagle opposed this transaction as well, embroiling the proposed financing in litigation and causing the participants to withdraw from the placement.
- Red Eagle's plans for CB Gold may not benefit all CB Gold shareholders.

- Red Eagle provides no clear development plans for the Vetás Project and may simply be acquiring the Vetás Project to warehouse it until commodity markets improve on a macro scale.
- The Red Eagle offer is highly conditional.
- The Red Eagle offer is highly conditional for the benefit of Red Eagle, resulting in substantial uncertainty for CB Gold shareholders as to whether Red Eagle will acquire any CB Gold shares under the Red Eagle offer. These conditions must be satisfied or waived before Red Eagle is obliged to take up any CB Gold shares tendered under the Red Eagle offer.
- The wide range of discretionary conditions, which the CB Gold board equates to a due diligence condition, would permit Red Eagle to walk away from the offer without providing CB Gold shareholders with any value at all.
- The Red Eagle offer is coercive to CB Gold and its shareholders and is an attempt to expropriate shareholder value.
- The Red Eagle offer is only open for acceptance for 37 days. This time frame denies CB Gold shareholders the opportunity to consider the developing circumstances of CB Gold and make a reasoned and informed decision and is insufficient to permit the Board to consider and develop alternatives to the Red Eagle offer in an effort to maximize shareholder value.
- The Red Eagle offer is not a permitted bid under CB Gold's existing shareholder rights plan.
- On January 28, 2015, 98% of CB Gold shareholders attending the Company's special meeting voted to affirm the Company's shareholder rights plan (the "Shareholder Rights Plan"). A copy of the Shareholder Rights Plan is publicly available at www.cbgoldinc.com. Red Eagle could have made a Permitted Bid, but chose not to do so. As a result, Red Eagle is disregarding the will of the CB Gold shareholders by seeking to limit the ability of the CB Gold board to pursue superior transactions in order to maximize value for CB Gold shareholders.

Current Financial Position

As announced on June 10, June 12, June 17 and June 18, the failure of the sale transaction with OM.L Trading (the "Sale Transaction") was expected to push the Company towards bankruptcy. In response to the Sale Transaction being voted down, the Company arranged a C\$3.5 million private placement (the "Placement") to ensure the Company could continue as a going concern. Subscription agreements were received and the Company was in a position to close the Placement. Red Eagle applied to the British Columbia Securities Commission to prevent the Placement. As a result of Red Eagle's activities, the investors in the Placement withdrew their support and the Placement was terminated.

The Company's current negative working capital balance is significant and, as set out in the Company's March 31, 2015 financial statements, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Given the Company's pressing working capital requirements, including the requirement to pay approximately \$3 million in order to maintain certain of its titles to the VGP, the Company intends to seek short term financing to meet these requirements. As with the Placement, the Company is seeking this financing at per share prices in excess of the price of the Red Eagle offer.

Directors' Circular

Due to the Company's negative working capital position, the Company does not, at this time, have the financial resources to hire financial advisors, thoroughly assess the Red Eagle offer, nor to prepare and distribute a directors' circular providing greater detail regarding the board's recommendation to REJECT the Red Eagle offer. As soon as the Company has been able to secure the funds to do so, it intends to conduct a more detailed analysis of the Red Eagle offer and provide shareholders with the detailed directors' circular to which they are entitled.

The Company will respond to all questions as it is able, and provide updates to the market as they arise. Questions may be submitted to the Company at info@cbgoldinc.com.

About CB Gold Inc.:

CB Gold is a mineral exploration company headquartered in Vancouver, British Columbia. CB Gold, through its wholly-owned subsidiary, Leyhat Colombia Sucursal, is actively pursuing the exploration and development of mineral properties in the Republic of Colombia. The Vetás Gold Project consists of a number of existing mines and exploration concessions.

For more information on CB Gold please visit our web site at www.cbgoldinc.com or contact the Company at +1 (604) 630-5870, or info@cbgoldinc.com.

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Cautionary Note Regarding Forward-Looking Statements

Information set forth in this news release includes forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the completion and anticipated benefits of the proposed sale transaction are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: failure to satisfy all conditions precedent to the transaction, including disinterested shareholder approval and stock exchange regulatory approval, and the additional risks identified in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings with Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

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