

VANCOUVER, CANADA--(Marketwired - Apr 11, 2016) - [Medgold Resources Corp.](#) (TSX VENTURE:MED) (the "Company" or "Medgold") is pleased to announce new assay results from contiguous rock-chip sampling from the Limarinho South zone at its Boticas gold project in Portugal, which include a highlight of 6.0m @ 5.7 g/t Au. Significantly, infill grid-soil sampling over the entire Limarinho Zone has identified two new gold anomalies, increasing the anomalous area to 4km by 2km.

The Limarinho South zone, is located approximately 500m south of the main Limarinho Zone. The newly mapped gold mineralization and associated alteration effectively doubles the footprint of the Limarinho anomaly. Sampling maps are available on Medgold's website at <http://www.medgoldresources.com/s/boticas.asp>.

Dan James, President of Medgold, said: "The intensive sampling programmes we carried out at Boticas at the start of this year are delivering early good results. As we hoped, our primary target at Limarinho has expanded in size and we've also improved the definition of the gold anomaly. We're now preparing with our partner [Centerra Gold Inc.](#) to drill test Limarinho in Q2 of this year with a 2,500m drilling programme."

The Boticas-Chaves Gold Project

The Boticas-Chaves Gold Project is comprised of two exploration licences covering a total area of approximately 600 sq km located in the north of Portugal close to the Spanish border. The principal prospect at Boticas is the Limarinho zone.

Recent contiguous rock-chip sampling at Limarinho South has identified high-grade gold mineralization at surface. A total of 23 samples were collected, with values ranging from 0.12 g/t Au to 10.65 g/t Au. The composited intervals are summarized below:

- 6m @ 5.66 g/t Au
- 8m @ 2.40 g/t Au
- 3m @ 5.45 g/t Au
- 3m @ 2.27 g/t Au
- 1m @ 4.02 g/t Au
- 2m @ 1.40 g/t Au

In addition, 8 grab samples were collected at Limarinho South, with assays ranging from 0.12 g/t Au to highs of 19.30 g/t Au, 17.00 g/t Au and 12.40 g/t Au. Infill grid-soil sampling has also been completed over an area of 3.5km by 3km at a line spacing of 200m and a 50m sample spacing.

In the 1980s and 2000s COGEMA and then Kernow Resources, respectively, completed over 3,000m of diamond drilling at Limarinho and Limarinho South. The drilling cut broad zones of low-grade gold mineralization (approx. 1 g/t Au), and also multiple mineralized corridors of much higher grade (2-3 g/t Au) that are continuous over significant strike lengths (see Medgold news release dated July 21, 2015).

The mineralized corridors trend east-northeast, while the veins within them trend northeast. The mineralization is structurally-controlled and developed within a large deformational zone which coincides with the surface soil geochemistry, outlining a northeast-elongate area of approximately 4km by 2km. Both Limarinho and Limarinho South are located in the centre of this anomaly.

At Casas Novas, which is 3 km southeast of Limarinho, quartz vein swarms are associated with a NE-elongate dilational prism. Grid-soil sampling has confirmed broad zones of gold and arsenic anomalism over an area of 3 km by 2 km, and with rock-chip samples yielding results from 0.01 g/t Au to highs of 71.90 g/t Au, 5.53 g/t Au and 5.20 g/t Au, including new results of 8.54 g/t Au and 7.31 g/t Au.

Private Placement

Medgold also announces that it proposes to complete, subject to stock exchange approval, a non-brokered private placement financing of up to 2.0 million units at \$0.10 per unit, for proceeds of up to \$200,000. Each unit will consist of one common share and one warrant, each warrant entitling the holder to purchase one additional common share of the Company at \$0.12 for one year from closing. The Company may pay a finder's fee on a portion of this financing.

The proceeds of the placement will be used to fund the ongoing exploration of the Company's properties, and for general working capital purposes.

About Centerra Gold and the Joint-Venture

[Centerra Gold Inc.](#) is a Canadian-based gold mining company focused on operating, developing, exploring and acquiring gold

properties primarily in Asia, North America and other markets worldwide. Centerra is the largest Western-based gold producer in Central Asia. Centerra's shares trade on the Toronto Stock Exchange (TSX). The Company is headquartered in Toronto, Ontario, Canada.

Centerra has the exclusive right to earn a 51% interest in the Valongo Belt properties (namely: Lagares, Balazar, Castelo de Paiva and Valongo licences) and the Boticas-Chaves Project by incurring expenditures on the properties totaling US\$3.0 million over three years. Once Centerra has acquired the initial 51% interest in the properties, it may acquire a further 19% (for a total 70% interest) by incurring an additional US\$3.0 million on exploration within two years.

Quality Assurance/ Quality Control

Samples were prepared by ALS Minerals at the Seville Laboratory, Spain. Soil samples were analyzed for gold using 50gm fire assay with ICP analysis and multi-elements were analyzed by inductively coupled plasma mass spectrometer and inductively coupled plasma emission spectrometer by ALS Minerals at the Omac Laboratory, Ireland. Rock samples were analyzed for gold using 50gm fire assay with AAS analysis and multi elements were analyzed by inductively coupled plasma mass spectrometer and inductively coupled plasma emission spectrometer by ALS Minerals at the Omac Laboratory, Ireland.

Certified reference materials, blanks, and field and laboratory duplicates were routinely inserted for quality assurance and quality control.

Qualified Person

David Clark, PGeo, consulting geologist to the Company, is a Qualified Person as defined by National Instrument 43-101 -- Standards of Disclosure for Mineral Projects. Mr. Clark has reviewed and approved the disclosure of technical information contained in this news release.

About Medgold

Medgold is a European-focused, TSX-V listed exploration and development company targeting gold properties in northwest Iberia and the under-explored gold provinces of southern Europe. Run by a highly experienced management team with a successful track record of building value in resource companies, Medgold is aiming to become a leading European gold company.

Additional information on Medgold can be found on the Company's website at www.medgoldresources.com and by reviewing the Company's page on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD

Daniel P. James, President & Director

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Forward-looking statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements and include, without limitation, statements about the proposed drill program on the Limarinho target. Often, but not always, these forward looking statements can be identified by the use of words such as "estimate", "estimates", "estimated", "potential", "open", "future", "assumed", "projected", "used", "detailed", "has been", "gain", "upgraded", "offset", "limited", "contained", "reflecting", "containing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could

cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: that the Company's stated goals and planned exploration and development activities will be achieved; that there will be no material adverse change affecting the Company or its properties; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.

Contact

President
Dan James (UK)
dj@medgoldresources.com
+44 7972 579188
Investor Relations
Ralph Rushton (Vancouver)
ralphr@goldgroup.com
+1 604-630-5544