

TORONTO, ON / ACCESSWIRE / April 20, 2016 / [Frontline Gold Corp.](#) (TSXV: FGC) ("Frontline" or the "Company") is pleased to announce that it obtained an unsecured loan ("Loan") in the amount of \$250,000. The Loan is being advanced by two private groups who are both non-arm's length investors ("Investors") of the Corporation. The Loan will be used primarily to allow the Company to expedite production from its tailings projects at Kambertepe and Keban, as highlighted in its April 7, 2016 press release ("Frontline Acquires Fully Permitted Keban and Kambertepe Tailings Projects" www.stockwatch.com/News/Item.aspx?bid=Z-C%3aFGC-2361062&symbol=FGC@ion=C).

The proceeds from the \$250,000 loan as defined in the Loan agreement will be used for the following:

1. a minimum of \$200,000 will be used for developing the Tailings Projects. Work at the Kambertepe copper tailings, up to 6,000 tonnes, is underway. Preparation for work at Keban started as well;
2. up to \$12,500 can be used to fund the pursuit of additional tailings projects that exist in Turkey, and;
3. up to \$37,500 can be used to make option payments and advance exploration on the Company's Red Lake and Rainy River projects.

Commentary

Mr. Walter Henry, President and CEO of Frontline commented, "This is a marquee funding transaction for Frontline. Given the current difficulties of raising equity in the junior mining sector Frontline is very fortunate to have secured this Loan. Given Frontline's balance sheet signing an unsecured loan with 1) no debt or working capital covenants, and 2) a six-month principal and interest holiday is an excellent opportunity to fund and expedite work at Kambertepe and Keban. With both projects being fully permitted for exploitation, Frontline is in an excellent position realize revenue from Kambertepe within the next 60 days. Additionally, with the signed transportation agreements and based on the current negotiations, including concessions, on the processing agreements, we created an opportunity to generate revenue in the very near term."

"As previously noted the revenue from the tailings projects will enable us to: 1) organically advance our other projects in Turkey, Mali and Red Lake; 2) allow Frontline to capitalize on other strategic acquisitions; and 3) seek opportunities and regulatory approvals to restructure Frontline's capital structure."

Highlights of the Loan:

1. Will be unsecured and no debt or working capital covenants.
2. Will be fully advanced by April 30, 2016 and will be for a term of 18 months. Will bear interest at the rate of 12%, payable monthly in arrears. FGC shall start repaying the Loan at the end of November 2016, by way of 12 monthly payments.
3. FGC will pay to the Investors 2% of the net proceeds (calculated as gross revenue less excavating and transportation costs and processing costs), received from the Keban and Kambertepe tailings projects in Turkey.
4. FGC to issue a total of 5 million common share purchase warrants (the "Warrants"). The Warrants shall have an exercise price of 2 cents and term of 3 years from the date of issue. The Warrants are subject to the approval of the TSX Venture Exchange. FGC shall use its best effort to obtain regulatory approval to issue the Warrants with an exercise price of 2 cents, but if it is unable to do so, then FGC shall, within a year, use its best efforts to cause its common shares to be consolidated on a 5-1 basis, subject to shareholder approval, and the Warrants shall be issued with an exercise price of 10 cents. If, during the term of the Warrants, the shares of FGC trade at 5 cents or higher for a period of 30 consecutive trading days, then FGC shall be entitled to give notice that the Warrants has been accelerated to a date not less than 20 business days after such notice has been provided.
5. FGC shall provide the Investors with a two-year right of first refusal ("ROFR") to provide financing to FGC in connection with any additional tailing deposits acquired by FGC in Turkey.

The loan and warrants remain subject to the receipt of all regulatory approvals, including approval of the Toronto Stock Venture Exchange.

Processing Agreements

Negotiations on the processing agreements continues with a number of experienced processing companies within the region of Elazig, Turkey. Frontline is confident that the agreements will be executed within the next two-weeks. Based on current discussions, these agreements will include processing concessions, payment holidays, and reductions in processing rates in exchange for meeting certain processing volumes and giving up rights to certain residual tailings from Kambertepe and Keban.

Keban Tailings Project

Located approximately 45 km northwest from the city of Elazig, via paved highway, which is fully permitted, which includes the exclusive rights to process a minimum 114,000 tonnes of mineralized milled tailings stored in two areas within the property boundary. The regional government of Elazig retains the responsibility for remediation of this site.

An independent comprehensive report, including a metallurgical assessment of the mineralized tailings, was completed by Dr. Sasmaz, Phd, Geologist, Firat University, dated June 2015. Per the report, 40 assay samples were collected at Keban and assays completed, for 34 element ICP - MS analysis, by Bureau Vertias Mineral Laboratories in Vancouver, Canada on behalf of the Firat University in Elazig. According to the Bureau Vertias assayed analysis, the Firat University report of June 2015 noted that all the assays averaged Au 1.78 g/t, Ag 96 g/t, Pb 2.94%/t and Zn 0.63%/t.

Kambertepe Tailings Project

Located approximately 100 km east from the city of Elazig, via paved highway, includes the exclusive rights to process approximately up to 6,000 tonnes of mineralized tailings, with the following average reported grades per tonne of tailings: 2.1% Copper, 21 g/t Silver, 1.9% Zinc, 0.5% Titanium and over 50% Iron, as noted from a Firat University report on the project dated March 15th, 2016.

Frontline did not complete the work required to verify the historical mining estimates noted above and is not treating these historical estimates as being compliant with current standards under NI 43-101 and as such these historical estimates should not be relied upon. Caution should be used when evaluating these resources as they were calculated prior to NI 43-101 existing and a qualified person has not done work to classify the historical estimate as a current mineral resource.

Frontline continues to actively seek additional investor/partner(s) in order to continue to expedite the full tailings and contained metal recovery at both the Keban and Kambertepe tailings projects. To contact Frontline, please call Walter Henry at 416-414-5825 or visit the company's website.

The technical information herein was reviewed by Mr. Greg Isenor, P. Geo., who acts as Frontline's Qualified Person as defined by National Instrument 43-101.

About Frontline Gold Corporation

Frontline is a Canadian junior mineral exploration company with an experienced discovery team and a proven record of accomplishment. The Company's principal properties include the Menderes gold project in the Izmir province of Western Turkey, the Flint Lake and Sandhill Lake gold projects which are adjacent to Chalice Gold's Cameron Lake Gold Deposit in Ontario and the Niaouleni gold project in southern Mali in the heart of West Africa's prolific gold belt. Other Canadian exploration properties include its Red Lake (gold) property groups that include the Whitehorse Island Mining Patents.

Further information about the Company is available on the Company's website, www.frontlinegold.com, or our social media sites listed below:

Facebook: <https://www.facebook.com/FrontlineGoldCorp/>

Twitter: <https://twitter.com/frontlinegold>

This news release contains forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. The Company's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: the availability of funds; the timing and content of work programs; results of exploration activities and development of mineral properties, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimations, receipt and security of mineral property titles; project cost overruns or unanticipated costs and expenses, fluctuations in metal prices; currency fluctuations; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

"Walter Henry"

Walter Henry, President & CEO
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