

VANCOUVER, July 18, 2016 /CNW/ - [Golden Queen Mining Co. Ltd.](#) (TSX:GQM; OTCQX:GQMNF) (the "Company" or "Golden Queen") announces that further to its news release of July 14, 2016, the Company has agreed to increase the size of its previously announced bought deal financing (the "Offering") from C\$13 million to approximately C\$14 million. As a result of the increase, 9,670,000 units of the Company (the "Units") are being offered on a bought deal basis at the price of C\$1.45 per Unit (the "Issue Price"). As previously announced, each Unit is comprised of one common share of the company and one half of a share purchase warrant, with each whole warrant exercisable at a price of C\$2.00 to acquire an additional common share for a period of 36 months following the closing of the Offering.

The offering is being made through a syndicate of investment dealers led by Cormark Securities Inc. and including M Partners Inc. (the "Underwriters"). The Company and the Underwriters have entered into a formal underwriting agreement dated July 18, 2016 (the "Underwriting Agreement") that replaces the previously announced letter agreement.

Pursuant to the Underwriting Agreement, the company has granted to the Underwriters an over-allotment option to purchase up to an additional 1,450,000 Units at the Issue Price for a period of 30 days from the closing date of the Offering (which may be exercised for common shares, warrants or any combination thereof) to cover over-allotments, and for market stabilization purposes. If the option is exercised in its entirety, the aggregate gross proceeds of the Offering to the Company will be C\$16,124,000.

The Offering will be made in each of British Columbia, Alberta and Ontario by way of a prospectus supplement dated July 18, 2016, which will supplement the Company's Canadian base shelf prospectus dated March 18, 2015 (together the "Prospectus"). A copy of the Prospectus relating to the Offering in Canada is available on SEDAR at www.sedar.com. The Prospectus contains important detailed information about the securities being offered. Investors should read the Prospectus before making an investment decision.

In addition, the Offering will be made in the United States by way of a Form S-3 registration statement, and a prospectus and a prospectus supplement filed with the United States Securities and Exchange Commission (the "SEC") for which this communication relates. These documents are available on EDGAR on the SEC website at www.sec.gov. Alternatively, the Company, any agent or any dealer participating in the Offering will arrange to send you the prospectus and prospectus supplement, or they may be requested from Cormark Securities Inc. by email at ecm@cormark.com.

Closing of the Offering is expected to occur on or about July 25, 2016, subject to customary closing conditions. The Company intends to use the net proceeds from the Offering for the partial repayment of loans that are due in December 2016 and for general corporate purposes.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of Units in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction. Offers and sales in the United States will only be made to persons which qualify as "institutional investors" under the laws and regulations of their state of domicile.

About Golden Queen Mining Co. Ltd.:

Golden Queen is an emerging gold and silver producer holding a 50% interest in an open pit, heap leach mining operation on the Soledad Mountain property, located just outside the town of Mojave in Kern County in southern California.

For more information visit: www.goldenqueen.com

FORWARD-LOOKING INFORMATION

This news release contains forward-looking information and statements within the meaning of applicable Canadian and United States securities laws (herein referred to as "forward-looking statements") that involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All information and statements in this news release that are not statements of historical fact may be forward-looking statements, including the contemplated public offering, the size of such offering, the anticipated closing date and the anticipated use of proceeds. Such statements or information are only intentions and expectations of management and reflect the current beliefs of management and are based on information currently available to management. Actual results and events may differ materially from those contemplated by these forward-looking statements due to these statements being subject to a number of risks and uncertainties. Undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature forward-looking statements involve assumptions and known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions and other forward-looking statements will not occur. Some of the assumptions made by Golden Queen, upon which such forward-looking statements are based, include: the ability of the Golden Queen to obtain all required regulatory approvals in connection with the Offering; future market conditions not being materially different from those generally experienced by Golden Queen during the immediately preceding twelve month period; there will be no material changes to laws, policies and regulations affecting Golden

Queen and its operations; and the business operations of the operating businesses of Golden Queen will continue on a basis consistent with prior years.

A number of factors could cause actual results to differ materially from the those expressed or implied by the forward-looking statements, including, but not limited to, unexpected changes in the financial markets (including in the trading price of the securities of Golden Queen) prior to closing of the Offering, unexpected regulatory issues, and changes in the general economic and business conditions pertaining to one or more of Golden Queen and its subsidiaries. Should any risks or uncertainties that face Golden Queen and its subsidiaries materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this news release. Readers are cautioned that the foregoing list of risks is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Golden Queen and its subsidiaries are included in, Golden Queen's short form base shelf prospectus and supplements thereto, and Golden Queen's annual financial statements and Management's Discussion and Analysis for the year ended December 31, 2015, each of which has been filed under the Company's profile on SEDAR (www.sedar.com) or with the SEC (www.sec.gov). Although Golden Queen believes that the expectations represented by any forward-looking-statements contained herein are reasonable based on the information available to them on the date of this news release, management cannot assure investors that actual results, performance or achievements will be consistent with these forward-looking statements. Any forward-looking statement herein contained is made as of the date of this news release and Golden Queen does not assume any obligation to update or revise them to reflect new information, events or circumstances, except as required by law.

SOURCE [Golden Queen Mining Co. Ltd.](#)

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