Continental Gold Hits High-Grade Gold and Extends the Strike Length of the Yaraguá System by 150 Metres at the Buriticá Project, Colombia

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- Step-out drilling along strike to the east at the Yaraguá system has increased the length of the system from 1,200 1,350 metres, with high-grade results outside the mineral resource block model boundary as follows:
  - 2.50 metres @ 174.04 g/t gold and 43.6 g/t silver (BUUY387, elevation of 1,337 metres, FW11 vein)
  - 5.20 metres @ 22.26 g/t gold and 34.4 g/t silver (BUUY390, elevation of 1,344 metres, HWV1 vein)
  - 1.50 metres @ 43.91 g/t gold and 122.1 g/t silver (BUUY387, elevation of 1,365 metres, HWV1 vein)
- The Yaraguá system remains open along strike to the north, east and west and at depth and will continue to be d
- Underground channel sampling results along veins in the San Antonio family have provided significantly higher gr wider exposures than the mineral resource block model at these locations, with results as follows:
  - 4.12 metres @ 18.42 g/t gold and 27.97 g/t silver along 37 metres (west drift on HW vein)
  - 3.75 metres @ 10.01 g/t gold and 17.93 g/t silver along 39 metres (east drift on HW vein)
  - 4.12 metres @ 18.66 g/t gold and 35.84 g/t silver along 20 metres (east drift on San Antonio vein).
- Infill drilling in eastern Yaraguá has encountered grades X true widths that are significantly higher on average tha resource estimate block model in the corresponding locations. Key intercepts are as follows:
  - 4.20 metres @ 30.29 g/t gold and 77 g/t silver (BUUY390, elevation of 1,426 metres, MU6)
  - 5.20 metres @ 25.31 gold and 91.9 g/t silver (BUUY397, elevation of 1,420 metres, MU6)
  - 2.10 metres @ 12.45 g/t gold and 28.9 g/t silver (BUUY404, elevation of 1,488 metres, MU9)
  - 0.50 metres @ 60.5 g/t gold and 121 g/t silver (BUUY404, elevation of 1,284 metres, VNE30)
- The Company anticipates releasing an updated mineral resource estimate and mine plan in Q1 2019. With increa understanding of both the geologic controls and mineability of the Yaraguá and Veta Sur deposits, the Company the updated mineral resource estimate and mine plan have the potential for larger, more productive stopes in the mineralized zones. As a result, the Company anticipates that the updated mine plan will improve mining productiv reduce associated project start-up risks.

TORONTO, Oct. 16, 2018 - Continental Gold Inc. (TSX:CNL; OTCQX:CGOOF) ("Continental" or the "Company") is ple announce additional high-grade assay results from underground channel sampling results and six holes drilled into the system as part of its 2018 exploration drilling and underground channel sampling program at its 100%-owned Buriticá p Antioquia, Colombia. The Company presently has 14 diamond drill rigs in operation; three rigs are being utilized for the recently-started stope definition drilling program, eight rigs are conducting infill and mineral resource expansion drilling Yaraguá and Veta Sur deposits and three rigs are testing the Laurel and Perseus greenfield targets.

"The Buriticá project continues to demonstrate its prowess as a rare world-class system, both in terms of its size and hi The system is so vast that it will take years of drilling to determine just how many ounces of gold will ultimately be mine Yaraguá and Veta Sur deposits," stated Ari Sussman, CEO. "With the new results announced herein, the Yaraguá syst measures 1,350 metres laterally by 1,800 metres vertically and remains open in all directions for expansion. We look fo incorporating all new results into an updated mineral resource estimate and mine plan in Q1 2019."

Detail Summary (see Table 1 and Figures 1, 2 and 3)

A fan of six diamond drill holes were completed from an underground chamber installed off of the main Yaraguá ramp c advancing ahead of planned commercial production for the Buriticá project in 2020. Drilled to the northeast, the fan of h dual purpose of infilling an eastern section of the Yaraguá deposit as well as testing for extensions to the system along Antonio master vein family. Drilling covered 150 metres of lateral strike by 475 metres vertically and mineralized zones below remain open both up and down-dip for extensions.

Four distinct zones of mineralization were outlined from the drilling. The first two mineralized zones, located at shallow from the drill hole collars, successfully infilled seven veins within the Murcielagos vein family at the eastern edge of the resource estimate block model. Impressively, the precious metal content is more than 125% higher on a weighted aver X true widths basis than the mineral resource estimate block model. As a result, the Company is accelerating drilling pl section with an aim of sequencing mining into the early years of production.

The third zone of mineralization encountered extended the strike length of the HW and San Antonio veins up to 100 me east, with highlight results as follows:

- 5.20 metres @ 22.26 g/t gold and 34.4 g/t silver, including 0.55 metres @ 194.5 g/t gold and 257 g/t silver (BUUY elevation of 1,344 metres, HWV1 vein)
- 1.50 metres @ 43.91 g/t gold and 122.1 g/t silver, including 0.50 metres @ 130 g/t gold and 347 g/t silver (BUUY elevation of 1,365 metres, HWV1 vein)

Given the high-grade nature and easy access from ongoing mine development, plans are being made to access this ar

eastern Yaraguá for definition drilling anticipated to begin in Q1 2019.

The fourth zone of mineralization encountered in hole BUUY397 successfully extended the strike length of the FW vein VND vein 125 metres to the east, with assay results as follows:

- 2.50 metres @ 174.04 g/t gold and 43.6 g/t silver, ncluding 0.50 metres @ 759 g/t gold and 181 g/t silver (BUUY3 of 1,337 metres, FW11 vein)

Subsequent to the Company's October 1, 2018 announcement of drift sampling results, drifting has continued along the and the San Antonio vein in the Yaraguá system located directly to its north in broad mineralized zone #1 ("BMZ1") as s Figure 3. Significantly higher grades and wider exposures continue to be encountered to the southwest along the HW v has been extended 16 metres for a total 37 metres from CX-04 crosscut. Additionally, development to the east in the Sa and HW vein drifts continues to expose strongly wide, high-grade zones. East in San Antonio, significant mineralization extended 15 metres for a total 20 metres from CX-04 crosscut. East in HW vein, significant mineralization has been ext metres for a total 39 metres from CX-04 crosscut. The Company plans to advance a crosscut northward from the west (GA9551W) on the HW vein to intersect the San Antonio vein projection. This will also allow the Company to assess mi between the two veins in the BMZ1 at this location. Once completed, the Company will use the new information to prep updated mineral resource estimate, which can then be used when preparing stope designs for the mine study anticipate release in Q1 2019. BMZ1 can be scheduled, along with other identified BMZ areas, for extraction early in the mine pro schedule. Sampling results from the extended drifting have been incorporated with the sampling results announced Oct 2018 to provide:

- 4.12 metres @ 18.42 g/t gold and 27.97 g/t silver along 37 metres (west drift on HW vein)
- 3.75 metres @ 10.01 g/t gold and 17.93 g/t silver along 39 metres (east drift on HW vein)
- 4.12 metres @ 18.66 g/t gold and 35.84 g/t silver along 20 metres (east drift on San Antonio vein).

The results on the HW vein are significantly higher grades with wider exposures than the mineral resource estimate blo follows:

Drift ID	True Horizontal Width (m)	Gold** (g/t)	Silver** (g/t)	Gold Equivalent (70:1) (g/t)	Block Model (g X m)	Development Drift (g X m)	Difference[(1)]
GA9551E	3.75	10.01	17.93	10.27	2.94	38.50	1,210%
GA9551W	4.12	18.42	27.97	18.82	7.39	77.54	949%

(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 along the walls of the underground crosscuts and across the face of the underground drifts with vein exposures

Stope definition drilling for BMZ1, at 10x10-metre spacing, is now underway with first results anticipated in November 2

Table I: Drill Hole Results

Hole ID	From (m)	To (m)	Intercept Interval* (m)	Gold** (g/t)	Silver** (g/t)	Mid Point Elevation (m)	Vein	Intercept Type
BUUY387	25.60	26.60	1.00	11.03	9.1	1497	MU10	Infill
	43.10	44.20	1.10	6.45	19.0	1486	MU8	Infill
	110.40	113.10	2.70	3.73	11.8	1442	MU6	Infill
incl EV	112.60	113.10	0.50	16.91	54.2	1442		
	201.90	203.60	1.70	10.31	101.1	1386	SOF10	Step-out
	236.50	238.00	1.50	43.91	122.1	1365	HWV1	Step-out
incl	236.50	237.00	0.50	130.00	347.0	1365		
	242.20	243.70	1.50	3.49	2.0	1361	SA12	Step-out
	279.30	281.80	2.50	174.04	43.6	1337	FW11	Step-out
incl	279.30	279.80	0.50	759.00	181.0	1338		
and	280.80	281.80	1.00	51.00	12.7	1337		
	297.80	298.90	1.10	5.99	17.3	1327	VND10	Step-out
BUUY390	17.60	18.10	0.50	14.85	76.4	1502	MU9	Infill
	51.50	52.35	0.85	30.90	19.0	1480	MU8	Infill
	54.00	56.00	2.00	5.69	14.1	1477	MU8	Infill
incl	55.50	56.00	0.50	20.40	30.7	1477		
	93.40	94.10	0.70	6.89	3.2	1452	MU2	Infill
	124.50	127.60	3.10	1.92	3.6	1430	MU5	Infill
	129.70	133.90	4.20	30.29	77.0	1426	MU6	Infill
incl	132.40	133.90	1.50	77.10	194.7	1426		
and	133.40	133.90	0.50	134.00	183.0	1425		
	194.40	196.85	2.45	2.49	0.2	1384	CB18	Step-out
	250.00	250.50	0.50	11.05	8.6	1349	SOF10	Step-out
	253.10	258.30	5.20	22.26	34.4	1344	HWV1	Step-out
incl	257.75	258.30	0.55	194.50	257.0	1344		
	296.60	302.50	5.90	2.81	2.2	1315	SA12	Step-out
BUUY394	55.20	57.40	2.20	4.27	32.4	1472	MU8	Infill

	83.30	85.10	1.80	5.48	7.9	1452	MU71	Infill
	138.45	141.60	3.15	5.13	131.7	1410	MU6	Infill
incl	140.40	141.60	1.20	9.08	88.5	1410		
	149.10	150.90	1.80	3.43	4.2	1403	MU71	Infill
	232.00	233.90	1.90	3.61	10.6	1340	VNC18	Step-out
	241.30	243.80	2.50	2.25	9.5	1332	C11	Step-out
	253.10	253.60	0.50	68.10	31.9	1324	SOF10	Step-out
	256.30	258.40	2.10	2.23	28.0	1321	HWV1	Step-out
	260.20	262.00	1.80	1.99	27.5	1318	HWV1	Step-out
	300.00	301.25	1.25	5.12	45.2	1288	SA12	Step-out
BUUY397	20.80	21.35	0.55	56.00	20.6	1497	MU9	Infill
	52.60	55.50	2.90	8.13	29.6	1470	MU71	Infill
incl	53.20	54.30	1.10	14.30	64.5	1471		
	100.70	103.30	2.60	7.88	51.6	1432	MU5	Infill
incl	102.80	103.30	0.50	37.00	256.0	1432		
	114.90	120.10	5.20	25.31	91.9	1420	MU6	Infill
incl EV	114.90	119.60	4.70	27.00	97.4	1420		
	200.30	202.50	2.20	5.07	42.7	1354	C11	Step-out
	236.60	238.90	2.30	1.93	1.5	1327	HWV1	Step-out
	267.90	269.00	1.10	15.80	97.8	1304	SA12	Step-out
	283.15	287.90	4.75	1.90	2.6	1289	FW11	Step-out
BUUY400	23.50	27.30	3.80	5.97	18.8	1490	MU9	Infill
incl	24.75	26.05	1.30	12.39	33.5	1491		
	73.45	75.80	2.35	3.05	8.9	1448	MU10	Infill
	102.00	104.40	2.40	2.72	25.3	1423	MU8	Infill
	111.35	120.90	9.55	4.35	21.5	1409	MU71	Infill
incl	118.15	120.30	2.15	12.62	45.2	1409		
	166.40	168.00	1.60	2.65	6.0	1368	MU4	Infill
	217.50	218.60	1.10	4.28	9.2	1325	MU6	Infill
	226.70	228.30	1.60	3.11	1.8	1317	MU71	Infill
	236.80							

237.45

0.65

7.16

6.0

1309

MU71

Infill

	307.20	308.80	1.60	19.45	11.8	1251	VNB19	Step-out
incl	307.70	308.20	0.50	58.10	18.7	1251		
	312.90	314.20	1.30	3.16	16.0	1246	CB18	Step-out
	349.50	359.60	10.10	1.71	13.0	1210	SOF10	Step-out
BUUY404	26.45	28.55	2.10	12.45	28.9	1488	MU9	Infill
incl	26.45	27.00	0.55	22.60	15.8	1489		
	34.15	36.20	2.05	9.80	4.4	1481	MU9	Infill
incl	34.15	34.65	0.50	37.70	13.0	1482		
	88.50	89.05	0.55	14.65	89.4	1433	MU8	Infill
	96.80	100.50	3.70	1.04	2.8	1423	MU71	Infill
	103.00	105.30	2.30	2.35	4.8	1419	MU71	Infill
	114.10	118.40	4.30	7.64	25.3	1407	MU2	Infill
incl	114.10	115.40	1.30	10.62	39.3	1410		
	126.50	128.50	2.00	7.32	49.6	1398	MU2	Infill
incl	126.50	127.00	0.50	21.00	128.0	1399		
	130.20	132.80	2.60	2.08	16.1	1394	MU2	Infill
	135.40	139.80	4.40	6.99	8.5	1388	MU4	Infill
incl	137.00	137.50	0.50	48.20	38.8	1390		
	180.20	180.70	0.50	3.39	384.0	1351	MU6	Infill
	227.10	231.20	4.10	4.69	6.5	1306	MU7	Infill
incl	230.20	230.70	0.50	29.90	28.8	1307		
	256.10	256.60	0.50	60.50	121.0	1284	VNE30	Infill
	275.50	277.75	2.25	3.31	39.7	1265	CB18	Step-out
	279.35	280.85	1.50	2.92	21.8	1263	CB18	Step-out
	292.20	294.75	2.55	2.29	9.2	1250	VNC18	Step-out
	303.80	309.95	6.15	2.52	8.3	1237	VNC18	Step-out
	356.70	357.75	1.05	3.18	52.9	1196	HWV1	Step-out
	399.75	402.95	3.20	2.18	7.2	1157	SA12	Step-out
	428.80	439.95	11.15	1.53	8.0	1126	FW11	Step-out
	501.50	504.80	3.30	5.17	21.8	1071	VNAD9	Step-out
incl	504.30	504.80	0.50	17.50	61.8	1071		

	516.30	517.95	1.65	3.10	15.5	1061	VNAD	Step-out
	522.60	528.15	5.55	2.40	50.7	1052	VNA8	Step-out
incl	525.60	526.10	0.50	10.05	32.9	1054		
	536.10	543.10	7.00	1.50	19.3	1040	VNA8	Step-out

* 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 1,350 metres of strike and 1,800 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.

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 BMZ targets 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.

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, or along the rib of the drift continuously at selected locations. 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 it's 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.

Forward-Looking Statements

This press release contains or refers to forward-looking information under Canadian securities legislation—including statements regarding: timing of drill results, an updated mineral resource estimate and mine plan 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; 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.

SOURCE Continental Gold Inc.

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