

SnipGold Corp. Amends Shareholder Rights Offering

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VANCOUVER, May 24, 2012 - [SnipGold Corporation](#) (TSX VENTURE:SGG) ("SnipGold" or the "Company") (formerly Skyline Gold Corporation) announces amendments to the Company's offering (the "Offering" or "Rights Offering") of rights (the "Rights") to subscribe to units (the "Units") of the Company previously announced on April 26, 2012. The Rights Offering will remain limited to SnipGold shareholders and will finance the exploration of numerous high-quality targets at the Iskut Property in northwestern British Columbia.

Amendments to Rights Offering

The proposed Rights Offering was originally announced with a subscription price of \$1.00 per Unit. To comply with regulations and to encourage a strong pick-up in the Offering, the Company has lowered the subscription price to \$0.75 per Unit.

The Rights will be issued exclusively to the Company's existing shareholders; and, the subscription price for the Units will be at a discount to the market price of the Company's common shares, taking into account the consolidation. As an added incentive the Offering will have the additional benefit of "flow-through" tax treatment of flow-through shares. The average closing price of the Company's common shares (pre-consolidation) for the last 20 days is \$0.0795 per share.

Once issued, the Rights will only be exercisable into Units for approximately 21 days. The Rights will be transferable and the Company expects that the Rights will trade on the TSX Venture Exchange. The Record Date for determining the shareholders entitled to receive Rights, and the expiry date of the Rights, have not yet been set.

The Rights will allow their holders to subscribe for up to approximately 6,100,000 Units of the Company (assumes all Rights are exercised).

The Rights will be issued exclusively to shareholders and will consist of two "privileges":

i) Basic Subscription Privilege:

The basic subscription privilege consists of one Right for each post-consolidation common share of the Company held on the Record Date. Any holder of Rights may exercise three (3) Rights to purchase one Unit for \$0.75 per Unit.

The Company expects that each Unit will be comprised of the following:

- a. one free trading common share of the Company, which will provide the tax advantage of "flow-through" shares; and
- b. one free trading half of one non-transferable warrant, with each whole warrant entitling the holder to purchase one flow-through common share of the Company for \$0.75 per share for a period of 60 days after issuance of the Units; and
- c. one free trading half of one transferable warrant, with each whole such warrant entitling the holder to purchase one non-flow-through common share of the Company at an exercise price of \$1.25 per share with an expiry date two years from the date of the Rights Offering, subject to an accelerated 30 day expiry clause when the Company's shares are trading at or above \$1.50 for 10 consecutive days and upon written notice by the Company of the acceleration of the expiry date.

ii) Additional Subscription Privilege:

Holders of Rights will also have an additional subscription privilege (the "Additional Subscription Privilege").

The Additional Subscription Privilege gives the holder of Rights an opportunity to further participate in the current financing if they have fully exercised their Basic Subscription Privilege and, if available, wish to purchase additional Units. Availability of such additional subscriptions will be determined based on the number of Units not subscribed for under the Basic Subscription Privilege.

The proceeds of the Offering are expected to aid in funding SnipGold's exploration and geological compilation programs. The gross proceeds from the flow-through common shares must be used to incur Canadian exploration expenses as defined by the Income Tax Act (Canada) by December 31, 2013, to be renounced effective December 31, 2012.

The Rights Offering remains subject to approval from the applicable securities regulators and the TSX Venture Exchange.

The Rights and the underlying securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S of the U.S. Securities Act) or person in the United States, unless an exemption from such registration requirements is available. This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States.

About SnipGold

[SnipGold Corp.](#) is an exploration company focused on the exploration and expansion of gold resources in northwestern British Columbia. SnipGold's board and management have significant experience in both the discovery and development of gold projects in this area.

On Behalf of the Board of Directors SnipGold Corp.

John Zbeetnoff
Chief Executive Officer

Statements in this press release include certain "forward-looking information". Statements in this news release regarding the terms of the Offering and the Company's use of the proceeds of the Offering contain forward-looking information. Readers are cautioned that actual events may vary from the forward-looking information contained in this news release. Material risk factors that could cause actual results to differ materially from the forward-looking information in this news release include, but are not limited to, changes in market conditions or regulatory requirements applicable to the Offering. The forward-looking information in this news release is based on the assumptions that market conditions and regulatory requirements will not change in any material respect and that the Company will be able to obtain all approvals required for the completion of the Offering. The Company does not assume any responsibility for updating forward-looking information, except as required by law.

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