Montreal, Quebec / TheNewswire / December 1 2015 - Uragold (TSX Venture: UBR) is pleased to announce that it has signed a Letter of Intent with an arm's length Taiwanese venture capital group ("Investors") for a $ 5 Million1 funding commitment to be disbursed over the next two years, as well as, an Off-Take Agreement over the next twenty years, the details of which are provided further below.

The funding commitment will provide Uragold with the resources necessary to capitalize on the worldwide exclusive technology grant from PyroGenesis Canada Inc. (PYR: TSX-V) to convert our highly coveted High Purity Quartz Projects into the highest purity, lowest cost supplier of Solar Grade Silicon Metal and Polysilicon to the solar industry (See Press Release September 30, 2015). Quartz from our Roncevaux property successfully passed rigorous testing protocols of a major silicon metal producer, who confirmed that our material is highly suited for their silicon metal production and their interest in purchasing significant tonnage (See Press Release March 2, 2015).

The Off-Take Agreement, which includes exclusive rights for the Investors across Asia over the next 20 years, provides Uragold with an immediate and significant sales presence in this highly strategic region, including China which hosts 6 of the world's top 10 solar manufacturers.2

Bernard Tourillon, Chairman and CEO Of Uragold Stated "The Investors interest in Uragold was primarily motivated on securing a long-term exclusive right to sell material emanating from the PUREVAP(TM) Quartz Vaporization Reactor ("PUREVAP(TM) QVR") Technology in Asia. As I stated in our September 30th release, this technology represents a potential quantum leap forward for the solar panel industry becoming a more competitive source of renewable energy. This funding and Off-Take Agreement with our Taiwanese partners provide further third party validation of that statement. "

SUMMARY OF FUNDING COMMITMENT AND OFF-TAKE AGREEMENT

The funding will be received by Uragold upon achievement of certain milestones through to 2017. The Investors have deposited $ 250,000 In Trust with Uragold counsel. The release of these funds and a subsequent $ 1,750,000 convertible debenture financing are conditional on the successful metallurgical testing and validation that the PUREVAP(TM) QVR can produce at least 4N Purity Si (99.99% Si) material during its first series of tests, amongst other things. As announced on September 30, 2015, this testing and validation, which has already been funded and scheduled, is expected to be completed by Q1 2016.

Mr. Tourillon further stated "The science behind the PUREVAP(TM) QVR is strong: A Plasma arc based process can transform High Purity Quartz into Metallurgical Grade Silicon Metal ("Mg Si"). The Plasma arc based process can then be used to purify Mg Si into higher value materials such as Solar Grade Si (6N / 99.9999% Si). Furthermore, refining Mg Si using an electron-beam furnace in a high vacuum-processing environment has proven the concept of the elimination of elements whose vapor pressures are higher than that of silicon. What is unique and ground breaking about the PyroGenesis approach is the combination of these three proven processes into one step."

The final $ 3,000,000 convertible debenture is expected to be received in and around Q1 2017 upon Uragold having received permits to start construction of the Generation 2 PUREVAP(TM) Quartz Vaporization Reactor, as well as, confirmation that it has secured $ 12,000,000 in additional debt financing from other sources, including government funding.

With respect to the Off-Take Agreement, in exchange for the financing commitment and subsequent to the deposit, Uragold has granted the Investors the exclusive Asian rights to sell its High Purity Si (99.99% Si), Solar Grade Si (6N / 99.9999% Si) and/or Higher Purity Si (9N / 99.9999999% Si) produced by the planned Gen 2 PUREVAP(TM) QVR for a period of 20 years, with additional renewable periods upon successful completion of quotas to be agreed upon after the first two years. The Investors will also have the non-exclusive right to sell these materials to customers anywhere in the world. To this end, the Investors will be allotted an annual 1,000 Mt Off-Take potential for the first three years, then increase to an annual 2,000 Mt upon Uragold building its first Gen 3 PUREVAP(TM) QVR.

The PUREVAP(TM) IMPACT - HIGHEST PURITY, LOWEST COST SUPPLIER TO SOLAR INDUSTRY

The PUREVAP(TM) QVR is a proprietary technology (Patent Pending), developed by PyroGenesis Canada Inc., to which Uragold has been granted a worldwide exclusive right of usage, that uses a plasma arc within a vacuum furnace. This unique One Step technology should allow Uragold to become a vertically integrated and disruptive player in the solar industry through the conversion of its High Purity Quartz Projects into the highest purity, lowest cost supplier of High Purity Si (99.99% Si), Solar Grade Si (6N / 99.9999% Si) and/or Higher Purity Si (9N / 99.9999999% Si).

$USD 12 BILLION ANNUAL INDUSTRY, GROWING BY 6%+ PER YEAR

The Silicon Metal, Solar Grade Si and/or Higher Purity Si markets are a $USD 12 billion a year industry. Metallurgical Grade Si world consumption topped 2.25Mt in 2014, exceeding $US 6 billion in sales3. About 10% of 2014 global Metallurgical Grade Si production was further refined into Solar Grade Si and and/or Higher Purity Si, worth another $US 6 billion. Propelled by increased demand for Solar Grade Silicon Metal and Polysilicon for photovoltaic solar panels, global Silicon Metal demand is

expected to grow by 6%+ per Annum.

LETTER OF INTENT BETWEEN INVESTORS AND URAGOLD

For Commercial reasons the name of the Investors will remain confidential. The salient points of the LOI are:

- -If a press release confirming successful metallurgical testing to at least 4N Purity is not issued by the end of Q1 2016, the Investors shall have the right to terminate this agreement, or extend it for a period at their option. If Investors opt to terminate this agreement, Uragold will return the full deposit within 10 business days of notice of termination.

  -Once Uragold has notified the Investors of the successful metallurgical testing and validation that the PUREVAP(TM) QVR tor could produce at least 4N Purity of material during the first test ("success notification"), then the Investors will have up to 5 working days to instruct the lawyer to release the funds held in escrow to Uragold.

  - -If Uragold and the Investors are unable to come to terms with respect to the discount pertaining to the Off-Take Agreement via a formal Memorandum of Understanding (see Section 10) within 5 working days of success notification, the Investors shall have the right to terminate this agreement, or extend it for a period at their option. If Investors opt to terminate this agreement, Uragold will return the full deposit within 10 business days of notice of termination.

  -Upon receipt of the funds from the Lawyer, Uragold will immediately proceed with the completion of the Private Placement:

- -As per the Rules of the TSX-Venture, the pricing of the private placement shall be the greater of $ 0.05 or the market price Uragold Shares (less a 10% discount) on the date Uragold issues the press release confirming the successful metallurgical testing and validation that the PUREVAP(TM) QVR can produce at least 4N Purity of material during the first test.

  -The Private Placement shall be made in Units. Each Unit will be comprised of one (1) common share and one (1) common share purchase warrant ("Warrant") of the Company. Each Warrant will entitle the holder thereof to purchase one common share of the capital stock of the Company at an exercise price equal to the greater of $ 0.07 OR 140% of the Unit price placement for a period of 36 months from the date of closing of the placement. Each share issued pursuant to the placement will have a mandatory four (4) month holding period from the date of closing of the placement. The placement will be subject to standard regulatory approvals.

  -Upon closing of the Private Placement, Uragold will grant the investors a right of first refusal on any other potential future financing concerning this project.

- -Once Uragold as issues the press release confirming the successful metallurgical testing, and the Investors have released the escrowed $250,000 to Uragold, Uragold shall start the process required to spin out the Gold assets of the Corporation into a separate Company.

- -$1,750,000 Convertible Debenture: During Q2 2016, but no later then 60 days after Uragold issues a press release confirming the successful metallurgical testing and validation that the PUREVAP(TM) QVR could produce at least 4N Purity of material during the first test, the investors shall proceed with a $ 1,750,000 private placement by way of convertible debenture.

- -The terms of the Convertible debenture Private Placement shall be:

- -Uragold shall issue to the investor $ 1,750,000 principal amount of convertible debentures, which will be secured by the Quartz properties of Uragold. The debenture placement will be subject to standard regulatory approvals.

  -The debenture will be convertible at the option of the holder into common shares of URAGOLD (the "Common Shares") at any time after the issue date of the debenture and prior to the Maturity Date at a conversion price equal to 135% of the closing price of the stock the day prior the closing of the debenture financing.

  -The convertible debentures mature three years from the closing date and bear interest at a rate of 10% per annum, payable in equal semi-annual installments.

  0If Uragold has not achieved 6N Purity by the time of investment of the $1,750,000 convertible debenture, the first priority of Uragold is to use the funds to achieve 6N Purity.

- -3,000,000 Convertible Debenture:

- -During Q1 2017, but no later then 30 days after Uragold confirms having received all the required permits to start the construction of the Generation 2 PUREVAP(TM) QVR, as well as, confirmation that it has secured the required other financing of $ 12M, the investors shall proceed with a $ 3M private placement by way of convertible debenture.

  -The terms of the Convertible debenture Private Placement shall be:

- -Uragold shall issue to the investor $ 3,000,000 principal amount of convertible debentures, which will be secured by the Quartz properties of Uragold. The debenture placement will be subject to standard regulatory approvals.

  -The debenture will be convertible at the option of the holder into common shares of URAGOLD (the "Common Shares") at any time after the issue date of the debenture and prior to the Maturity Date at a conversion price equal to 135% of the closing price of the stock the day prior the closing of the debenture financing.

  -The convertible debentures mature three years from the closing date and bear interest at a rate of 10% per annum, payable in equal semi-annual installments.

About Uragold

Uragold, with its worldwide exclusive usage of the PUREVAP(TM) Quartz Vaporization Reactor ("PUREVAP(TM) QVR"), is endeavouring to become a vertically integrated High Purity Silicon Metal (99.99% Si), Solar Grade Silicon Metal (6N Purity / 99.9999% Si) and/or Higher (9N Purity / 99.9999999% Si) producer.

The PUREVAP(TM) QVR process's big advantage is its one step direct transformation of Quartz High Purity Silicon Metal (99.99% Si), Solar Grade Silicon Metal (6N Purity / 99.9999% Si) and/or Higher (9N Purity / 99.9999999% Si) producer, thereby potentially allowing Uragold to manufacture high value material for the same operating cost presently being paid by traditional producers to make Metallurgical Grade Si (98.5% Si) using the traditional arc furnace approach.

Uragold is also the largest holder of High Purity Quartz properties in Quebec, with over 3,500 Ha under claims. Despite the abundance of quartz, very few deposits are suitable for high purity applications. High Purity Quartz supplies are tightening, prices are rising, and exponential growth is forecast. Quartz from the Roncevaux property successfully passed rigorous testing protocols of a major silicon metal producer confirming that our material is highly suited for their silicon metal production.

This press release contains certain forward-looking statements, including, without limitation, statements containing the words "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect", "in the process" and other similar expressions which constitute "forward-looking information" within the meaning of applicable securities laws. Forward-looking statements reflect the Company's current expectation and assumptions, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. These forward-looking statements involve risks and uncertainties including, but not limited to, our expectations regarding the acceptance of our products by the market, our strategy to develop new products and enhance the capabilities of existing products, our strategy with respect to research and development, the impact of competitive products and pricing, new product development, and uncertainties related to the regulatory approval process. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks and uncertainties and other risks detailed from time-to-time in the Company's on-going filings with the securities regulatory authorities, which filings can be found at www.sedar.com. Actual results, events, and performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information contact

Bernard J. Tourillon, Chairman and CEO Tel (514) 907-1011
Patrick Levasseur, President and COO Tel: (514) 262-9239
www.uragold.com

1 Unless specified, all Funds are in Canadian dollars (CAD $)

2 http://www.forbes.com/sites/uciliawang/2014/12/03/guess-who-are-the-top-10-solar-panel-makers-in-the-world/

3 Roskill: Silicon and Ferrosilicon: Global Industry Markets & Outlook report (2014)

Copyright (c) 2015 TheNewswire - All rights reserved.