Infinito Gold Ltd. Reports Closing of Arbitration Financing and Intercreditor Agreement

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VANCOUVER, Jan 15, 2016 - Infinito Gold Ltd. ("Infinito") (NEX:IG.H) is pleased to announce that it entered into a litigation funding agreement effective December 21, 2015 ("LFA).

Under the terms of the LFA, the funder has agreed to provide non-recourse financing to Infinito in connection with the legal costs of Infinito's arbitration claim against the Republic of Costa Rica before the International Centre for the Settlement of Investment Disputes (the "Arbitration") and certain other expenses. The commencement of the Arbitration was disclosed in Infinito's press release of February 10, 2014.

Under the terms of the LFA, Infinito has given certain warranties and covenants to the funder. In consideration of the funder funding the Arbitration, Infinito has agreed to pay to the funder a portion of any final settlement of the Arbitration claim against the Respondent (the "Funding Premium"). The Funding Premium is dependent upon the amount of funds paid in respect of the Arbitration and amount of damages recovered. The LFA also provides that the amount of the Funding Premium shall not, under any circumstances, exceed the amount of the aggregate proceeds of the Arbitration.

As a further condition to the LFA, Infinito also announces that it entered into an intercreditor agreement effective December 21, 2015 (the "ICA") among the funder, Infinito and Infinito's secured creditors (the "Creditors"). The ICA provides for a creditor standstill period under which the Creditors have agreed not to exercise any rights and remedies to enforce payment of Infinito's debt pending the outcome of the Arbitration or certain other events.

On December 23, 2015, Infinito filed its Memorial on the Merits with the arbitral tribunal constituted pursuant to the Arbitration Rules of the International Centre for Settlement of Investment Disputes. In its Memorial on the Merits, Infinito claims from the Republic of Costa Rica damages in connection with the expropriation, unfair treatment and other treatment of its investments in Costa Rica in breach of Costa Rica's obligations under the Agreement between the Government of Canada and the Government of the Republic of Costa Rica for the Promotion and Protection of Investments.

Additional Information

Additional information relating to Infinito and other public filings is available on SEDAR at www.sedar.com.

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