TORONTO, April 6, 2016 /CNW/- Jubilee Gold Exploration Ltd. (TSX.V: JUB) (the "Corporation") is pleased to announce that it has entered into a loan agreement with Jeffrey Becker providing for the terms and conditions pursuant to which Jeffrey Becker (the "Lender") will loan to the Corporation the principal amount of $300,000 (the "Loan") to be evidenced by a promissory note (the "Note"). The Loan is for a term of 5 years and is payable on demand after one year. The Loan bears an interest in the amount of 1% per annum payable yearly on the date of each annual anniversary. The Loan is convertible into Class A Common Shares of the Corporation at any time until the date of expiry of the Loan term. The terms and conditions of the Loan will provide that accrued interest can also be paid through the issuance of Class A Common Shares. The conversion rate will be determined based on a price per Class A Common Share that is not less than the Market Price of the Class A Common Shares at the time of the conversion of the Loan or at the time the accrued interest is payable, all subject to TSX Venture Exchange (the "Exchange") acceptance. If at the time of conversion, the Corporation is no longer a publicly traded reporting issuer, the conversion price shall be $0.10 for any amount of principal or accrued interest to be converted.

The Lender is a "control person" and "related party" of the Corporation and currently beneficially owns and controls 6,853,915 Class A Common Shares of the Corporation being 87.52% of the issued and outstanding share capital. The Lender is a "related party" of the Corporation pursuant to the Exchange policies, as Mr. Becker is the President, Chief Executive Officer and director of the Corporation. As such the transaction constitutes a "related party transaction". The Corporation is relying on exemptions from the formal valuation and minority approval requirements that apply to related party transactions.

The proceeds of the Loan will be used to cover rent, salaries and administrative costs to support the operations of the Corporation for the ensuing year.

The Loan to the Lender will be subject to the approval of the Exchange.

The Loan, and the terms of the Note were approved by the board of directors of the Company, other than Mr. Becker, who declared his interest as the Lender and has abstained from voting with respect to the Loan and the Note. The board of directors believe that the Loan is in the best interests of the Corporation.

This news release contains forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. The Corporation's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Corporation's control. These factors include: the availability of funds; the timing and content of work programs; results of exploration activities and development of mineral properties, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimations, receipt and security of mineral property titles; project cost overruns or unanticipated costs and expenses, fluctuations in metal prices; currency fluctuations; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of the Corporation's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

Neither 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.

SOURCE Jubilee Gold Exploration Ltd.

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