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[BCGold Corp.](#) (TSX VENTURE:BCG) ("BCGold" or the "Company") is pleased to announce the Company has signed a Letter of Intent with the shareholders of certain Peruvian companies to acquire all their issued and outstanding shares and consequently, 100% interest in the contiguous Chanape and Pucacorrall mineral concessions, (or the "Properties") situated in west-central Peru. The Company also wishes to announce that a pre-condition for this acquisition will be a concurrent financing for a minimum of \$750,000. Insiders and major shareholders from both parties are expected to participate in this financing.

### *Highlights*

- BCGold to acquire 100% interest in the Chanape and Pucacorrall Properties, comprising a number of contiguous mineral concessions (5,785 hectares) within the historic Chanape and San Mateo exploration and mining district, 100 kilometres east of Lima, Peru.
- The Properties overlay 3-separate porphyry-centred gold-silver epithermal systems.
- The Properties include the Veta Fulvia and the San Mateo silver-copper-gold mines, and completely surrounds Inca Minerals Ltd. (ASX) high-grade Chanape porphyry / breccia hosted Cu-Au-Ag discovery (the "Inca Property"), which has been demonstrated to extend onto the Chanape property being acquired by BCGold. Inca has spent approximately \$7 million in exploration on the Inca Property during the past 4 years.
- Recent drilling at the Inca Property returned high-grade intercepts in near-surface epithermal breccias that includes 55 metres averaging 2.3% Cu, 0.6 g/t Au, 42.9 g/t Ag and 108 metres averaging 2.0 g/t Au, 41.0 g/t Ag from surface, including 42 metres averaging 3.3 g/t Au, 34.9 g/t Ag. Sufficient information has not been received to report true widths.
- Historic and artisanal mines to be evaluated for third party mining and processing at nearby facilities, such as [Great Panther Silver Ltd.](#)'s Coricancha mine and milling complex, 15 kilometres distant.
- Proximal to the giant Toromocho Cu-Mo-Ag deposit, 30 kilometres to the north.
- Augmentation of BCGold's Board of Directors and the addition of a highly-experienced and proven Peru exploration and management group.
- Private placement fundraising of a minimum of \$750,000.

### *Transaction Summary*

BCGold advises that it has entered a Letter of Intent to acquire all of the issued and outstanding shares of Minera Chanape S.A.C. ("Chanape") and Cima de Oro S.A.C. ("Cima"), two private Peruvian companies majority owned by Circum-Pacific Holdings Ltd., ("Circum"), a private Canadian company, as a means to acquire 100% interest in the Chanape and Pucacorrall Properties. Furthermore, Cima has an agreement (the "Tres Agreement") to purchase all of the issued and outstanding shares of SMRL Cerro de Oro Tres ("Tres") which company in turn holds 9 additional mineral concessions included in this transaction. The total land package to be acquired by BCGold through this transaction consists of 5,785 hectares of contiguous mineral concessions.

The acquisition of Chanape and Cima (the "Transaction") will be effected by way of a share exchange agreement whereby BCGold will acquire all of the issued and outstanding shares of Chanape and Cima in exchange for shares of BCGold, in addition to a cash component. Upon closing of the Transaction (the "Closing") BCGold will acquire all of the issued and outstanding shares of Chanape by issuing 14,000,000 shares of BCGold and paying the sum of \$28,000 to the vendors. BCGold will also acquire all of the issued and outstanding shares of Cima through the issuance of 8,000,000 shares of BCGold and a payment of \$32,000 to the vendors. BCGold may issue up to a further 8,000,000 shares (the "Tres Agreement Shares") of BCGold on a pro rata basis coincidental with the making of payments under the Tres Agreement, it being acknowledged that BCGold may, in its sole discretion, elect to cease making payments under the Tres Agreement in which case BCGold shall not be required to issue any of the Tres Agreement Shares then remaining unissued.

On or before May 15, 2016, each of the parties may conduct due diligence investigations in respect of the other in connection with the Transaction and will negotiate in good faith to complete and execute a more formal agreement (the "Formal Agreement"), setting out in further detail the terms and conditions of the Transaction.

The Transaction remains subject to the acceptance of the TSX Venture Exchange.

Furthermore, BCGold shall concurrently with Closing, complete a minimum of \$750,000 private placement (the "Financing") of units at a minimum price of \$0.05 per unit, each unit comprised of one share and one warrant, with each warrant entitling the holder to acquire a further share at \$0.10 for a term of 2 years. There will be no change of control associated with this Transaction. All securities are subject to a four month hold period. Finder's fees will be payable in connection with the private placement, in accordance with the policies of the TSX Venture Exchange.

### *New Board of Directors and Peruvian Management Group*

Upon Closing, the board of directors of BCGold shall consist of Mr. Brian P. Fowler, Mr. John Kowalchuk and two nominees of Circum, with it being acknowledged that Mr. Peter Kendrick and Dr. Z. Adam Szybinski, Ph.D will be nominated for election as directors of BCGold at its next annual general meeting.

The Circum nominees include Dra. Jenny Egúsqiza and Mr. Gary W. Anderson. Dra. Egúsqiza is a Lima-based Peruvian lawyer who serves as a Director and Advisor to several Canadian, English and Peruvian mining companies. Dra. Egusquiza advises and consults to Peruvian and international companies, and government institutions, specializing in laws governing development of mining, energy, and exploitation of natural resources. Dra. Egusquiza has more than 23 years of experience working for multi-national companies that include Glencore Group, Phelps Dodge, BHP Billiton, Perubar S.A. (San Ignacio de Morococha), Compania Minera Poderosa SA, Peruana de Energia SAA, and EDEGEL SAA, among others. Dra. Egusquiza serves as a Member of the Lima Bar Association and Peruvian National Law Federation. Dra. Egusquiza graduated as a Lawyer from the Law and Politic Science Faculty of the Pontificia Universidad Catolica del Peru and continued her postgraduate study in Private International Law at the University of South California, USA, and in Business Law (Doctorate) at the University of Seville, Spain.

Mr. Anderson and Dr. Szybinski are former senior executives of High Ridge Resources Inc. ("High Ridge"), which undertook the initial exploration of the Chanape area between 2007 and 2009. Mr Anderson, as President and CEO of High Ridge, and Dr. Szybinski, as VP Exploration, were instrumental in recognising the potential of the area and implemented the first drill program in the district, discovering widespread epithermal gold-base metal mineralisation at the Chanape Property. These exploration results supported the premise that epithermal gold mineralisation at Chanape is related to a larger underlying porphyry system, which was proven by subsequent and deep drilling by Inca Minerals Ltd. ("Inca") within their tenements in 2015. The Inca Property is currently undergoing a \$4 million exploration drill program that has defined porphyry-style mineralization over a +1.3 kilometre vertical extent, and remains open to depth.

BCGold is very pleased that Mr. Anderson and Dr. Szybinski will be assuming the roles of General Manager-Peru and Exploration Manager-Peru, respectively, comprising BCGold's senior Peru management team. Their combined knowledge of the geology and mineral endowment of Peru, local systems, laws and procedures, and established industry contacts, in particular their long standing relationships with the local communities, provides the Company with an invaluable experience base to ensure BCGold's exploration and operational success in Peru.

"BCGold is extremely pleased to enter into this transaction with Circum Pacific and welcomes the addition of Dra. Egusquiza and Messrs. Anderson and Szybinski to the Company's Board and management group. This Transaction constitutes a major shift in geographic focus for the Company, providing an exceptional opportunity to become a major land holder and proven Peruvian prospect generator overnight," states Brian P. Fowler, P.Ge., President and CEO of [BCGold Corp.](#) "This new exploration focus is very well timed in light of recent political developments in Peru, where the climate for exploration and development has steadily improved over the past 10 years. Upon closing, Peru will constitute BCGold's primary exploration focus going forward."

### *The Peru Properties*

The Peru Properties consist of the adjoining Chanape and Pucacorral mineral concessions and total 5,785 hectares. The Properties are situated central to the historical mining area in the San Mateo Mining District, which contains numerous narrow-vein, epithermal gold, copper, silver and base metal mines, including the Pacococha, Millotingo, Silveria, Germania, Veta Fulvia, Chanape and San Mateo mines. Several of these mines persisted as artisanal operations into the late 1990s. The concept (and discovery) for the existence of much larger poly-metallic epithermal breccia bodies related to a deeper, causative Cu-Au-Mo porphyry intrusion at Chanape, was the brainchild of Mr. Gary Anderson and Dr. Adam Szybinski, the 2007 management group of Vancouver-based High Ridge Resources Ltd., and new Peru management group for BCGold. This concept was supported by ASX-listed Inca Minerals Ltd. through a subsequent drill program targeting the High Ridge IP anomalies.

Inca recently reported some outstanding drilling results at the Inca Property that supported the presence of a deep-seated porphyry-style Cu-Mo system (220 metres averaging 0.13% Cu and 120 ppm Mo) beneath a shallower zone of high-grade epithermal breccia hosted Au-Ag mineralisation (108 metres averaging 2.0 g/t gold and 41 g/t silver from surface). These breccia bodies were mapped by the High Ridge I.P. survey and have been demonstrated to occur and extend onto the surrounding Minera Chanape property. The Inca discovery has significantly enhanced the prospectivity of the San Mateo district, demonstrating the discovery potential for giant porphyry copper deposits and associated, higher level epithermal breccia and vein-style gold-silver-base metal deposits, similar to the nearby Toromocho deposit. Additional details of the Peru Properties are provided in BCGold's website at [www.bcgoldcorp.com](http://www.bcgoldcorp.com).

BCGold intends to continue to advance the Chanape and Pucacorral properties for option by a major partner through deliberate programs of compilation work, geological mapping, sampling, geophysical surveys and modeling. The Company will also be actively seeking and evaluating additional copper-gold-silver exploration opportunities in Peru.

### *Qualified Person*

The technical information in this news release has been reviewed and approved by Mr. John Brophy, P.Ge., a consultant to the

Company and a Qualified Person as defined by National Instrument 43-101. A NI43-101 report detailing the exploration history, geological potential and BCGold's exploration plans for the Peru Properties is in preparation, and will be posted on SEDAR and the Company's website upon completion.

### *About BCGold*

BCGold is a Vancouver-based junior resource company that has been listed on the TSX Venture Exchange for 10 years, with a focus on copper and gold exploration in British Columbia, Yukon and more recently, Peru. The Company acquires prospective gold and copper-gold exploration properties considered to have significant mineral potential by staking, option or purchase agreements. The Company strives to acquire 100% of these opportunities and after cost-effective and diligent exploration to develop drill targets, option 51-70% of these properties to third parties in return for some multiple of the Company's expenditures. The Company currently has a portfolio of 10 - 100% owned gold and copper-gold properties and 2 partially owned gold properties in B.C. and Yukon. BCGold is actively seeking qualified option partners to advance these properties.

On behalf of the Board of Directors,

Brian P. Fowler, P. Geo., President & CEO

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*Some statements in this news release contain forward-looking information or forward-looking statements. These statements include, but are not limited to, statements with respect to future expenditures and exploration, development and production activities. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others, the timing and completion of contemplated financings, the actual use of proceeds, receipt of regulatory approvals and the timing and success of future exploration, development and production activities. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as otherwise required by applicable securities legislation.*

### Contact

[BCGold Corp.](#)

Brian P. Fowler

604-697-2626

[bcgir@bcgoldcorp.com](mailto:bcgir@bcgoldcorp.com)

[www.bcgoldcorp.com](http://www.bcgoldcorp.com)