TSXV: GGI
OTC: GGIFF
Frankfurt: RQM

VANCOUVER, May 18, 2016 /CNW/ - Recognizing the significance of developments rapidly unfolding in a key part of northwest British Columbia's Golden Triangle that hosts the high-grade Valley of the Kings mine slated for production in 2017, Garibaldi Resources (TSX.V: GGI) (the "Company" or "Garibaldi") is pleased to announce that it has increased its landholdings in this prolific district by nearly 10-fold through the following transactions:

1. Garibaldi has executed an option to acquire up to a 95% interest in the 8,070-hectare Palm Springs Property (PSP), a high-grade gold and Eskay Creek-type target located 5 km northwest of the past producing world class Eskay Creek mine and contiguous to Tudor Gold's Eskay North Property (see attached map);
2. Garibaldi has staked an additional 1,770 hectares of claims adjoining the northeast boundary of Barrick Gold's historic Eskay Creek mine;
3. Garibaldi has tripled the size of its King Property, immediately north of the past producing high-grade Snip gold mine, by purchasing an additional 17 claims (King South) covering approximately 3,052 hectares contiguous to the southern border of the King. This property now comprises 46 sq. km.

King North Drill Permits

Garibaldi is also pleased to report that it's in receipt of drill permits from the B.C. Ministry of Energy & Mines for its original King ground (now referred to as King North) where recent trenching results included average grades of 295 g/t Ag and 19.4% combined Pb-Zn over 6 metres across the strike of a mineralized zone.  King North also features high-grade gold and copper mineralization over several target zones.

Palm Springs Property

Much of the Palm Springs Property has been impacted by receding glaciers, exposing previously hidden favorable volcano-sedimentary stratigraphy similar to Eskay Creek. Historic surface sampling by Noranda returned high-grade gold and copper values and revealed unique Eskay Creek-type pathfinder minerals in trenches and outcrops below the Palm Springs showing. Mr. John Buckle, P.Geo., P.Geoph., who has been responsible for the discovery of several mineral deposits, will lead the upcoming exploration effort at Palm Springs.

Steve Regoci, Garibaldi President and CEO, commented: "We've been in this world class camp since 2009 and carefully deliberated the best areas to target for expansion given the recent infrastructure improvements and new surface discoveries brought on by significant glacial retreat. It promises to be a very busy and exciting summer in this district given multiple upcoming drill programs, construction of the Pretium mine and continued advancement of the Seabridge KSM Project.  With the expansion of the King, and the acquisition of the Palm Springs Property which has many Eskay Creek characteristics, we believe we have strategically positioned our shareholders to capture maximum value from our upcoming exploration programs and the broader regional dynamics."

Palm Springs Property (PSP) Deal

Garibaldi can acquire up to a 60% undivided interest in PSP from Decoors Mining Corp., a private arms-length British Columbia company, by completing the following:

1) A cash payment of $10,000 CDN to Decoors;

2) Issuing 100,000 shares of Garibaldi to Decoors within ten (10) days of approval of this transaction from the TSX Venture Exchange;

3) Issuing to Decoors up to 1,400,000 shares of Garibaldi over a 4-year schedule and incurring exploration expenditures on the property totaling $2,100,000 CDN by the 4th year of the option.

Garibaldi can earn an additional 15% undivided interest in PSP as follows:

1) Issuing an additional 2,000,000 shares of Garibaldi to Decoors on or before the 4$^{th}$ anniversary of the option.

After satisfying the second option, Garibaldi may earn an additional 20% undivided interest (totaling 95%) as follows:

1) Paying Decoors an additional sum of $2,000,000 CDN cash at any time at its sole discretion.

The Optionee retains a 2% NSR, half of which Garibaldi may purchase at any time for $1,000,000 CDN.

King South Deal

Garibaldi has purchased a 100% interest in the King South claims in exchange for 300,000 shares of the Company, subject only to a 2% NSR in favor of the Vendor. Garibaldi may purchase half of the NSR at any time for $1,000,000.

Area Maps

Two new maps for this prolific camp will be posted shortly on the Company's homepage, or visit the following URL's:

http://www.marketsmartnewsletter.com/Garibaldi/GGIAreaPlayMapMay18.pdf

http://www.marketsmartnewsletter.com/Garibaldi/GGIPSPMapGoogleEarthMay18.pdf

Qualified Person

Mr. John Buckle, P.Geo., P.Geoph., a Qualified Person as defined by NI-43-01 regulations, has reviewed and approved the scientific and technical disclosure in this news release.

About Garibaldi

Garibaldi Resources Corp. is an active Canadian-based junior exploration company focused on creating shareholder value through discoveries and strategic development of its assets in some of the most prolific mining regions in Mexico and British Columbia.

We seek safe harbor.

GARIBALDI RESOURCES CORP.

Per: "Steve Regoci"

Steve Regoci, President

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or the accuracy of this release.

SOURCE Garibaldi Resources Corp.

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