Property is an old gold producer that includes one mining concession

MONTREAL, QUEBEC--(Marketwired - May 31, 2016) - TomaGold Corp. (TSX VENTURE:LOT) ("TomaGold" or the "Corporation") is pleased to announce that it has signed an agreement to acquire the Obalski property from David Malouf and 2736-1179 Quebec Inc.. The property consists of 22 claims and one mining concession covering a total of 344.8 hectares and lies 3 km south of Chibougamau, Quebec.

The Obalski property hosts seven separate mineralized zones, one 85-metre shaft and two ramps. A total of 230 holes have been drilled on the property for a total of over 60,000 metres of drilling, most of which was surface drilling. In 1964, United Obalski Mining Co. Ltd. mined a total of 90,093 tons grading 3.0 g/t Au, 6.2 g/t Ag and 1.53% Cu from the property.

"The acquisition of the Obalski property is fully in line with our strategy of developing promising gold properties in the Chibougamau mining camp," said David Grondin, President and CEO of TomaGold. "Interestingly, we see the same scenario here as at Monster Lake when we acquired it. There has been a fair amount of drilling on the Obalski property, but most of it was shallow drilling. Based on a preliminary review of the data collected, we believe that the property has excellent potential for a discovery at depth. We also believe that with today's exploration technologies, we will be able to better target future exploration work."

The Obalski property transaction is subject to regulatory approval, and the common shares to be issued following signature of the agreements will be subject to a hold period of four months plus one day.

Mineralization

There are seven separate mineralized zones on the Obalski property. Four of them, Zones A, C, D and G, have been defined by drilling, trenching and geophysical surveys. Zones A, D and G have also had underground development done on them. The mineralization consists of gold and/or copper with small amounts of silver and smaller amounts of zinc. The dominant sulphides are pyrite and chalcopyrite with local sphalerite and pyrrhotite. The mineralization generally occurs in shear zones dipping steeply southwest and striking ENE and ESE, intersecting or bordering on a system of mafic to intermediate dykes running through the granophyres and diorites. The best gold grades are found in quartz-carbonate massive sulphide veins.

History

1928: Initial exploration work was carried out by Obalski Mining Syndicate Ltd. Work consisted primarily of prospecting, sampling, trenching and stripping. Zones A, B, C and D were identified.

1946: Obalski Ltd. sunk a three-compartment shaft at a depth of 85 metres and drove 240 metres of drifting in Zone D on the -40-metre and -80-metre levels, as well as 115 metres of crosscutting in the direction of Zones A and C.

1964: United Obalski Mining Co. Ltd . mined Zone Q on the -80-metre level, producing a total of 90,093 tons grading 3.0 g/t Au, 6.2 g/t Ag and 1.53% Cu.

1971: Campbell Chibougamau drove a 300-metre ramp followed by 150 m of drifting on Zone G. The zone was found to be strongly erratic, and work was halted.

1983: Surface mining took place on Zone D. A total of 9,000 tons at 8.5 g/t Au were mined.

1987: The last major drilling program was carried out by Syngold on Zones A and G, totalling almost 15,000 metres.

The most recent drilling was done by a prospector in 2012, and consisted of six short holes drilled on Zone C. The results were as follows:

Hole	From	To	Length	Au	Ag	Cu	Zn
DM-12-01	37.0 m	37.8 m	0.8 m	9.72 g/t	19.50 g/t	0.82%	0.44%
DM-12-02	33.6 m	34.2 m	0.6 m	1.81 g/t	5.40 g/t	0.16%	0.03%
DM-12-03	45.5 m	47.4 m	1.9 m	trace values			
DM-12-04	35.0 m	37.8 m	2.8 m	27.81 g/t	23.74 g/t	1.15%	0.24%
DM-12-05	45.0 m	46.7 m	1.7 m	12.30 g/t	16.95 g/t	0.83%	0.03%
DM-12-06	42.1 m	43.0 m	0.9 m	2.66 g/t	15.00 g/t	2.00%	0.54%

Based on observation of the sections available, the ratio of true thickness to core length is about 70%.

"The next step is to compile all the data we have on hand and build a 3D model of the project, which might entail re-assaying of some of the samples. Once we have done that, we will decide on a strategy to ensure optimal exploration of the property," Mr. Grondin concluded.

To acquire a 100% interest in the Obalski property, TomaGold must issue 4 million of its shares to David Malouf and 2736-1179 Quebec Inc. and make cash payments totalling $500,000 over four years, including $100,000 upon signature of the agreement. The property is also subject to a 3.5% net smelter return, of which 1.25% can be bought back for $1 million.

Private Placement

TomaGold also announced the first closing of a non-brokered private placement in the amount of $334,340 of a maximum amount of $1,000,000.

The private placement consists in the issuance of 3,714,884 common shares priced at $0.09 per share and 1,857,442 warrants. Each warrant entitles its holder to purchase one common share of the Corporation at $0.12 within a twelve-month period.

TomaGold will use the proceeds from the private placement for exploration work, acquisitions, and for working capital purposes. The securities issued under the private placement are subject to a resale restriction period of four months and one day.

These transactions are subject to regulatory approval.

The technical content of this press release has been reviewed and approved by André Jean, Eng., a qualified person as defined by National Instrument 43-101.

About TomaGold Corporation

TomaGold Corp. is a Canadian-based mining exploration company whose primary mission is the acquisition, exploration and development of gold projects in Canada and abroad.

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