TSXV: GGI
OTC: GGIFF
Frankfurt: RQM

VANCOUVER, June 15, 2016 /CNW/ - Garibaldi Resources (TSX.V: GGI) (the "Company" or "Garibaldi") is pleased to announce that it has acquired an option to purchase a 100% interest in the historic E&L nickel-copper-gold deposit and surrounding claims located at Nickel Mountain, contiguous to Colorado Resources' KSP Property and 6 km southwest of Eskay Creek in the heart of escalating exploration activity within northwest British Columbia's prolific Golden Triangle.

This acquisition boosts Garibaldi's holdings in the district to more than 150 sq. km covering three strategic properties, targeted on the merits of key geological features mapped along mineralized trends. Garibaldi's E&L and Palm Springs Project (PSP) adjoin half of the entire eastern border of the KSP which stretches 15 km north-south.

The E&L deposit was discovered by 5 diamond drill holes in 1966 with mineralization extending to 210 meters and zones remaining open laterally and to depth. Work since 1971 has been limited to aeromagnetic surveys with no documented exploration since 1990. The claims covering the deposit were held by Silver Standard Mines from 1958 to 2014, and Silver Standard retains a 1% NSR.

Historic reports show that mineralization at E&L consists of disseminated and massive pyrrhotite, pentlandite and chalcopyrite hosted in an olivine gabbro stock that intrudes Lower Jurassic sediments and volcanics. The Nickel Mountain gabbro is a unique lithology in the Stewart-Iskut region.

According to the B.C. Ministry of Energy & Mines MINFILE no. 104b 006, the E&L has historic Indicated and Inferred resources estimated at 2.9 million tonnes of 0.80% Ni, 0.62% Cu, 0.34 g/t Au, and 6 g/t Ag with anomalous values in platinum group elements (Quartermain, R.A., 1987; Sharp, W.M., 1968). In its 1971 Annual Report, Silver Standard noted grades exceeding 1% Ni and 0.70% Cu over 100 feet with sections up to 10 feet returning 5% Ni and 1.5% Cu.

The Company cautions investors that a Qualified Person, as defined by NI-43-101, has not done sufficient work to classify these historical estimates as current mineral resources or reserves. These estimates should not be relied upon until they have been verified and supported by a NI-43-101 report. The Company is not treating the historical estimates as current mineral resources.

Steve Regoci, Garibaldi President and CEO, commented: "The E&L is another great example of an important early discovery in this prolific district that was never systematically followed up on. New technology to test this type of magmatic deposit offers our team a game-changing opportunity. Exceedingly improved conditions warrant revisiting the E&L now given the tremendous amount of renewed activity and excitement in the district brought on by expanded infrastructure, receding ice fields, new surface discoveries and mine development at Brucejack and KSM.

"We have obtained a wealth of high-quality historical data on the E&L, including detailed mapping, sampling, drill core logs, aeromagnetic, magnetic and VLF surveys," Regoci continued. "This information will allow our geological team to reinterpret the projected geometry of this deposit, aiming to capture its full potential after Sumitomo Metal Mining Corporation's underground drilling in 1970-71 provided many valuable clues.

"The geological richness of the district is incredible, and we intend to further demonstrate this over our large landholdings including E&L this summer. We also look forward to drill results from programs on properties around us, including of course Colorado's adjoining KSP where the high-grade Inel gold target is being advanced. Seabridge Gold, Tudor Gold, Eskay Mining, Aben Resources, Metallis Resources and Romios Gold all border ground held by GGI and their work will certainly help our district model," Regoci concluded.

The Deal

Garibaldi can acquire a 100% undivided interest in the 766-hectare E&L claims from the vendor by completing the following over the 4-year option period:

Making cash payments totaling $100,000 CDN, issuing 1,100,000 shares of Garibaldi over a 4-year schedule and incurring exploration expenditures on the property totaling $375,000 CDN by the 4th year of the option.

The vendor retains a 2% NSR, half of which Garibaldi may purchase at any time for $1,000,000 CDN. In regards only to claim 104449 (comprising 9 cells covering the historic E&L deposit), the 2% NSR royalty provision is divided into two separate 1% royalty payments, to be paid to Silver Standard Resources as to 1% and to the vendor as to 1%. Garibaldi may purchase one half the vendor's 1% NSR at any time for $500,000 CDN.

Area Map

Please visit the following URL for an updated June 15 area map that features the E&L deposit contiguous to the eastern border of Colorado's KSP Project, Garibaldi's PSP Project bordering the KSP and the Eskay Creek mine, and the King Project (North and South) immediately north of the past producing Snip mine.

http://www.garibaldiresources.com/i/photos/king/GGI_Area_Play_Map_May_18.jpg

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

SOURCE Garibaldi Resources Corp.

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