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All amounts are in Canadian Dollars

MONTRÉAL, July 19, 2016 /CNW Telbec/ - [Algold Resources Ltd.](#) (TSXV: ALG) (the "Corporation" or "Algold" www.algold.com) announces the closing of its previously-announced private placement financing conducted on a bought deal basis through a syndicate of underwriters (the "Underwriters") led by Beacon Securities Limited (and including National Bank Financial Inc.) of 11,500,000 units (the "Units") at a price of \$0.30 per Unit for gross proceeds to the Corporation of \$3,450,000 (including full exercise of the Underwriters' option). Each Unit consists of one common share of Algold and one-half of one common share purchase warrant, each whole warrant entitling the holder thereof to subscribe for one common share of Algold at a price of \$0.40 for a period of 12 months from the closing date.

Concurrent with the brokered private placement, the Corporation closed a non-brokered private placement of 1,666,667 Units at a price of \$0.30 per Unit for additional gross proceeds to the Corporation of \$500,000 and, together with the brokered private placement, total gross proceeds to the Corporation of \$3,950,000 (the "Offering").

The Corporation paid to the Underwriters a cash commission equal to 6% of the gross proceeds raised in connection with the brokered portion of the Offering and issued to the Underwriters that number of compensation options equal to 6% of the number of Units issued in connection with the brokered portion of the Offering, each option entitling the Underwriters to subscribe for one common share of Algold at a price of \$0.30 for a period of 24 months from the closing date.

The Units, including all underlying securities thereof, are subject to a hold period of four months and one day from their date of issuance under applicable Canadian securities laws.

The net proceeds of the Offering will be used for working capital and general corporate purposes.

The securities offered have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor in any other jurisdiction.

ABOUT ALGOLD

[Algold Resources Ltd.](#) is focused on the exploration and development of gold deposits in West Africa. The board of directors and management team are seasoned industry professionals with extensive experience in the exploration and development of outstanding gold projects in Africa.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this press release may be forward-looking. Such statements include those with respect to the use of the proceeds raised under the Offering. Although the Corporation believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurances that its expectations will be achieved. Such assumptions, which may prove incorrect, include the following: (i) Algold will be successful in its efforts to pursue its exploration activities, (ii) Algold's management will not identify and pursue other business objectives using the proceeds of the Offering and (iii) the price of gold will remain sufficiently high and the costs of advancing the Corporation's mining projects sufficiently low so as to permit Algold to implement its business plans in a viable manner. Factors that could cause actual results to differ materially from expectations include (i) the Corporation's failure to make effective use of the proceeds of the Offering, (ii) the failure of the Corporation's projects, for technical, logistical, labour-relations or other reasons, (iii) a decrease in the price of gold below what is necessary to sustain the Corporation's operations, (iv) an increase in the Corporation's operating costs above what is necessary to sustain its operations, (v) accidents, labour disputes or the materialization of similar risks, (vii) a deterioration in capital market conditions that prevents the Corporation from raising the funds it requires on a timely basis and (viii) generally, the Corporation's inability to develop and implement a successful business plan for any reason. A description of other risks affecting Algold's business and activities appears under the heading "Risk Factors" on pages 19 to 20 of Algold's 2015 annual management's discussion and analysis, which is available on SEDAR at www.sedar.com. No assurance can be given that any events anticipated by the forward-looking information in this press release will transpire or occur, or if any of them do so, what benefits that Algold will derive therefrom. In particular, no assurance can be given as to the future financial performance of Algold. Algold disclaims any intention or obligation to update or revise any forward-looking statements in order to account for any new information or any other event, except as required under applicable law. The reader is warned against undue reliance on these forward-looking statements.

SOURCE [Algold Resources Ltd.](#)

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