

August 2nd, 2016 / TheNewswire / [Redstar Gold Corp.](#) (TSX.V: RGC, US: RGCTF, FRA: RGG) ("Redstar" or the "Company") is pleased to announce it has entered into a Letter of Intent (the "LOI") with [NV Gold Corp.](#) (TSX.V:NVX) ("NVX") setting forth the terms under which NVX intends to acquire 100% of Redstar's exploration assets in Nevada, subject to completion of due diligence, the finalization of a definitive agreement governing the acquisition and receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange (the "Exchange"). These assets consist of a 100% interest (less existing NSRs) in 11 exploration projects (the "Projects") in Nevada, as well as the AngloGold-Ashanti database (the "Database") purchased by Redstar in 2008. Redstar recognises the Nevada portfolio's attractiveness, but is currently 100% focused on its highly prospective district scale Unga Gold Project in Alaska.

Under the terms of the LOI, Redstar and NVX propose to enter into a definitive acquisition agreement under which NVX will acquire the Database and the Projects in consideration of NVX issuing to Redstar 6,000,000 common shares of NVX and Redstar having the right to name two of a proposed 6 member board of NVX. Under the definitive agreement, NVX will also be required to raise CDN\$350,000 within 90 days of the completion of the definitive agreement or else NVX must return the Projects and the Database to Redstar in exchange for Redstar returning 95% of the shares of NVX it receives under the acquisition. If, after NVX raises the CDN\$350,000, Redstar owns less than 29.9% of the outstanding shares of NVX, NVX would be required to issue Redstar additional shares of NVX to increase Redstar's share ownership of NVX shares to 29.9%. John Watson, CEO of NVX has confirmed he will subscribe to a lead order of the placement for up to CDN\$100,000 after signing of the definitive agreement.

The LOI is not binding on the parties, except that Redstar has agreed to a 30-day exclusive right for NVX to complete its due diligence and negotiate a definitive agreement and NVX has agreed to fund the annual claims maintenance costs due in August, 2016 for the 11 Nevada properties it proposes to acquire.

"Redstar's goal is create near term value for our shareholders, while ensuring that in the long term additional upside is realized for assets we control. To ensure our Nevada portfolio receives the attention and focus it requires for a potential discovery and/or joint venture partnership, we searched for a group with a solid management team that brings the technical and district expertise to unlock the value in our assets where the market currently gives no credit to Redstar and its shareholders," commented Peter A. Ball, CEO of Redstar, "NVX's highly regarded technical team, with their extensive knowledge of Nevada, now will control a solid portfolio of projects and an extensive database that will create the opportunity of exploration success for NVX, and subsequently Redstar's shareholders. Redstar looks forward to working closely with Mr. Watson and the NVX team and being a significant shareholder to participate in the upside."

John E. Watson, President of NVX, states: "The proposed acquisition of this exceptional exploration property package consisting of 11 projects in the main mineralized trends of Nevada, and the geological Database, would mark a significant milestone for NVX and its return to an exploration focus in Nevada and the Great Basin. The Database is extensive and represents the results of decades of reconnaissance and exploration by a respected major company, estimated at a historical cost close to US\$20 million. NVX looks forward to welcoming Redstar as a significant shareholder, and working closely with its new director appointees, with a focus of creating value, the development of key partnerships and exploration to make the next Nevada discovery."

## Review of Nevada Assets to be Acquired by NVX

### The Database

The Database, which covers Nevada, portions of Utah, Idaho and California, includes extensive proprietary exploration files created by AngloGold-Ashanti and its predecessors, as well as significant regional geological, geochemical and geophysical data, much of it also proprietary, as well as significant amounts of exploration information performed by Redstar from 2005 to 2014. The exploration programs which generated this data encompassed nearly 30 years of effort at a cost of an estimated US\$20 million.

### The Projects

The eleven (11) Nevada projects NVX proposes to acquire include both sediment-hosted and volcanic-hosted gold systems on important mineralized trends, including the Carlin Trend, the Cortez Trend and the Walker Lane. Each of the projects has significant results to date:

- -Cooks Creek is a sediment-hosted gold system located eight miles west of the world-class Pipeline deposits being mined by Barrick Gold. Historic drilling intersected 21.3m (70 feet) grading 2.3 gpt gold (0.068 opt). The undrilled "Dinner" Zone has yielded surface rock-chip values to 2.45 gpt Au. A drill permit is currently in place, providing the opportunity for immediate advancement of this promising project.

- -Seven Devils is a volcanic-hosted epithermal gold prospect located along the "Western Nevada Rift" trend that includes Kinross' Goldbanks, Newmont's Sandman and Paramount's Sleeper deposits. The identified gold system at Seven Devils is in excess of 6,000 feet long and contains surface rock-chip gold values up to 3.47 gpt. Targets include both high-grade epithermal veins and disseminated gold.
- -Oasis is near the Goldfield district in western Nevada and contains a porphyry-style copper-gold system with extensive low-grade gold mineralization (2010-11 drilling yielded 96.1m grading 0.26 gpt Au, 30.5m grading 0.4 gpt Au and 196m of 0.22 gpt Au). Drilling results also suggested increasing copper at depth with the gold. The gold mineralization is currently exposed over an area of approximately 1,000m X 1,250m and is potentially open at depth and to the south.
- -Gold Cloud is along the southeastern portion of the Cortez Trend and contains a 2-km-long zone of carbonate veins and silicification (jasperoid) with gold values at surface up to 2.8 gpt. The mineralization occurs along a range-front structure and could represent the upper-most or lateral edges of a larger gold system yet to be explored at depth or under shallow pediment alluvial cover in the adjacent valley.
- -Painted Hills is a low-sulfidation, mid-Miocene bonanza-style vein target located 50 miles NW of the Sleeper deposit, which is geologically similar. An initial program, conducted in 2007 yielded extensive low-grade gold mineralization beneath a barren opalite cap. Surface indications suggest the exposed mineralization is above the "boiling zone" pointing to a high-grade gold target at shallow depth. Drilling results point to a high-grade "boiling-zone" target below the levels tested in the drilling, and potential also exists under the adjacent alluvial cover outboard of a range-front fault.
- -Richmond Summit is approximately 7 miles NNW of Newmont's Gold Quarry mine. This Carlin-style, sediment-hosted target has yielded surface samples as high as 7.75 gpt, with lower plate rocks exposed within 300 m of the property and intersected in drilling.
- -Baker is approximately 12 miles north of Newmont's new Long Canyon mine. The project is focused on anomalous mercury and arsenic, along with local hydrothermal barite within fault-controlled jasperoids at a range front. Peripheral stratiform jasperoid is widespread.
- -Larus is a Carlin-style gold system along the Cortez Trend, 2 miles NW of the Mt. Hope Molybdenum project. Rock-chip samples have yielded up to 3.2 gpt of gold. Carbonates occur as a block above a low-angle detachment fault, with upper-plate siliciclastic rocks and volcanics lying below the fault. Gold locally occurs in the underlying siliciclastic rocks (to 2 gpt), and N-NW trending faults with gold cut (post-date) the detachment, suggesting a rooted gold system. Mineralization is known over a strike length of at least 1,200 m and a vertical range of at least 160 m.
- -Root Spring is an epithermal gold-silver vein system in northwestern Nevada that is geologically similar to the world-class Rochester silver-gold mine operated by Coeur Mining 26 km to the NW. The gently-dipping vein system within Triassic Koipato Group volcanic rocks lies along a range front and can be traced for 1.2 km with a width of 150 m, although alluvial cover obscures extensions. Rock-chip values in veins reach 9.36 gpt gold (0.273 opt) and 1500 gpt silver (44 opt). First-phase drilling in 2012 intersected vein and disseminated Ag-Au mineralization down-dip of exposed veins (e.g., 12.1 m grading 14 gpt Ag and 0.16 gpt Au), but drilling was very shallow (68 m average length) and the system remains poorly explored.
- -Queens and Long Island are 5-7 miles SE of Kinross's Round Mountain Mine and are volcanic-hosted epithermal systems similar in age to Round Mountain. Historic shallow (<150m) drilling at Queens in the early 1990's yielded 0.70 gpt over 23 m, 0.46 gpt over 17 m and 0.53 gpt over 14 m. Rock chip sampling has been encouraging.

If it completes the acquisition and raises the required funds, NVX intends to advance certain of the existing targets through surface geologic work, geophysical surveys and possible drilling at some or all of the 11 Nevada projects and NVX will immediately begin analysis of the Database to select priority target areas for acquisition of new projects. NVX plans to become a project generator, with the goal of providing high-quality mineral exploration projects for lease or joint venture in the Great Basin region. The immediate goal is to prepare these projects for lease or joint venture.

NVX also continues to advance its Surselva property, in Graubunden, Switzerland.

Dr. Jake Margolis, a qualified person as defined by National Instrument 43-101, has reviewed and approved the scientific or technical information in this news release. It is intended that Dr. Margolis, formerly Redstar's U.S. Exploration Manager, will be a consultant to NVX on the existing projects and the generation of new projects. Dr. Margolis previously worked for AngloGold-Ashanti and was instrumental in developing and advancing these Nevada projects and assisting in building the extensive Database.

About NV Gold Corporation

NV Gold is junior exploration company based in Vancouver, British Columbia that is planning to focus on delivering value through mineral discoveries utilizing the prospector generator model. Leveraging its highly experienced in-house technical knowledge, NV Gold's geological team intends to use the Database, which contains a vast treasury of field knowledge spanning decades of research and exploration, combined with the eleven (11) gold projects, to uncover opportunities for lease or joint venture in the Great Basin region that have been overlooked.

About Red[Star Gold Corp.](#)

Redstar is a junior exploration company focused on high-grade gold exploration in North America. In Alaska, the Company is exploring the 100% controlled high-grade Unga Gold Project. In Nevada, Redstar is currently seeking suitable partners to advance its portfolio of eleven (11) 100% owned properties located along and within many of the major gold producing trends. Redstar also owns 30% of the Newman Todd Gold Project, in Red Lake, Ontario, Canada. Newman Todd is a high-grade gold discovery along a 1.8 km corridor within the Newman Todd Structure (NTS).

On Behalf of the Board of Directors,

Peter A. Ball, President and CEO

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