

QUESNEL, BRITISH COLUMBIA--(Marketwired - Aug. 5, 2016) - [Prosper Gold Corp.](#) ("Prosper Gold" or the "Company") (TSX VENTURE:PGX) is pleased to announce that it has closed on the final tranche of its oversubscribed non-brokered private placement financing previously announced on June 13, 2016 and June 27, 2016, for gross final tranche proceeds of \$1,478,655. Combined with the first tranche of the private placement, which closed on July 6, 2016, Prosper Gold raised gross proceeds of \$2,478,655.

The final tranche consisted of 4,928,850 units ("Units") at a price of \$0.30 per Unit. 4,840,000 Units consisted of one common share of the Company that qualifies as a "flow-through share" for the purposes of the *Income Tax Act* (Canada) and one-half of one non-transferable non-flow through common share purchase warrant (each whole warrant, a "NFT Warrant"). 88,850 Units consisted of one non-flow through common share and one-half of one-half of one NFT Warrant. Each NFT Warrant will entitle the holder thereof to purchase one additional common share of the Company (a "NFT Warrant Share") at an exercise price of \$0.45 per NFT Warrant Share for a period of 36 months from the Closing Date.

In connection with the private placement and in accordance with the policies of the TSX Venture Exchange, finder's fees totaling approximately \$76,725 in cash were paid and approximately 230,750 common share purchase warrants (each, a "Finder Warrant") were issued. Each Finder Warrant is non-transferable and exercisable for one Prosper Share for a period of 36 months following closing at an exercise price equal to \$0.35.

All securities issued pursuant to this private placement will be subject to a four month and one day hold period in accordance with applicable securities laws. The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and were not permitted to be offered or sold within the United States absent registration or an applicable exemption from the registration requirements of such Act. The net proceeds from the non-flow-through portion of the private placement will be used to fund exploration activities for 2016 and for working capital and general corporate purposes. The gross proceeds from the flow-through portion of the private placement will be used to fund exploration activities for 2016.

The Company has paid \$30,000 to Randall W. Salo, Jacques E. Robert, David M. Lefort and Andrew D. McLellan fulfilling the second stage of the previously announced option agreement for the Ashley Gold Mine Property (See February 29, 2016 news release). Prosper Gold intends to continue to advance the Property with an objective of fulfilling additional obligations that would increase the Company's interest in the Property to 100%.

For a detailed overview of Prosper Gold please visit www.ProsperGoldCorp.com

ON BEHALF OF THE BOARD OF DIRECTORS

Peter Bernier, President & CEO

Unless otherwise specified, all dollar amounts used herein refer to the law currency of Canada.

Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "intend" and similar expressions. Forward-looking statements in this news release include, but are not limited to, statements with respect to the use of proceeds from the Private Placement and the Company's advancement of the Ashley Gold Mine Property. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, the Company's ability to implement its business strategies; risks associated with mineral exploration and production; risks associated with general economic conditions; adverse industry events; marketing and transportation costs; loss of markets; volatility of commodity prices; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; industry and government regulation; changes in legislation, income tax and regulatory matters; competition; currency and interest rate fluctuations; and other risks. Readers are cautioned that the foregoing list is not exhaustive.

Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this news release represent the expectations of the Company as of the date of this news release, and, accordingly, are subject to change after such date. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

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

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