

VANCOUVER, Aug. 12, 2016 /CNW/ - [Rye Patch Gold Corp.](#) (TSX.V: RPM; OTCQX: RPMGF; FWB: 5TN) (the "Company") announces that pursuant to its Stock Option Plan, the Board of Directors has granted incentive options to directors, officers, employees and consultants to purchase up to an aggregate of 10,000,000 common shares of the Company. The stock options are exercisable for a term of ten years at an exercise price of \$0.50 per common share. Vesting will occur over a period of two years, with an initial 25% of the stock options vesting on the sixth month immediately after the date of grant, followed by an additional 25% of the stock options every six months thereafter until fully vested.

On July 28, 2016, the Company completed and closed a debt financing, equity financing, and the acquisition of the Florida Canyon mine. The Florida Canyon gold mine is fully permitted, has been in continuous production since 1986 and is currently producing gold from its existing leach pad facilities. The Company proposes to redevelop the mine, including constructing a new heap leach pad and waste storage facility as well as mining a planned expansion of the Florida Canyon ore body. The Company expects Florida Canyon to achieve production from the new leach pad starting in Q4 of 2016, and commercial production in Q1 of 2017.

"The stock option grant allows the existing operation, construction and management teams to be incentivized and committed to achieving these milestones on time and on budget. The stock option grant is greater than 40% above current market price aligning all of the teams goals with stakeholders to create shareholder value," commented William C. Howald, President and Chief Executive Officer.

On behalf of the Board of Directors
'William Howald'
William C. (Bill) Howald, CEO & President

This news release contains forward-looking statements relating to future plans and objectives of the Company, proposed operations of the Company including mine redevelopment and construction, expansion plans and production objectives, future events and conditions and other statements that are not historical facts, all of which are subject to various risks and uncertainties. The Company's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: the failure of the Company to achieve its mine redevelopment plans and production results; the availability of funds; the financial position of the Company; the timing and content of work programs; the results of exploration activities and development of mineral properties; the interpretation of drilling results and other geological data; the reliability of calculation of mineral resources; the reliability of calculation of precious metal recoveries; the receipt and security of mineral property titles; project cost overruns or unanticipated costs and expenses; fluctuations in metal prices; currency fluctuations; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. As a result, the Company cannot guarantee that the mine redevelopment and production goals will be completed within the time disclosed herein or at all.

Neither 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.

SOURCE Rye Patch Gold

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