VANCOUVER, British Columbia, Oct. 25, 2016 (GLOBE NEWSWIRE) -- MX Gold Corp. (TSX-V:MXL) (FSE:ODV) (OTCQX:MXLGF) (the “Company” or “MX Gold”) is pleased to announce a binding agreement with Gracepoint Mining Corp., a subsidiary of Firma Holdings Corp. (OTC:FRMA) to acquire a 50% interest in the Magistral, Del Oro tailings project, which is located within the “Golden Triangle” in Santa Maria Del Oro, Durango, Mexico.

The project includes a fully permitted, 500 tonne/day Dynamic Cyanide counter current system plant constructed in 2013 at a cost of approximately $4.5 million, which appears to be in excellent condition. The plant is unencumbered and it is estimated that the plant can be fully operational within 4 to 6 months. Additionally, the Magistral project includes the exclusive rights to process the mineralized mill tailings.

About Magistral Project Mineralized Tailings Project:

A historical estimate was completed by Corporation Ambiental de Mexico, S.A. de C.V. (“CM”) on January 20, 2012 titled “Perforacion y Muestreo en Presa de Jaleas Estimation Volumetrica, Tonelaje y Ley Promedio”. The CM report estimated a probable reserve of 1.25 million tonnes averaging 2.06 grams/tonne gold. The assumptions for this estimate were based on 58 auger samples, 2.45 to 3.0 metres in length from 24 drill holes. There has been no additional work on the tailings project since January 20, 2012 to upgrade or verify the historical estimate.

The CM report does not comply with National Instrument 43-101 and MX Gold Corp. believes that a qualified person has not done sufficient work to classify the historical estimate as a current mineral resource or reserve and is not treating the historical estimate as a current mineral resource or reserve. The company is planning a data verification program and additional geochemical studies by trenching and or drilling of the tailings project.

The agreement calls for an initial cash payment of US$250,000 to Gracepoint and an investment of $2,225,000 over 90 days to meet current obligations and make various modifications and additional enhancements to the plant, and for start-up capital. A comprehensive report, including a metallurgical assessment of the mineralized tailings, was completed by Kappes Cassiday and Associates, an independent mining engineering firm, which confirmed recovery rates of approximately 82%. During Firma’s pre-purchase due diligence, a volume and grade value report was commissioned and provided, which validated expected grade and tonnage. Additionally, to confirm previous metallurgical results, a report was commissioned and completed by two different Mexican based Metallurgical Engineering companies, with both company’s reports confirming previous grade, process, and recovery results.

Mr. Francis Biscan Jr., President of Firma Holdings Corp., stated, “We feel very fortunate to have obtained MX Gold as our partner. In addition to the funding being provided, they bring a team of professionals with significant experience, who intend to be on site and work in concert with our team to ensure an efficient operation. In addition, we will work together to grow the project beyond its initial vision and capacity. Cash flow will enable us to organically advance our other projects. In addition, it can position us to capitalize on some of the great opportunities that have been presented to us over the last several months."

Mr. Dan Omeniuk, CEO and Chairman of MX Gold, stated, “It is rare to find both people and projects that are such a perfect fit for our vision at MX Gold. Gracepoint Mining’s focus on building a portfolio of projects that are near term producers with upside potential is very attractive to us. Our focus will be to drive cash flow to empower a non-dilutive approach to building MX Gold’s value."

Mining Industry Leadership will be provided by MX Gold’s Chief Operating Officer Bert McPherson. Bert is a senior mining engineer and has 37 years of experience in managing projects for major mining companies. He has successfully added value to mine management teams worldwide, focusing on the implementation of industry-leading mine management standards, safety awareness, team building, assembly, mentoring and the development of functional mine management operations.

Mr. McPherson has led operations employing in excess of 2,200 employees on several occasions and provided operational leadership for operations producing in excess of 1,000,000 ounces of gold annually. He has previous experience with Major producers and junior producers internationally, including Mexico.

The technical information in this news release has been reviewed and approved by Lorne Warner, P.Geo, and a qualified person as defined by National Instrument 43-101.

About MX Gold

MX Gold Corp. is a junior mining company focused on the exploration, development and mining of advanced projects located in British Columbia and Mexico.

The Company’s primary focus in British Columbia is its high-grade Willa gold and copper project located 12 kilometers south of Silverton, B.C. In 2015, MX Gold Corp. completed the accretive acquisition of the Willa project and the Max

Molybdenum Mine and Mill Complex. This acquisition removed major costs and shortened timelines typically associated with mine project development with planned ore shipment from Willa to the Max Mill. The Willa mine is located 135 kilometers south of the Max Mill. MX Gold Corp. can also elect to reopen the Max Molybdenum mining operation once world Moly prices improve.

Located in Mexico, MX Gold’s new Magistral Del Oro Project is located 392 kilometres south-west of Chihuahua City, in route to Parral 220 km, from there due South on Durango Hi-way for 120 km to Santa Maria Del Oro interception, turn West to Santa Maria Del Oro for 48km, continue East for 3.5 km, then turn South for .5 km to the Magistral Del Oro Project. All paved road except for the last 0.5 kilometer.

On behalf of the Board of Directors,

“Lorne Warner”

Lorne Warner, Director, MX Gold Corp.

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.

Statements in this news release that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections - statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", “potential”, "should", "anticipates", "likely", "believes" and words of similar import tend to identify forward-looking statements. Forward-looking statements in this news release include MX Gold’s estimation that the Magistral plant can be fully operational within 4 to 6 months, its plans for a data verification program and additional geochemical studies, its belief in the near term and upside potential of the project and Firma Holdings Corp.’s expectation that the parties can work together to grow the project beyond its initial vision and capacity. All of these forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, business integration risks; uncertainty of production, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, MX Gold’s ability to attract and retain qualified personnel and management, potential labour unrest, reclamation and closure requirements for mineral properties and the availability of capital to fund the Company’s projects, as well as other risks and uncertainties identified under the heading “Risk Factors” in the Company’s continuous disclosure documents filed on SEDAR. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. MX Gold cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management’s assumptions may prove to be incorrect. These forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and MX Gold does not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.

For further information, please contact

Skanderbeg Capital Advisors
604-687-7130
Ext 104 or Ext105

Dan Omeniuk, CEO
Phone: 778-789-4653
Email: dano@mxgoldcorp.com

Ron Birch
Phone: 250-545-0383
Toll Free: 1-800-910-7711
Fax: 604-926-4232

Or by email to:

info@mxgoldcorp.com