

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Nov 2, 2016) - [PNG Gold Corp.](#) (the "Company") (TSX VENTURE:PGK) announces that it proposes to complete a non-brokered private placement of a minimum of \$500,000 and a maximum of up to \$3,000,000 (the "Financing"). The Company is also pleased to announce that it is proceeding with a share consolidation, on the basis of five (5) old common shares for one (1) new common share (the "Consolidation"). The Financing and the Consolidation are subject to the approval of the TSX Venture Exchange ("TSXV").

The Financing has been arranged to provide working capital for the Company as well as sufficient funds to evaluate the oil recycling technology that it currently has rights to as a result of loans it has extended to Verolube Inc. ("Verolube"). It took security in relation to the loans over certain patents that relate to a process for recycling used oil ("ReGen process"). The Company has certain non-exclusive rights in relation to the use of the patents. The Company will use a portion of the proceeds to determine whether the oil recycling technology is worth pursuing and, in this regard, it needs to undertake certain engineering studies.

#### Information Regarding the Financing

The Financing will be comprised of up to 10,000,000 common shares of the Company on a post-Consolidation basis (the "Shares") at a price of \$0.30 per Share. Certain finder's may receive a cash fee of up to 8% of the Financing and that number of warrants ("Finder's Warrants") equal to 8% of the number of Shares issued under the Financing. Each Finder's Warrant will entitle the holder to acquire one Share at a price of \$0.30 for a period of 24 months. The Company anticipates completing an initial tranche of the Financing immediately following completion of the Consolidation, which is expected to occur in the first two weeks of November. All securities issued under the Financing will be subject to a four-month hold period in accordance with securities laws.

The Company proposes to use the proceeds of the Financing as follows: to complete engineering studies to assess the viability of the ReGen process; to undertake additional patent work regarding the ReGen process; to provide a deposit to secure a potential plant site in Alberta; to pay outstanding liabilities; to pay commissions to finders in connection with the Financing; to pay the expenses of the Financing and the Consolidation; and for working capital and general corporate purposes.

If the proposed engineering studies show that the oil recycling process is viable then the Company will have to prepare a comprehensive business plan in relation to pursuing this business. Substantial additional funding would be required in order to pursue the oil recycling business. Prior to taking any further steps in this regard the Company will have to take the necessary steps to apply to the TSXV for a change of business.

#### Information Regarding the Consolidation

Pursuant to the Consolidation, each fractional common share equal to or greater than 0.5 common shares will be rounded up to the nearest whole common share and each fractional common share less than 0.5 common shares will be rounded down to the nearest whole common share. The Company will issue another news release providing more information and confirming the effective date of the Consolidation upon receipt of approval of the TSXV. Following the Consolidation and before completion of the Financing, the Company is expected to have 26,233,674 common shares issued and outstanding.

On Behalf of the Board of [PNG Gold Corp.](#)

Greg Clarkes, Chief Executive Officer

*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.*

*Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond the control of [PNG Gold Corp.](#) These include, but are not limited to, completion of the Financing, completion of the Consolidation, the receipt of TSXV acceptance of the Financing and Consolidation and the proposed use of proceeds of the Financing. Readers are cautioned that the assumptions used in the preparation of such information, 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.*

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