VANCOUVER, April 26, 2017 /CNW/ - NxGold Ltd. ("NxGold" or the "Company"), (NXN:TSXV) is pleased to announce plans for an initial and first phase exploration program on the Kuulu Gold Project ("Kuulu") which the Company expects to commence in summer 2017.

The first phase exploration campaign will consist of the following programs:

1. A minimum 4,000 m, 30 hole diamond drill program utilizing two-drill rigs;
2. Project-wide helicopter-borne high resolution Versatile Time-Domain Electromagntic (VTEM) Plus and magnetic survey and low altitude, slow flying drone magnetic survey; and
3. Project-wide systematic rock and till sampling.

Diamond Drilling:

A two diamond drill rig program comprising a minimum of 4,000 m in approximately 30 holes is planned for the Summer 2017 exploration program at Kuulu. Approximately half of the drilling is planned at high priority targets which include areas with the highest concentrations of newly discovered gold rich quartz float material including the RIL and RB zones on the Western and Eastern sides of the Dickson-Pyke fault, respectively. At these zones high grade gold quartz carbonate boulders have been identified with gold grades ranging from 1.1 – 17.8 g/t and 3.8 – 38 g/t, respectively. The remaining metres will be allocated to the Island, 282, GD and Hinge zones where the Company will target magnetic high linears that exhibit offsets, flexures or breaks. The Island and 282 zones are the areas with the highest gold grades in boulders which range from 1.6 – 451 g/t gold at Island and 2.3 – 282 g/t gold at 282 (see Figure 1).

NxGold will commence drilling upon receipt of water licence from the Nunavut Water Board which the Company expects in July 2017.

Electromagnetic and Magnetic Surveys:

NxGold will cover the entire Kuulu project with 1,100 line-km on 50 m spaced traverses controlled by tie lines at 500 m spacing. This VTEM Plus and magnetic survey will provide high resolution electromagnetic and magnetic data for the direct detection and delineation of sulphide-associated gold mineralization; and facilitate the mapping of bedrock lithologies and structure which in turn influence the emplacement or hosting of potentially economic gold mineralization.

Additionally, a low altitude, slow flying drone magnetic survey consisting of 1,876 line-km at line spacing of 25 m covering the entire Kuulu project will be flown. This survey will provide even higher resolution imagery which is an integral layer for drill targeting and will help identify potential dilation zones which could lead to accumulations of gold mineralization.

The Company expects to initiate these surveys in mid-May upon receipt of required authorizations and expects them to take 30-35 days to complete.

Systematic Rock and Till Sampling:

Concurrently with diamond drilling, the Company will undertake a project-wide, systematic rock and till sampling program which will focus around the Dickson-Pyke fault which is the regional fault structure in the area and hosts Agnico Eagle Mines Ltd.'s Meliadine Gold Project located immediately down trend to the southeast from the Kuulu project (see Figure 2).

Management Appointment:

The Company is also pleased to announce the appointment of Darren Lindsay as Vice President, Exploration & Development.

Mr. Lindsay has over 20 years of experience in mineral exploration across four continents. Mr. Lindsay has worked for both junior and senior companies, including Newmont Mining Corp., Miramar Mining Corp., BHP Minerals Canada Ltd., Inmet Mining Corp., and Kodiak Exploration Limited. He was directly involved in resource expansions, belt-scale exploration and feasibility level studies of the gold deposits in Hope Bay, Nunavut.

Chris McFadden, Chief Executive Officer, commented "We are extremely excited to get up to Kuulu and begin comprehensive exploration on this highly prospective gold project. With all of the surface signs present indicating high grade gold mineralization at the project, we now look forward to the systematic drill testing of high priority targets on the project this summer once we obtain our water licence and receive all required authorizations. We would also like to welcome Darren to our team and look forward to working with him and utilizing his expertise in gold exploration, especially in Nunavut. We are in the advanced-stages of planning initial exploration for the newly acquired 60,000 ha Chicobi project in the heart of the Abitibi Greenstone Belt in Quebec and will provide an update in the near-term. With approximately $5 million cash-on-hand, we remain well-funded for our current 2017

plans."

The Company also announces the grant of a total of 250,000 options to acquire up to that same number of common shares of the Company to the Vice President, Exploration & Development, pursuant to the Company's stock option plan. The options are for a five-year term, expire on 25 April 2022, and are exercisable at a price of 45 cents per share.

About NxGold

NxGold is a Vancouver-based exploration company. NxGold has entered into an earn-in agreement with Meliadine Gold Ltd. to earn up to a 70% interest in the Kuulu Project (formerly known as the Peter Lake Gold Project). The Kuulu Project is located approximately 40 km northwest of Rankin Inlet, Nunavut. The Kuulu Project covers 4,174 hectares immediately along trend from Agnico Eagle's advanced Meliadine Gold project. Additionally, the Company has entered into an earn-in agreement to earn up to a 100% interest in the Chicobi Project located within the prolific Abitibi Greenstone Belt in Quebec.

Technical Disclosure

The scientific and technical information in this news release has been prepared or approved by Garrett Ainsworth, a Director of the Company, a "qualified person" within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects. For details of the Kuluu Project including the sampling procedures, quality assurance program and quality control measures, analytical or testing procedures applied during the execution of the work reported on in this news release please refer to the "Technical Report on the Peter Lake Project" bearing an effective date of January 10, 2017 and available on the Company's profile at www.sedar.com.

This news release Agnico Eagle's Meliadine Gold Project. Mr. Ainsworth has been unable to verify the information contained herein regarding Agnico Eagle's Meliadine Gold Project and such information is not necessarily indicative of the mineralization on the Kuulu project in which the Company has an exclusive right to earn up to a 70% interest in.

Cautionary Statement Regarding "Forward-Looking" Information.

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. "Forward-looking information" includes, but is not limited to, statements with respect to activities, events or developments that the Company expects or anticipates will or may occur in the future. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.

Such forward-looking information and statements are based on numerous assumptions, including among others, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms, and that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Company's planned exploration activities will be available on reasonable terms and in a timely manner. Although the assumptions made by the Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual events or results in future periods to differ materially from any projections of future events or results expressed or implied by such forward-looking information or statements, including, among others: negative operating cash flow and dependence on third party financing, uncertainty of additional financing, no known mineral reserves or resources, reliance on key management and other personnel, potential downturns in economic conditions, actual results of exploration activities being different than anticipated, changes in exploration programs based upon results, and risks generally associated with the mineral exploration industry, environmental risks, changes in laws and regulations, community relations and delays in obtaining governmental or other approvals.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws.

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