

TORONTO, ON--(Marketwired - May 18, 2017) - [Continental Gold Inc.](#) (TSX: CNL) (OTCQX: CGOOF) ("Continental" or the "Company") is pleased to announce that it has closed its previously-announced private placements to [Newmont Mining Corp.](#) ("Newmont") and RK Mine Finance Master Fund I Limited ("Red Kite").

Newmont purchased 37.38 million common shares of Continental at a price of C\$4.00 per share for a total investment of US\$109 million. Concurrent with Newmont's investment in Continental, Red Kite also purchased 8.59 million common shares of Continental at a price of C\$4.00 per share for a total investment of US\$25 million, as contemplated in Continental's secured project credit facility (the "Credit Facility") with Red Kite. After giving effect to the private equity placements, Newmont and Red Kite own approximately 19.9% and 4.6%, respectively, of the issued and outstanding common shares of Continental on a non-diluted basis.

The Company intends to use the proceeds of Newmont's investment to develop the Buritic  project and such proceeds satisfy the funding condition required to draw the second tranche of US\$100 million under the Credit Facility.

About Continental Gold

[Continental Gold Inc.](#) is an advanced-stage exploration and development company with an extensive portfolio of 100%-owned gold projects in Colombia. Formed in April 2007, the Company -- led by an international management team with a successful track record of discovering and developing large high-grade gold deposits in Latin America -- is focused on advancing its fully-permitted high-grade Buritic  gold project to production with first gold pour on track for early 2020.

For information on the Buritic  project, please refer to the technical report, prepared in accordance with NI 43-101, entitled "Buritic  Project NI 43-101 Technical Report Feasibility Study, Antioquia, Colombia" and dated March 29, 2016 with an effective date of February 24, 2016, led by independent consultants JDS Energy & Mining Inc. The technical report is available on SEDAR at www.sedar.com, on the OTCQX at www.otcm Markets.com and on the Company website at www.continentalgold.com. Additional details on Continental Gold's suite of gold exploration properties are also available at www.continentalgold.com.

Forward-Looking Statements

This news release contains or refers to forward-looking information under Canadian securities legislation, including statements regarding the development, construction and working capital requirements of the Buritic  project, the availability of the funds under the project credit facility and the related conditions precedent for the funds in each tranche, including additional equity financing requirements, completion of the permitting process for the Buritic  project, advancing the Buritic  project, the economic effect of the mine, and future plans and objectives of the Company, and is based on current expectations that involve a number of significant business risks and uncertainties. Forward-looking statements are subject to other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, an inability to advance the Buritic  project to the next level, failure to convert estimated mineral resources to reserves, capital and operating costs varying significantly from estimates, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and the other risks involved in the mineral exploration and development industry. Specific reference is made to the most recent Annual Information Form on file with Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements. All the forward-looking statements made in this news release are qualified by these cautionary statements, and are made as of the date hereof. The Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by law.

Contact

For further information, please contact:

Paul Begin
Chief Financial Officer
[Continental Gold Inc.](#)
+1.416.583.5610
info@continentalgold.com
www.continentalgold.com

Renmark Financial Communications Inc.
Barry Mire
Vice President
+1.416.644.2020 or +1.514.939.3989
bmire@renmarkfinancial.com
www.renmarkfinancial.com