

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 18, 2017) - [Medgold Resources Corp.](#) (TSX VENTURE:MED) (the "Company" or "Medgold") is pleased to announce that the recently completed Induced Polarization / Resistivity (IP-Res) geophysical study at the Tlamino Project, Serbia has identified a high chargeability anomaly which extends to the west of the Barje outcrop under cover for over 1 km. Furthermore, recent saw-cut channel sampling from Barje, with the objective of extending channel samples previously reported, has yielded a best intersection of 44 m at 3.1 g/t Au, which, when composited with the results of the channel which it extends, gives an overall intersection of 84 m at 5.6 g/t Au.

Dan James, President of Medgold, commented: "We are very encouraged by the IP results. They have highlighted a very significant anomaly at Barje, which we assume to be associated with sulphide mineralization, and it extends for over a kilometer to the west of the main outcrop. This zone has never previously been identified, nor sampled, and as it's a blind target our drilling program scheduled for this summer will test this anomaly in several places. The new channel results are also very encouraging, as these are continuations from earlier channels, and now demonstrate a zone consistently of high-grade mineralization over a significant width and height. The Barje Zone, therefore, now demonstrates an attractive combination of high-grade surface results and a large blind high-chargeability anomaly."

IP Survey Results

The objective of the 39 line-kilometre IP-Resistivity program was to analyse an area covering 4 sqkm, focusing on the Barje-Liska prospects, for near-surface sulphide-rich mineralization. The program commenced at the Liska prospect, which has been historically drill-tested for Pb-Zn mineralization by the former Yugoslav government in the 1950s and 1970s, and results from both the drilling and IP-Res survey confirm a geological model for areally extensive and flat-lying mineralization.

At Barje, located 1.5 km to the northeast of Liska, a large high-chargeability anomaly was identified. The anomaly measures approximately 1 km east to west and approximately 400 m north to south. The southern limit of the anomaly appears to track a large-scale regional detachment fault, which has been assumed to be a principal control on mineralization at both Barje and Liska, and its surface expression trends east-west. The anomaly continues northwards, which is considered to be the northerly extension of the same detachment fault, but beneath cover and steepening topography. Interestingly, the high-grade saw-cut channel sampling completed at the main Barje outcrop is located on the eastern flank of the chargeability anomaly. At this stage, it is unknown whether the chargeability anomaly is directly related to gold mineralization, but it is clear, however, that the surface rocks exposed in the area of the chargeability anomaly consist of schists which display similar alteration and mineralization as seen in the schist stratigraphically overlying the mineralization at Barje.

Barje Channel Sampling Results

Following-on from channel sampling undertaken at the Barje outcrop early this year, and reported in a news release on January 9, 2017, a second phase of diamond saw-cut channels were completed and assayed. A total of 73 samples were collected, each of 1 m length, for a total of 73 metres of channeling. Sampling procedures were identical to those reported in the news release of January 9, 2017. The objective of the work was to extend the channel lines further to the east and north of the exposure, where previous samples ended in high-grade assays.

A summary of the length-weighted results is shown in the table below and location maps can be seen on our website by clicking [here](#).

Channel	From (m)	To (m)	Length (m)	Au (ppm)	Ag (ppm)	As (ppm)	AuEq (g/t)*	Pb (ppm)	Zn (ppm)
CH_BAR_08	0.00	3.00	3.00	6.882	291.7	8593	11.048	3737	168
CH_BAR_09	0.00	4.00	4.00	0.814	2.8	5753	0.854	147	238
CH_BAR_10	0.00	22.00	22.00	4.349	59.7	8182	5.203	1274	177
CH_BAR_11	0.00	44.00	44.00	3.126	25.5	8313	3.489	738	141

*AuEq is calculated from Au & Ag using a price ratio of 70:1

The channel samples described here represent the sampling of an outcrop face. Medgold's current exploration model for Barje is premised on the interpretation that the outcrop face represents a faulted oblique cross-section through 'strata-bound' mineralization. However, Medgold does not yet have direct observational evidence to suggest its interpretation is correct. The reader is cautioned therefore that the true thickness of the mineralization described here is unknown, and further work will be required before the true thickness of mineralization can be determined.

Adding results from Channel 02, from the first phase of sampling, to Channel 11, from the second phase, creates a contiguous channel interval of 84 m at 5.6 g/t Au and 105.2 g/t Ag. This channel, in combination with the other parallel and conjugate channels, clearly demonstrate a consistently high-grade mineralized zone extensive over a broad area. From a total of 205 samples, combining both phases of sampling, and applying a top-cut of 31 g/t Au (affects 4 samples) and 700 g/t Ag (affects 6 samples), the average grade is 5.6 g/t Au and 130 g/t Ag, and 198 samples (97%) returned assays greater than 1 g/t Au. The overall area sampled is approximately 100 m by 30 m. Mineralization appears open to the west, north, and east.

About Medgold

Medgold is a European-focused, TSX-V listed, exploration and development company targeting gold properties in Serbia. Run by a highly experienced management team with a successful track record of building value in resource companies, Medgold is aiming to become a leading European gold exploration company.

Qualified Person

Mr. David Clark, M.Sc., P.Geo., is a Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Mr. Clark prepared the technical information contained in this news release and has approved its disclosure.

Quality Assurance and Quality Control

Channel sampling at Barje followed a standardized protocol to ensure representative and unbiased quantities of material from across each sample. Samples were delivered by Medgold personnel directly to the assay lab prep facilities in Bor, Serbia. Samples were analysed by ALS Chemex using analytical method codes Au-ICP21 and ME-MS61, with overlimits for gold and silver analysed by GRA21, and for Ag, Pb, and Zn by OG62. Medgold routinely inserted appropriate multi-element geochemical standards and blanks into its sample stream at Barje, and additionally collected regular field duplicate samples.

Additional information on Medgold can be found on the Company's website at www.medgoldresources.com and by reviewing the Company's page on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD

Daniel P. James, President & Director

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Forward-looking statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements and include, without limitation, statements about the exploration plans for the Tlamino Project. Often, but not always, these forward looking statements can be identified by the use of words such as "estimate", "estimates", "estimated", "potential", "open", "future", "assumed", "projected", "used", "detailed", "has been", "gain", "upgraded", "offset", "limited", "contained", "reflecting", "containing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, the exploration plans for the Tlamino Project; changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: that the proposed exploration of the Tlamino Project will proceed as intended; that the Company's stated goals and planned exploration and development activities will be achieved; that there will be no material adverse change affecting the Company or its properties; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.

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