TSXV: NEV

VANCOUVER, July 18, 2017 /CNW/ - Nevada Sunrise Gold Corp. ("Nevada Sunrise" or the "Company") (TSXV: NEV) is pleased to announce that it has executed a non-binding letter of intent (the "LOI") with Emgold Mining Corp. (TSXV: EMR, "Emgold") to enter into an option agreement (the "Option Agreement") on the Golden Arrow property ("Golden Arrow", or the "Property") located 40 miles (60 kilometres) east of Tonopah in Nye County, Nevada, USA.

The LOI provides that Nevada Sunrise will grant Emgold an option to acquire up to an 80 percent interest in Golden Arrow in exchange for Emgold meeting the following obligations over a 3-year period from closing (the Transaction"):

- Cash payments to the Company totaling $250,000 (all dollar figures are quoted in Canadian dollars);
- Issuance to Nevada Sunrise of 2.5 million units of Emgold, with each unit consisting of one post consolidation common share and 1 transferable special warrant exercisable for one post consolidation common share of Emgold at no cost to the Company (a "Unit");
- Incurring $2,750,000 in exploration expenditures.

"We are very pleased that Emgold has committed to this agreement for Golden Arrow," said Warren Stanyer, President and CEO of Nevada Sunrise. "There are few properties in Nevada with established gold resources that have an approved Plan of Operations allowing significant exploration work, and Emgold has recognized that value. We look forward to Emgold executing their exploration plan at Golden Arrow."

To earn an initial 51 percent interest in Golden Arrow (the "First Option"), Emgold has agreed to the following schedule of cash payments, common share payments and exploration expenditures:

Cash payment of $35,000 (non-refundable) upon execution of the LOI;

1. Cash payment of $215,000 and issuance of 312,500 Units within 5 days of acceptance of the transaction by the TSX Venture Exchange (the "TSXV") ("the Closing Date")
2. Issuance of an additional 312,500 Units within 6 months of the Closing Date;
3. Issuance of an additional 312,500 Units and exploration expenditures of $250,000 within 12 months of the Closing Date;
4. Issuance of an additional 312,500 Units within 18 months of the Closing Date;
5. Issuance of an additional 312,500 Units and exploration expenditures of an additional $1,250,000 within 24 months of the Closing Date.

Summary of Emgold's obligations to exercise the First Option and earn a 51 percent interest in Golden Arrow: $250,000 cash, 1,562,500 Units and $1,500,000 in exploration expenditures.

Upon Emgold exercising the First Option, a joint venture would be formed, and Emgold will act as operator of exploration. Nevada Sunrise would not be obligated to contribute to exploration expenditures until Emgold completes the second stage of the option agreement.

To earn an additional 29 percent interest in Golden Arrow (the "Second Option"), Emgold has agreed to the following schedule of cash payments, common share payments and exploration expenditures:

1. Issuance of an additional 468,750 Units within 30 months of the Closing Date;
2. Issuance of an additional 468,750 Units and additional exploration expenditures of $1,250,000 within 36 months of the Closing Date;

Summary of Emgold's obligations to exercise the Second Option and earn an 80 percent interest in Golden Arrow: an additional 937,500 Units and an additional $1,250,000 in exploration expenditures.

Should Emgold not have incurred $1,250,000 in exploration expenditures required to complete the Second Option within the scheduled 12 month period, and provided it gives written notice of its intention to extend the Option Period to Nevada Sunrise not less than 30 days' prior to the expiration of the Second Option, it would have an additional 12 months to incur these expenditures and its interest in the Joint Venture would be reduced to 75 percent. During the extension period, Nevada Sunrise would not be required to contribute to the Joint Venture.

After its exercise of the Second Option, and provided it holds at least a 75 percent interest in the Project, Emgold shall have the option to purchase the Company's participating interest in Golden Arrow, ranging from a maximum $10.0 million cash payment for a 25 percent interest to a minimum $1.65 million cash payment for an 11 percent interest. If any party to the joint venture falls below a 10 percent interest in the joint venture, the other party will have the option of purchasing the diluted party's remaining interest for $1.0 million.

Nevada Sunrise and Emgold have agreed to negotiate a definitive agreement as soon as practicable, which would include

requirements that Nevada Sunrise's shareholdings in Emgold would not be equal to or exceed 10 percent of the then issued and outstanding shares of Emgold until such time as Emgold has obtained shareholder approval for the Company to become a "control person" of Emgold. Emgold's obligation to close the transaction is subject to customary conditions, including:

1. Emgold's completion of satisfactory due diligence on the Property;
2. Emgold's completion of a minimum 10:1 consolidation of its currently issued and outstanding common shares;
3. Emgold's receipt of cash proceeds from a contemplated post-consolidation equity financing in the amount necessary to pay: (i) related fees and expenses of the Transaction; (ii) the second Property payment of $215,000; (iii) general corporate overhead for 6 months; and (iii) the first 12 months of minimum Exploration Expenditures on the Property in the amount of $250,000;
4. the Board of Directors and shareholders (if necessary) of Emgold and Nevada Sunrise approving the Transaction;
5. the receipt of any regulatory approvals and third party consents, if necessary, on terms satisfactory to the Parties, acting reasonably, including the acceptance of the Transaction, and the issuance of the Units to Nevada Sunrise as described above, by the TSXV; and
6. the Parties' execution of the definitive agreement and any ancillary agreements.

The Company has agreed to deal exclusively with Emgold in connection with the proposed option of the Golden Arrow property for a period of 90 days, during which Nevada Sunrise and Emgold intend to settle the definitive terms of the Option Agreement. Emgold has the right to extend the period to finalize the Option Agreement by up to sixty days.

About Golden Arrow
Golden Arrow consists of 357 unpatented claims and 17 patented claims on the western flank of the Kawich Range approximately 40 miles (60 kilometres) southeast of Tonopah, Nevada. The Property is situated on the eastern margin of the Walker Lane Structural Belt in a mining district with a long history of precious metals mining and exploration.

Golden Arrow hosts an estimated Measured and Indicated resource of 296,500 ounces of gold and 4,008,000 ounces of silver contained in 12,172,000 tonnes at an average grade of 0.024 oz/t gold, and 0.33 oz/t silver. It also hosts an estimated Inferred resource of 50,400 ounces gold and 1,249,000 ounces silver contained in 3,790,000 tonnes at an average grade of 0.013 oz/t gold and 0.33 oz/t silver. Silver to gold ratio is 55 to 1; variable cutoff grades are 0.01 oz/t gold for oxide and 0.015 oz/t gold for unoxidized (resource estimates calculated by Mine Development Associates, Reno, NV, May 2009 – for further information access the link to National Instrument 43-101 technical report entitled "Updated Technical Report on the Golden Arrow Project, Nye County, Nevada, USA", by Mine Development Associates of Reno, Nevada, co-authored by Steven Ristorcelli, C.P.G., and Odin Christensen, Ph.D., C.P.G. dated May 1, 2009, located in "Investors" at www.nevadasunrise.ca or under Nevada Sunrise's filed public documents at www.sedar.com).

Nevada Sunrise, through its wholly-owned Nevada subsidiary Intor Resources Corp., submitted a Plan of Operations (the "Plan") for Golden Arrow to the U.S. Bureau of Land Management (the "BLM") in early 2015. The Plan contemplates approximately 240,000 feet (73,170 metres) of drilling in up to 240 holes to explore for new areas of gold mineralization on the Property, and to potentially expand the known gold resources. In February 2016, an Environmental Assessment for Golden Arrow was filed online by the BLM. After a period of public review, the Plan was approved on May 11, 2016.

To review the Golden Arrow Environmental Assessment and other documents related to the permitting process, please visit: http://1.usa.gov/23ZvuY0

The technical information contained in this news release for Golden Arrow was reviewed and approved by Steven Ristorcelli, C.P.G., a qualified person as defined by National Instrument 43-101.

About Nevada Sunrise
Nevada Sunrise is a junior mineral exploration company with a strong technical team based in Vancouver, BC, Canada, that holds interests in nine gold and lithium mineral exploration projects in the State of Nevada, USA.

The Company's two key gold assets include a 100% interest in the Golden Arrow project near Tonopah, and a 21% interest in a joint venture with Liberty Gold Corp. (TSX: LGD, formerly Pilot Gold Inc.) at Kinsley Mountain, with each of the properties subject to certain production royalties.

Nevada Sunrise began acquisitions of Nevada lithium properties in September 2015, which include options to earn 100% interests in the Neptune (Resolve Ventures, TSXV: RSV owns a 25% interest in Neptune), Clayton Northeast and Triton projects, and a 100% interest in the Aquarius project, all located in the Clayton Valley area. The Company also holds options to earn 100% interests in the Jackson Wash and Atlantis lithium projects, and holds a 3% gross overriding royalty interest in in the Gemini lithium project, each located in playas proximal to the Clayton Valley. The Company has optioned six of its Nevada lithium projects to Advantage Lithium Corp., (TSXV: AAL), who has earned a 51% interest in Clayton Northeast, Triton, Aquarius, and Jackson Wash projects, and a 50% interest in the Gemini project. The Atlantis project is currently under option to American Lithium Corp. (TSXV: LI).

Forward Looking Statements
All statements in this release, other than statements of historical fact, are "forward-looking information" with respect to Nevada

Sunrise Gold Corp. ("Nevada Sunrise") within the meaning of applicable Canadian securities laws, including the letter of intent signed with Emgold Mining Corp., the amount of future exploration work, the timing of the negotiation and completion of the Option Agreement, and statements regarding the resource estimates at Golden Arrow. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Nevada Sunrise to differ materially from those anticipated in such forward-looking information.

Such factors include, among others, risks related to the interpretation and actual results of historical exploration at the Golden Arrow property; the results of Emgold's due diligence on the Golden Arrow property; the satisfaction of the conditions to closing set out above, including Emgold's third party financing, share consolidation and regulatory approvals; reliance on technical information provided by third parties on any of our exploration properties, including access to historical information on the Golden Arrow property; current exploration and development activities; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the failure of equipment to operate as anticipated; the failure of contracted parties to perform; labor disputes and other risks of the mining industry; delays in obtaining governmental approvals; delays in financing or in the completion of exploration, as well as those factors discussed in the section entitled "Risk Factors" in the Company's Management Discussion and Analysis for the Six Months Ended March 31, 2017, which is available under Company's SEDAR profile at www.sedar.com.

Although Nevada Sunrise has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Nevada Sunrise disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Accordingly, readers should not place undue reliance on forward-looking information.

Forward-looking statements are made as of the date hereof and accordingly are subject to change after such date. Except as otherwise indicated by Nevada Sunrise, these statements do not reflect the potential impact of any non-recurring or other special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of our operating environment. Nevada Sunrise does not undertake to update any forward-looking statements that are included in this document, except in accordance with applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of TSX Venture Exchange) accepts responsibility for the adequacy of accuracy of this release. The Securities of Nevada Sunrise Gold Corp. have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to the account or benefit of any U.S. person.

SOURCE Nevada Sunrise Gold Corp.

Contact
Warren Stanyer, President and Chief Executive Officer, Telephone: (604) 428-8028, Facsimile: (604) 484-7143, email: warrenstanyer@nevadasunrise.ca