

Rye Patch Gold Corp. Announces Acquisition of the Florida Canyon Gold Mine

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Release of Escrowed Funds and Conversion of Subscription Receipts, and Credit Agreement for US\$27 Million Credit Facility

VANCOUVER, July 29, 2016 - [Rye Patch Gold Corp.](#) (TSX.V: RPM; OTCQX: RPMGF; FWB: 5TN) (the "Company" or "Rye Patch") is pleased to announce, further to its news releases dated May 25, 2016 and June 16, 2016, the completion of its acquisition (the "Acquisition") of the Florida Canyon gold mine located in Pershing County, Nevada, the release of escrowed funds and conversion of subscription receipts under its Cdn\$49.1 million private placement completed in June, and its signing of a credit agreement for a US\$27 million credit facility for the redevelopment of the mine.

Florida Canyon Mine Acquisition

The Company acquired the Florida Canyon gold mine (with the Standard gold mine) from ADM?Gold Co., Ltd. ("ADM-Gold") and others for total consideration payable in cash, shares, warrants and/or debt of approximately US\$23 million (the "Purchase Price"), including contingent payments and subject to adjustment for outstanding liabilities. Of the Purchase Price, US\$15 million was payable at closing in cash, subject to approximately US\$6.8 million being held back in an escrow account pending settlement of certain liabilities, and US\$3 million was satisfied by the issuance of 20 million common shares of the Company to ADM?Gold which are subject to a 4?month hold period expiring on November 29, 2016. The remaining US\$5 million of the Purchase Price is contingent consideration payable by the Company in cash and securities within 60 days of commencement of commercial production at the Florida Canyon gold mine by Rye Patch as operator, as further described in the Company's news release dated May 25, 2016.

Release of Escrowed Private Placement Proceeds and Conversion of Subscription Receipts

Immediately prior to the completion of the Acquisition, the escrowed proceeds from the Company's Cdn\$49.1 million private placement of subscription receipts ("Subscription Receipts") completed in June 2016 were released following satisfaction of the escrow release conditions. A portion of the net proceeds (after payment of agents' commissions) was used to pay the Purchase Price under the Acquisition and to discharge certain liabilities at the Florida Canyon gold mine. In addition, the Subscription Receipts were converted on a one?for?one basis into 223,247,242 common shares of the Company. The common shares are subject to a hold period expiring on October 17, 2016.

Upon conversion of the Subscription Receipts, the Company paid the balance of the 5% agents' commission and also issued a total of 11,162,362 agents' warrants (the "Agents' Warrants") to Macquarie Capital Markets Canada Ltd., Canaccord Genuity Corp., Dundee Securities Ltd. and GMP Securities L.P. Each Agents' Warrant is exercisable for one common share of the Company for a two?year term from date of issue at an exercise price of Cdn\$0.22 per common share. The Agents' Warrants, and the common shares underlying the Agents' Warrants, are subject to a four?month hold period expiring November 29, 2016.

Macquarie Bank Credit Facility

Also immediately prior to the completion of the Acquisition, the Company entered into a credit agreement (the "Credit Agreement") with Macquarie Bank Limited ("Macquarie Bank") for a US\$27 million credit facility (the "Credit Facility") for the Company's wholly owned U.S. subsidiary, Rye Patch Mining U.S. Inc. ("Rye Patch U.S."). The Credit Facility will assist Rye Patch U.S. in financing the costs of the redevelopment of the Florida Canyon gold mine.

Upon closing of the Credit Facility, Rye Patch U.S.'s obligations under the Credit Facility will be guaranteed

by the Company and certain material subsidiaries. In addition, Macquarie Bank will have a first ranking security interest over all of the properties and assets of the Company and its material subsidiaries, including the Florida Canyon mine property and assets as well as shares of the subsidiary companies that hold the property and assets.

Upon the signing of the Credit Agreement, Rye Patch issued to Macquarie Bank 16,224,545 warrants, each warrant being exercisable for one common share of the Company for a five-year term from date of issue at an exercise price of Cdn\$0.22 per common share. The warrants, and the common shares underlying the warrants, are subject to a four-month hold period expiring November 29, 2016.

Further information on the Credit Facility is contained in the Company's news release dated May 25, 2016.

On behalf of the Board of Directors
'William Howald'
William C. (Bill) Howald, CEO & President

This news release contains forward-looking statements relating to the terms of and closing of the Credit Facility, future plans and objectives of the Company, proposed operations of the Company including mine development, future events and conditions and other statements that are not historical facts, all of which are subject to various risks and uncertainties. The Company's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: the failure of the Company to satisfy the conditions in the Credit Facility including mine redevelopment plans and production results to complete the contemplated transactions; the availability of funds; the financial position of Rye Patch; the timing and content of work programs; the results of exploration activities and development of mineral properties; the interpretation of drilling results and other geological data; the reliability of calculation of mineral resources; the reliability of calculation of precious metal recoveries; the receipt and security of mineral property titles; project cost overruns or unanticipated costs and expenses; fluctuations in metal prices; currency fluctuations; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, 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. As a result, the Company cannot guarantee that the Credit Facility and related transactions will be completed on the terms and within the time disclosed herein or at all.

Neither 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

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