



Columbus Gold Corp.
 1090 Hamilton Street
 Vancouver, BC V6B 2R9
 Canada

Phone: +1 (604) 634-0970
 Fax: +1 (604) 634-0971
 Toll Free: 1 888 818-1364

info@columbusgold.com
 www.columbusgold.com

NEWS RELEASE

Columbus Acquires Claims Hosting a Historical Estimate of 272,000 Ounces of Gold Resources Contiguous with its Eastside Gold Project in Nevada

- Adds 272,153 ounces of near surface, good grade, historical oxide gold resources to Eastside
- 119 additional claims acquired increases total at Eastside to 844 claims
- Increases district scale land position at Eastside by 9.6 square km to 67.6 square km

Vancouver, BC, Canada, January 20, 2017. Columbus Gold Corp. (CGT: TSX, CBGDF: OTCQX) (“Columbus”) is pleased to announce that it has acquired the Castle gold project which hosts an historical estimate* of **272,153 ounces** of gold resources adjoining the south end of Columbus Gold’s Eastside gold project. Columbus recently announced an initial NI 43-101 pit-constrained Inferred Resource of **721,000 ounces**** of gold equivalent at Eastside.

Robert Giustra, CEO commented: *“This acquisition is very strategic. An updated resource estimate will be commissioned so that these good grade, oxide, near surface gold ounces can be added to the Eastside project.”*
Mr. Giustra further stated: *“This acquisition is also notable for being minimally dilutive; Columbus is only issuing 1,750,000 shares, and not paying any cash. Minimizing shareholder dilution is paramount in every decision Columbus Gold management makes.”*

The Castle gold project covers an area of 9.6 sq. km and is located 13 km south of the Original Zone, where substantially all Eastside drilling has occurred to date, and 6.5 km south of Target 5 at Eastside where drilling is planned to commence in February. The newly acquired Castle project contains near surface, Historical* oxide gold resources of **272,153 ounces** in three different zones as follows:

	<u>Tons</u>	<u>Grade opt Au</u>	<u>Grade g/t gold</u>	<u>Ounces</u>
Castle Zone	9,051,000	0.025	0.86	229,783
Black Rock Zone	1,271,415	0.018	0.61	22,726
Berg Zone	855,346	0.024	0.82	20,664
Total	11,177,761	0.024	0.82	272,153

The best drill holes from each of the three ore zone on the Castle project include:

Castle Ore Zone:

- CAS-030 51.8 m of 1.370 g/t gold from 64.0 to 115.8 m, including 7.6 m of 4.692 g/t gold
- CAS-031 47.2 m of 1.301 g/t gold from 44.2 to 91.4 m, including 3 m of 5.377 g/t gold

Berg Zone:

- DH2045 16.8 m of 5.41 g/t gold from 13.7 m to 30.5 m
- CA-087 35.1 m of 1.2 g/t gold from 19.8 m to 54.9 m

Black Rock Zone:

DH 2034	16.8 m of 0.93 g/t gold from 59.4 m to 76.2 m
DH 2021	24.4 m of 0.72 g/t gold from 38.1 to 62.5 m

The Castle Historical resource is covered by shallow alluvium, only 10-30 meters thick. Columbus believes the potential for increasing gold resources is good. A map indicating the position of the newly acquired Castle claims and resources in relation to Columbus Gold's existing Eastside claim block and targets is available at the following link:

www.columbusgold.com/i/nr/2017-01-20-map.pdf

US Highway 95 traverses the Castle project claim block. The number of Historical ounces impacted by the location of the highway will be estimated in an updated technical report. Columbus is aware of a nearby gold deposit called Gemfield located approximately 50 km away up the same US Highway 95. An independent feasibility study completed in 2012 estimated the cost of re-aligning the highway impacting the Gemfield project at US\$19 million.

Castle Project Area History

Gold was discovered at the Boss area in the 1940's by a local prospector. Modern exploration began in the 1980's, with a few drill holes by ASARCO and Noranda, followed by an extensive program of mostly shallow drill holes (less than 30 meters deep) by Houston Oil and Minerals. Falcon Exploration acquired the Boss property and started a small open pit/heap leach gold mine in 1988. The Boss Mine*** Reserves were reported at 600,000 tons of 0.06 opt gold (2.05 g/t gold) and the mine produced approximately 30,000 ounces of gold before it closed in 1990. Heap leach gold recoveries were reported at 85-90%.

Subsequent exploration programs by a Falcon/Homestake joint venture, Westgold/Western Mining, and Mintek Resources discovered two more gold deposits near the Boss (Berg and Black Rock) under shallow gravel cover. Kennecott drilled an additional 65 holes in 1993 finding the Castle gold deposit under shallow alluvial cover. The last two drill programs at Boss were by Cordex and Cameco in 1998 and 1999. Cordex completed 28 drill holes, mostly on the Castle Zone.

Transactions Terms

Columbus has entered into an option agreement dated December 22, 2016 and amended January 13, 2017, with Seabridge Gold pursuant to which it can acquire 100% of Seabridge's rights and interest in the Castle project lease. Under the terms of the transaction, Columbus will have until February 10, 2017 to complete its due diligence and until February 21, 2017 to close the exercise of its option by issuing 1,750,000 common shares, as per 1.5 million shares to Seabridge in consideration for the transfer of the lease, and 250,000 shares to the underlying lessor Platoro West. The annual lease payment to Platoro West is US\$25,000 per year and the term of the lease is 99 years. Platoro West has also agreed to reduce the existing 3.5% NSR royalty to 2%, subject to Columbus Gold's right to buy back 1% for a onetime payment of US\$2.5 million.

Completion of the acquisition of the leasehold interest in and to the Castle project by Columbus is subject to Columbus obtaining the approval of the Toronto Stock Exchange.

About Eastside

The 100% owned Eastside gold project consists of 844 claims covering 67.6 sq. km and is located 32 km (20 miles) from Tonopah, Nevada. Eastside has outstanding infrastructure for mining and processing, and metallurgical testing indicates that gold and silver at Eastside are amenable to cyanide leaching, whether oxide or sulfide. Columbus has completed 136 holes on the project and drilling to date has been confined almost exclusively to one target (referred to as the Original Zone) in an area of only approximately 1,250 X 800 meters,

or about 1 sq. km., of the large 67.6 sq. km land package. Six high priority geochem targets in addition to the Original Zone have been defined and drilling is permitted and scheduled to commence at Target 5 in February. Columbus recently announced an initial NI 43-101 pit-constrained Inferred Resource Estimate at Eastside within the Original Zone, consisting of **35,780,000 tonnes** grading **0.63g** gold equivalent per tonne, for a total of **721,000 ounces** of gold equivalent. See December 5 and 7, 2016 news releases and the NI 43-101 technical report for the Eastside project filed on SEDAR on December 7, 2016.

**The historical resource estimate for the Castle gold project was completed by James D. Greybeck, Senior Geologist for Cordex Exploration Co. in April, 1999, under the direction of Andy B. Wallace, then Manager of Cordex Exploration Co. and Vice President of Rayrock Mines, Inc. This report and data used in its preparation has been recently reviewed by Andy B. Wallace for the purpose of this press release under his obligations a Qualified Person for Columbus Gold (US) Corp. Drill data used for Greybeck's report was from Cordex Exploration Co., Kennecott Exploration, Houston Oil and Minerals, Falcon Exploration, and Mintek Resources which data is on file in the offices of Cordex Exploration Co. The data is judged relevant and reliable by Andy B. Wallace. The resource was termed a "Geologic Resource" at the time of Greybeck's report, which was in line with current practice for the time. Greybeck prepared geological cross sections and calculated the resource by hand, using a polygonal method with a lower cut-off of .005 opt Au (0.17 g/t Au). Where drilling was closely spaced gold values were interpolated between cross sections using weighted averages projected 50 feet on either side of the cross section. Columbus plans additional drilling to confirm Greybeck's interpretations and to fill in gaps in the drilling. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. The Company is not treating the historical estimate as current mineral resources or mineral reserves.*

***Using a cut-off grade of 0.15 grams per tonne gold and a gold/silver ratio of 60:1. For more information, see December 5 and 7, 2016 news releases and the NI 43-101 technical report for the Eastside property filed on SEDAR on December 7, 2016.*

****The information regarding historical production statistics including but not limited to reports of tonnage, grade, recoveries, and ounces produced, was obtained from historical data and is in compliance with NI 43-101 disclosure requirements. Although Columbus has not verified this data, management believes it is from a credible source.*

Qualified Person

Andy Wallace is a Certified Professional Geologist (CPG) with the American Institute of Professional Geologists and is the Qualified Person under NI 43-101 who has reviewed and approved the technical content of this press release. Mr. Wallace is the principal of Cordilleran Exploration Company (Cordex), which is conducting exploration and project generation activities for Columbus Gold on an exclusive basis, and the President of Columbus Gold (Nevada) Corp., a wholly owned subsidiary of Columbus Gold that holds Columbus Gold's property interests in the United States.

ON BEHALF OF THE BOARD,

Robert F. Giustra
Chairman & CEO

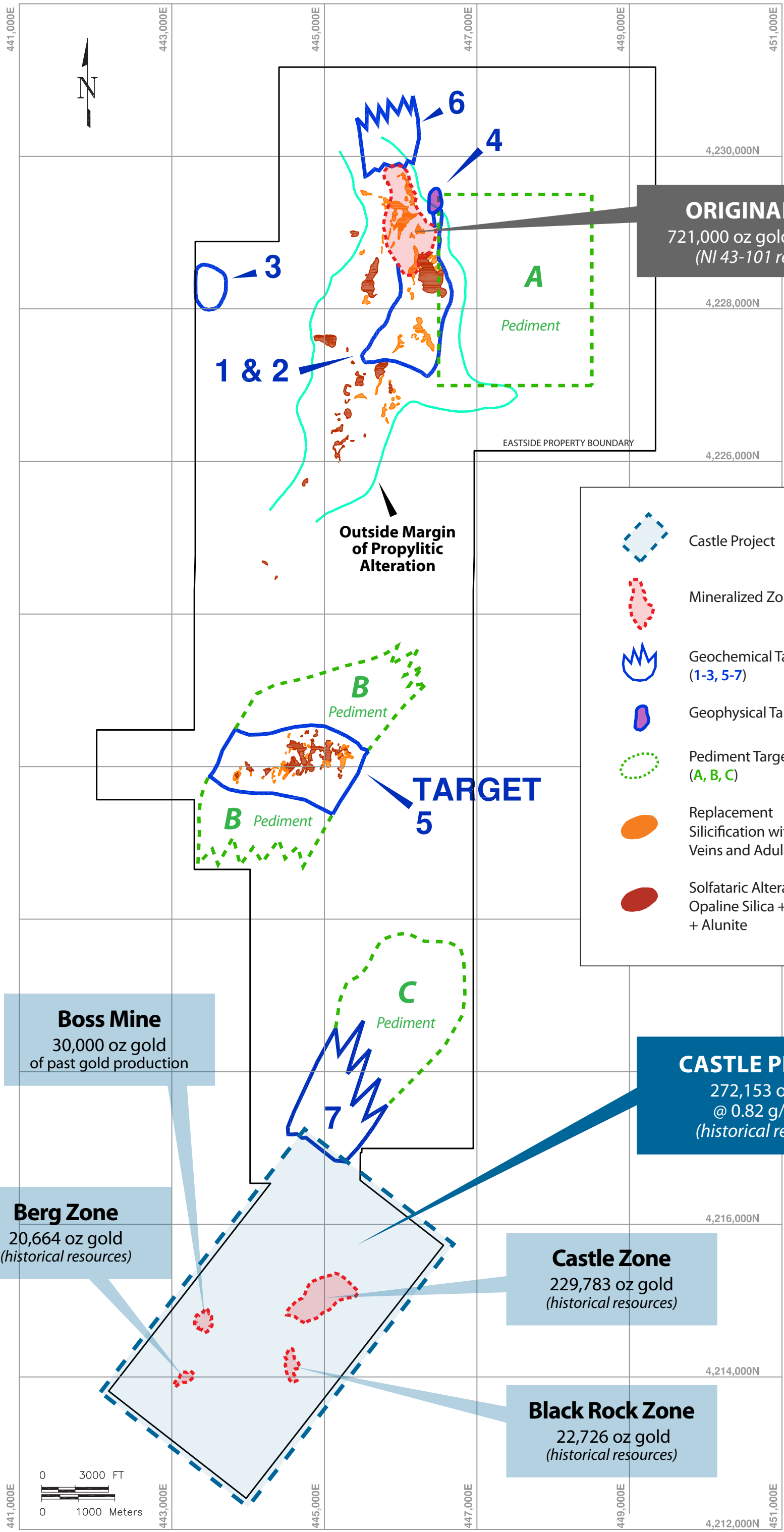
For more information contact:

Investor Relations

(604) 634-0970 or
1-888-818-1364
info@columbusgold.com

This release contains forward-looking information and statements, as defined by law including without limitation Canadian securities laws and the "safe harbor" provisions of the US Private Securities Litigation Reform Act of 1995 ("forward-looking statements"), respecting Columbus' intended acquisition of an to acquire a leasehold interest in and to the Castle, Black Rock and Boss properties, and its plans to commence an NI 43-101 compliant technical report on such properties and the extent of the report, as well as other statements concerning management expectations and the business of Columbus. Forward-looking statements involve risks, uncertainties and other factors that may cause actual results to materially differ from those expressed or implied by the forward-looking statements, including: that Columbus' due diligence review will be satisfactory; risks inherent with the completion of an acquisition of this nature; that Toronto Stock Exchange approval will not be received; risks associated with the completion of the NI 43-101 compliant technical report; the ability to acquire necessary permits and other authorizations; environmental compliance; cost increases; availability of qualified workers and drill equipment; competition for mining properties; risks associated with exploration projects including, without limitation, the accuracy of interpretations; dependence on third parties for services; non-performance by contractual counterparties; title risks; and general market conditions and economic conditions. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and a number of assumptions that may prove to be incorrect, including without limitation assumptions about: management expectations; the timing and receipt of required approvals; the ability of the parties to close the acquisition of the property by Columbus; continued availability of capital and financing; power prices; the ability to procure equipment and supplies including, without limitation, drill rigs; and ongoing relations with employees, partners, optionees and joint venturers. Readers are cautioned not to place undue reliance on the forward-looking statements contained herein. The foregoing list is not exhaustive and Columbus undertakes no obligation to update any of the foregoing except as required by law.

EASTSIDE GOLD PROJECT



ORIGINAL ZONE
721,000 oz gold equivalent
(NI 43-101 resources)

- Castle Project
- Mineralized Zones
- Geochemical Targets (1-3, 5-7)
- Geophysical Target (4)
- Pediment Targets (A, B, C)
- Replacement Silicification with Quartz Veins and Adularia
- Solfataric Alteration, Opaline Silica + Kaolinite + Alunite

Boss Mine
30,000 oz gold
of past gold production

Berg Zone
20,664 oz gold
(historical resources)

CASTLE PROJECT
272,153 oz gold
@ 0.82 g/t gold
(historical resources)

Castle Zone
229,783 oz gold
(historical resources)

Black Rock Zone
22,726 oz gold
(historical resources)

