

Continental Gold Announces Filing of Updated Environmental Permit Amendment Application

Toronto, Ontario, January 20, 2016 - Continental Gold Inc. (TSX:CNL; OTCQX:CGOOF) ("Continental" or the "Company") is pleased to announce that it has finalized its application for an amendment to the environmental permit (the "EIA application") for the Buriticá project in Antioquia, Colombia and will be filing the EIA application with the national environmental authority (ANLA) today. The Company is formally presenting the EIA application to ANLA as a Project of National Strategic Interest ("PINES") and, according to ANLA's guidelines for completing review of environmental permit applications, anticipates the completion of the permitting process by mid-year.

"Filing of the EIA application as a PINES project is a significant milestone for the Company and we look forward to working with ANLA to complete the review," commented Ari Sussman, President and CEO of Continental. "As previously stated, the EIA application has been updated and is aligned with the production metrics of the upcoming feasibility study due in the next four to six weeks."

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 high-grade Buriticá gold project to production. On June 24, 2015, the Company announced an updated mineral resource estimate for the Buriticá project, prepared in accordance with National Instrument 43-101 ("NI 43-101"), based on 271,003 metres of drilling and sampling (as at May 11, 2015). This estimate covers the Yaraguá and Veta Sur vein systems, with a combined Measured mineral resource of 0.89 million tonnes of mineralized material containing 0.54 million ounces of gold grading 19 g/t gold, 1.58 million ounces of silver grading 55 g/t silver, and 13.4 million pounds of zinc grading 0.7% zinc, and a combined Indicated mineral resource of 12 million tonnes of mineralized material containing 3.94 million ounces of gold grading 10.2 g/t gold, 12.4 million ounces of silver grading 32 g/t silver, and 112.6 million pounds of zinc grading 0.4% zinc. The combined Inferred mineral resource is 15.6 million tonnes of mineralized material containing 4.5 million ounces grading 9.0 g/t gold, 14.7 million ounces of silver grading 29 g/t silver and 91 million pounds of zinc grading 0.3% zinc.

The scientific and technical information contained in this press release has been reviewed and approved by Donald Gray, Chief Operating Officer of the Company, who is a qualified person within the meaning of NI 43-101.

For additional information on the Buriticá project, please refer to the technical report, prepared in accordance with NI 43-101, entitled "Independent Technical Report and Resource Estimate on the Buriticá Gold Project 2015" and dated August 7, 2015 with an effective date of May 11, 2015, led by independent consultants Mining Associates Limited. The technical report is available on SEDAR at www.sedar.com, on the OTCQX at www.otcmarts.com and on the Company website at www.continentalgold.com. Additional details on the rest of Continental's suite of gold exploration properties are also available at www.continentalgold.com.

For further information, please contact:

Paul Begin
Chief Financial Officer
Continental Gold Inc.
+1.416.583.5610
info@continentalgold.com
www.continentalgold.com

Forward-Looking Statements

This press release contains or refers to forward-looking information under Canadian securities legislation, including statements regarding the filing of the EIA amendment application, modification and approval of the EIA, completion of a feasibility study, 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 Buriticá 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 of the forward-looking statements made in this press 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.