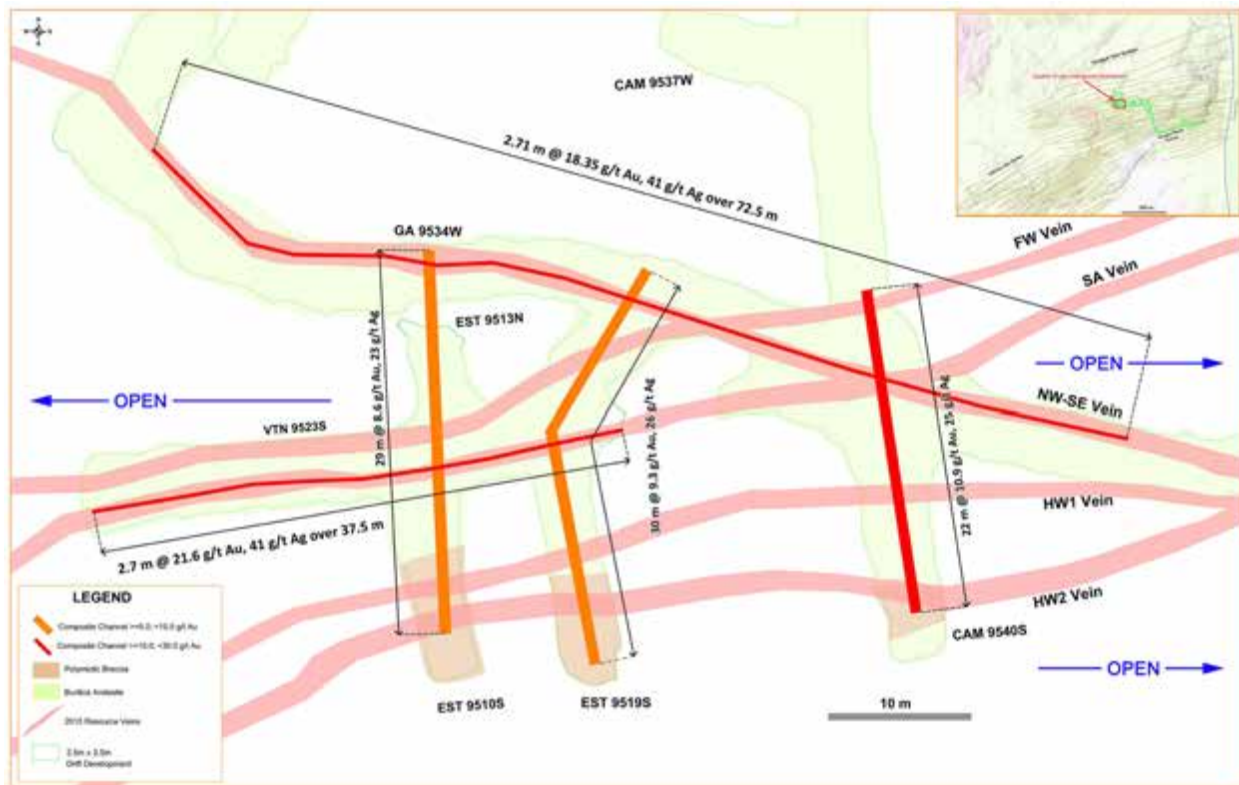


Continental Gold Samples High-Grade Gold Over Significant Dimensions in Underground Development at Buriticá

Toronto, Ontario, June 28, 2016 – Continental Gold Inc. (TSX:CNL; OTCQX:CGOOF) ("Continental" or the "Company") is pleased to announce new high-grade channel sampling results from development cross-cuts and drifts from level 1B of the Yaraguá mine at the Company's 100% owned Buriticá project in Antioquia, Colombia. Following completion of the trial long-hole stope (see Company press release dated May 3, 2016), approximately 300 metres of new underground development measuring 3.5 metres X 3.5 metres on level 1B has been completed to date, which will allow the Company to begin additional mechanized mining in the Yaraguá vein system. Assay results presented below have not only confirmed that vein orientation and geometries are as modelled in the current Feasibility Study ("FS") mine plan but have also outlined a significantly wider zone of high-grade precious metal mineralization that may be amenable to wider, more productive extraction than currently envisioned.

Cross-Cut Results (Table 1 and Figures 1-3)

Figure 1 – Plan View of the Yaraguá Cross-Cuts and Drifts showing the projection of veins in the current Yaraguá mineral resource model on geology-topography and underground developments. The gold grades of composited channel sample results are color-coded according to the legend.



- Continuous channel sampling of three cross-cuts on Level 1B at an elevation of 1,540 metres have intersected 5 master veins in the current Yaraguá minable reserve estimate as well as widespread intervening mineralization in the form of veinlets oblique to and between the master veins. Mineralized intervals, over **true horizontal widths** include:
 - **22 metres @ 10.9 g/t gold and 25 g/t silver (CAM 9540S)**
 - **30 metres @ 9.3 g/t gold and 26 g/t silver (EST9519S)**
 - **29 metres @ 8.6 g/t gold and 23 g/t silver (EST9510S);**
- Cumulative mineralization in the three cross-cuts located between the 5 master veins (which is deemed dilution in the minable reserve estimate) yielded a weighted average of **3.4 g/t gold and 18 g/t silver over 68.92 metres;**
- This zone, which covers an area measuring approximately 50 metres along strike X 30 metres across X 20 metres vertical, confirms excellent continuity to the zone of widespread mineralization encountered approximately 20 metres above on Level 0 (elevation of 1,558 metres) (see Company press release dated January 7, 2015). Given the strong vertical continuity, this zone may be amenable to wider, more productive extraction, and remains open at depth, as well as along strike to the east and west; and
- Based on the Company's continued success in identifying broad areas of mineralization with underground development, which tend to be located proximal to contact zones between andesitic intrusions, sediments and breccias, a 3,000 metre underground drilling program has been planned for late Q3, 2016 targeting similar zones in the Yaraguá deposit.

Drift Results (Table 2 and Figures 1-3)

- Systematic channel sampling across new drifts in the San Antonio Vein and the NWSE vein has demonstrated continuity of high-grade gold mineralization through substantial strike lengths over true horizontal widths approximating those proposed for mining in the FS as follows:
 - **2.7 metres @ 21.6 g/t gold and 41 g/t silver along 37.5 metres (San Antonio Vein)**
 - **2.71 metres @ 18.4 g/t gold and 41 g/t silver along 72.5 metres (NWSE vein)**

“Underground development sampling at Yaraguá continues to deliver high-grade results over significant true widths” commented Ari Sussman, CEO. “Combining these broad and high-grade channel sampling results with the excellent results encountered in our long-hole trial mining test stope announced on May 3, 2016 provides us with reason to be optimistic about the possibility of introducing wider, more productive extraction methods to certain areas within the FS mine plan. We look forward to completing environmental permitting later this year and commencing project financing and development shortly thereafter.”

Table 1: Cross-Cut Results

Cross-Cut	From (m)	To (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Elevation (m)	Vein
EST9510S <i>incl.</i>	0.00	28.86	28.86	8.63	23	1539.73	
	0.00	1.41	1.41	12.22	44	1541.94	NW
	1.41	11.18	9.77	7.73	24	1540.34	off vein
	11.18	11.73	0.55	74.79	61	1539.59	FW
	11.73	15.76	4.03	2.85	13	1539.95	off vein
	15.76	16.41	0.65	92.90	84	1540.57	SA
	16.41	22.88	6.47	0.69	10	1539.33	off vein
	22.88	23.39	0.51	19.66	50	1539.44	HW1
	23.39	26.69	3.30	3.84	25	1539.35	off vein
	26.69	27.16	0.47	27.20	44	1538.95	HW2
27.16	28.86	1.70	2.46	20	1538.90	off vein	
CAM9540S <i>incl.</i>	0.00	21.98	21.98	10.92	25	1540.95	
	0.00	0.55	0.55	5.52	17	1540.17	FW
	0.55	5.12	4.56	1.53	11	1540.91	off vein
	5.12	6.11	1.00	88.42	69	1541.81	NW
	6.11	6.86	0.75	126.07	305	1541.72	SA
	6.86	13.76	6.90	0.48	4	1540.91	off vein
	13.76	14.88	1.13	2.00	11	1540.75	HW1
	14.88	20.86	5.97	3.61	18	1540.88	off vein
20.86	21.98	1.13	18.14	41	1540.90	HW2	
EST9519S <i>incl.</i>	0.00	29.95	29.95	9.28	26	1539.62	
	0.00	3.12	3.12	0.21	10	1541.13	off vein
	3.12	3.59	0.47	11.17	64	1541.23	NW
	3.59	8.24	4.65	2.33	18	1540.05	off vein
	8.24	8.79	0.55	28.95	37	1540.06	FW
	8.79	14.21	5.42	5.27	23	1539.77	off vein
	14.21	15.27	1.05	106.85	79	1541.58	SA
	15.27	23.10	7.83	2.47	18	1539.08	off vein
	23.10	23.77	0.67	18.61	51	1538.91	HW1
	23.77	26.67	2.90	9.79	44	1539.14	off vein
26.67	27.62	0.95	41.62	54	1539.29	HW2	
27.62	29.95	2.33	1.96	21	1538.93	off vein	

Channel samples are taken continuously along the walls of the underground cross-cuts and across the face of the underground drifts. Faces are nominally spaced every 3 metres along the drift and face composites average six length-weighted channel samples. Widths are true horizontal metres at 0 g/t gold grade cut-off.

Table 2: Drift Results

Vein	Segment	Length(m)	Average Width (m)	Gold (g/t)	Silver (g/t)	Elevation (m)
SA VEIN	VTN9523S	37.50	2.70	21.60	41	1541.08
NW-SE VEIN	GA9534W	72.50	2.71	18.35	41	1542.02

Channel samples are taken continuously along the walls of the underground cross-cuts and across the face of the underground drifts. Faces are nominally spaced every 3 metres along the drift and face composites average six length-weighted channel samples. Widths are true horizontal metres at 0 g/t gold grade cut-off.

Geological Description of Buriticá

Continental’s 100%-owned, 61,784-hectare project, Buriticá, contains several known areas of high-grade gold and silver mineralization, of base metal carbonate-style (“Stage I”) variably overprinted by texturally and chemically distinctive high-grade (“Stage II”) mineralization. The two most extensively explored of these areas (the Yaraguá and Veta Sur systems) are central to this land package. The Yaraguá system has been drill-outlined along 1,100 metres of strike and 1,700 vertical metres and partially sampled in underground developments. The Veta Sur system has been drill-outlined along 1,000+ metres of strike and 1,800 vertical metres and has been partially sampled in underground developments. Both systems are characterized by multiple, steeply-dipping veins and broader, more disseminated mineralization and both remain open at depth and along strike, at high grades.

Technical Information

The technical information in this press release has been supervised, reviewed and approved by Mauricio Castañeda, Vice-President, Exploration of the Company and a qualified person for the purpose of NI 43-101.

Channel samples are taken continuously along the walls of the underground cross-cut and across the face of the underground drift. Faces are nominally spaced every 3 metres along the drift, and face composites average six length-weighted channel samples. Widths are true horizontal metres at 0 g/t gold cut-off grade. The Company utilizes a rigorous, industry-standard QA/QC program.

Rock samples have been prepared and analyzed at Continental Gold’s Yaraguá mine laboratory at Buriticá, Colombia. Blanks, duplicates and certified reference standards are inserted into the sample stream to monitor laboratory performance. Crush rejects and pulps are kept and stored in a secured storage facility for future assay verification. Although historic correlation between analytical results from the Company’s internal laboratory and certified independent laboratories for gold and silver analysis have been within acceptable limits, the Company’s internal laboratory **is not independent or certified under NI 43-101 guidelines and as such, results in this release should only be taken by the reader as indicative of future potential.**

For additional information on the Buriticá project, please refer to the Feasibility Study technical report, prepared in accordance with NI 43-101, entitled “Buriticá Project NI 43-101 Technical Report Feasibility Study, Antioquia, Colombia” (the “Technical Report”). The Technical Report, with an effective date of February 24, 2016 and dated March 29, 2016, was prepared for the Company by JDS. A copy of the Technical Report can be accessed under the Company’s SEDAR profile at www.sedar.com, or on the Company’s website at www.continentalgold.com.

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.

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Forward-Looking Statements

This press release contains or refers to forward-looking information under Canadian securities legislation, including statements regarding the results of the feasibility study, including, but not limited to, metal or mineral recoveries, the Company's potential plans and operating performance; the estimation of the tonnage, grades and content of deposits, and the extent of the resource and reserves estimates; potential production from and viability of the Company's properties; exploration results, potential improvement of mining dilution grades, future drill programs and studies, future channel sampling results, exploration and mine development plans, 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.

Differences in Reporting of Resource Estimates

This press release was prepared in accordance with Canadian standards, which differ in some respects from United States standards. In particular, and without limiting the generality of the foregoing, the terms "inferred mineral resources," "indicated mineral resources," "measured mineral resources" and "mineral resources" used or referenced in this press release are Canadian mining terms as defined in accordance with National Instrument 43-101—Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves (the "CIM Standards"). The CIM Standards differ significantly from standards in the United States. While the terms "mineral resource," "measured mineral resources," "indicated mineral resources," and "inferred mineral resources" are recognized and required by Canadian regulations, they are not defined terms under standards in the United States. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. Readers are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into reserves. Readers are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, United States companies are only permitted to report mineralization that does not constitute "reserves" by standards in the United States as in place tonnage and grade without reference to unit measures. Accordingly, information regarding resources contained or referenced in this press release containing descriptions of our mineral deposits may not be comparable to similar information made public by United States companies.

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Figure 2 – Plan View showing the surface projection of veins in the current Yaraguá and Veta Sur mineral resource models on geology-topography and new underground developments.

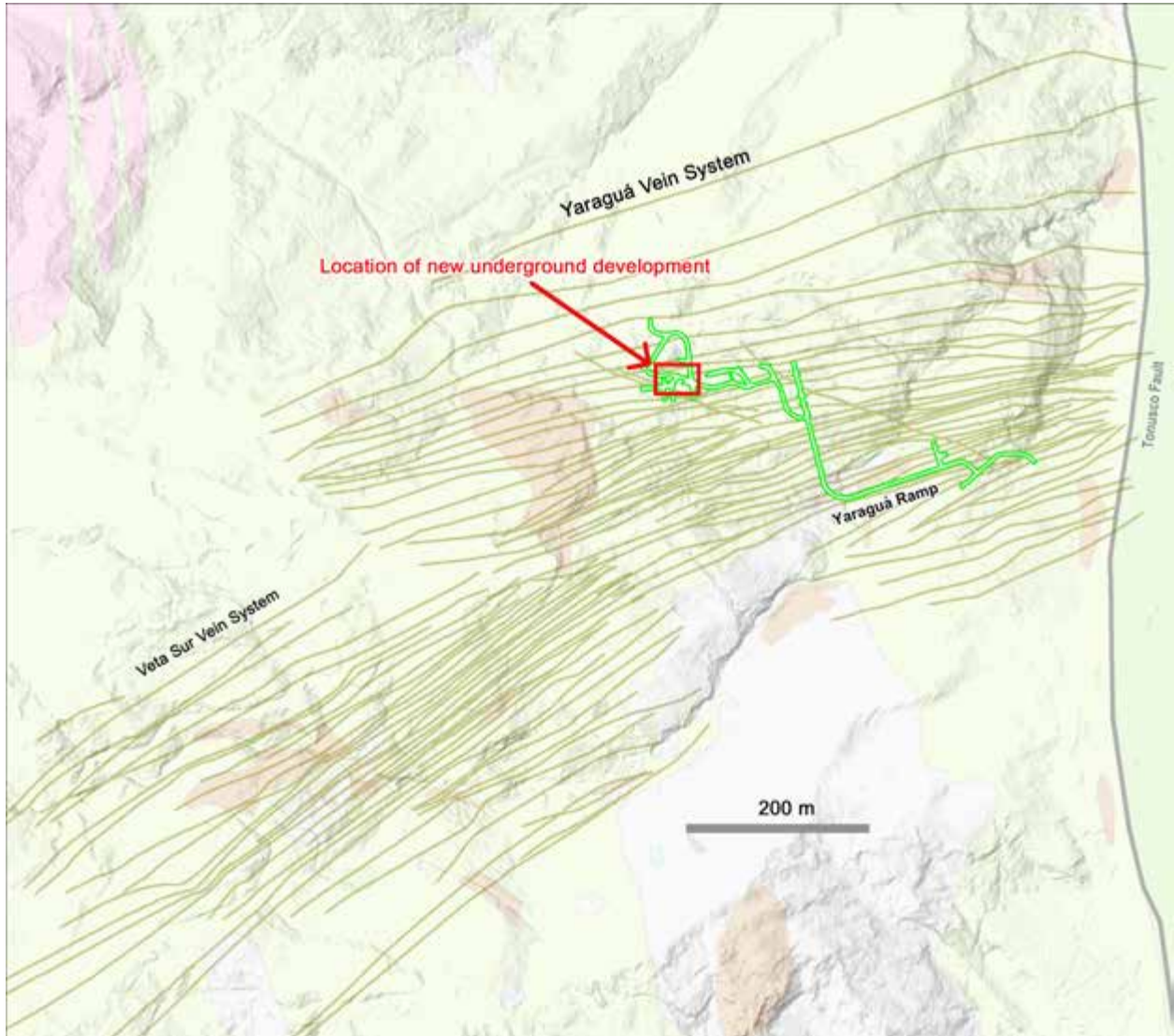


Figure 3 – Long section of the Yaraguá Mine showing the locations of the new underground development relative to the trial mining stope announced on May 3, 2016.

