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MX Gold Corp. provides update on Magistral Joint Venture

VANCOUVER, British Columbia, Dec. 07, 2016 (GLOBE NEWSWIRE) -- **MX Gold Corp.** (TSX-V:[MXL](#)) (FSE:ODV) (OTCQX:MXLGF) (the “**Company**” or “**MX Gold**”) announces that, further to its news release dated October 25, 2016 regarding the entry into a binding agreement (the “**Agreement**”) to acquire a 50% interest in the Magistral, Del Oro tailings project (the “**Project**”), the Company paid the second installment of US\$750,000 to the owner of the Project as required by the Agreement. Pursuant to an amendment agreement dated November 22, 2016, the parties have also expressed their intention to negotiate in good faith and enter into a definitive agreement in the near future.

The Company’s remaining payments consist of a US\$750,000 payment on or prior to December 20, 2016 and a final payment of US\$750,000 on or prior to January 19, 2017, following which the Company will earn a 50% participating ownership interest and 45% net profit participating interest in the Project.

The project includes a fully permitted, 500 tonne-per-day dynamic cyanide countercurrent system plant constructed in 2013 at a cost of approximately \$4.5 million, which appears to be in excellent condition. The plant is unencumbered and it is estimated that the plant can be fully operational within four to six months. Additionally, the Magistral project includes the exclusive rights to process the mineralized mill tailings.

About the Magistral project mineralized tailings project

A historical estimate was completed by Corporation Ambiental de Mexico SA de CV on Jan. 20, 2012, titled "Perforacion y Muestreo en Presa de Jaleas Estimation Volumetrica, Tonelaje y Ley Promedio." The CM report estimated a probable reserve of 1.25 million tonnes averaging 2.06 grams per tonne gold. The assumptions for this estimate were based on 58 auger samples, 2.45 metres to three metres in length from 24 drill holes. There has been no additional work on the tailings project since Jan. 20, 2012, to upgrade or verify the historical estimate.

The CM report does not comply with National Instrument 43-101 and MX Gold believes that a qualified person has not done sufficient work to classify the historical estimate as a current mineral resource or reserve and is not treating the historical estimate as a current mineral resource or reserve. The company has initiated a data verification program with additional geochemical studies by trenching of the tailings project. Initial results appear to be confirming historical grade estimates.

The technical information in this news release has been reviewed and approved by Lorne Warner, P.Geo, and a qualified person as defined by National Instrument 43-101.

About MX Gold

MX Gold Corp. is a junior mining company focused on the exploration, development and mining of advanced projects located in British Columbia and Mexico.

The Company's primary focus in British Columbia is its high-grade Willa gold and copper project located 12 kilometers south of Silverton, B.C. In 2015, MX Gold Corp. completed the accretive acquisition of the Willa project and the Max Molybdenum Mine and Mill Complex. This acquisition removed major costs and shortened timelines typically associated with mine project development. The Willa mine is located 135 kilometers south of the Max Mill. MX Gold Corp. can also elect to reopen the Max Molybdenum mining operation once world Moly prices improve.

Located in Mexico, MX Gold's new Magistral Del Oro Project is located 392 kilometres south-west of Chihuahua City, in route to Parral 220 km, from there due South on Durango Hi-way for 120 km to Santa Maria Del Oro interception, turn West to Santa Maria Del Oro for 48km, continue East for 3.5 km, then turn South for .5 km to the Magistral Del Oro Project. All paved road except for the last 0.5 kilometer.

On behalf of the Board of Directors,

"Lorne Warner"

Lorne Warner, Director, MX Gold Corp.

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Statements in this news release that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections - statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", "believes" and words of similar import tend to identify forward-looking statements. Forward-looking statements in this news release include MX Gold's estimation that the Magistral plant can be fully operational within 4 to 6 months, and its plans for a data verification program and additional geochemical studies. All of these forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation,

business integration risks; uncertainty of production, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, MX Gold's ability to attract and retain qualified personnel and management, potential labour unrest, reclamation and closure requirements for mineral properties and the availability of capital to fund the Company's projects, as well as other risks and uncertainties identified under the heading "Risk Factors" in the Company's continuous disclosure documents filed on SEDAR. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. MX Gold cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. These forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and MX Gold does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.