

Vangold Mining Initiates Underground Drill Program at El Pinguico Mine

Targeting Stock Pile Resource and Continuation of El Pinguico Vein

Vancouver, British Columbia--(Newsfile Corp. - January 9, 2018) - Vangold Mining Corp. (TSX: VAN) (OTC: VGLDF) ("Vangold" or "the Company"), is pleased to announce the initial diamond drilling program at its wholly-owned, El Pinguico Mine, located 10km from the City of Guanajuato, Mexico.

Vangold engaged an independent drilling contractor with specialized experience in drilling underground. The modified drill rig is capable of operating within confined drifts and tunnels. Mobilization commences the week of January 8, 2018 and a two-phase drilling campaign will follow.

Phase 1- Drilling UG Stockpile:

- Preparatory work of scaling the Pachuca drift, location and construction of three drill stations has been completed.
- Drilling to start January 15, 2018.
- Drilling 15 holes from the 3 different drill stations to recover core samples of the broken material for grade and resource confirmation.
- Preliminary drilling results to be announced in February 2018
- Assays will define the existing mineralization of the broken material for a potential inferred resource estimation covering the entire 500,000 tonne material.
- Metallurgical tests to be performed to understand the recoveries of gold and silver respective to the local mill's process and floatation chemistry.
- Preliminary Economic Assessment (PEA) will follow the resource estimation and the metallurgical tests.

Phase 2 — Drilling Lower Pinguico Vein:

- Drilling will be from a parallel drift located 290 metres below surface.
- Targeting the El Pinguico vein to depth and along its NW and SE extension.
- Secondary targets are multiple parallel veins located in the hanging wall and footwall of the El Pinguico vein.
- Target date March 2018.

Cameron King, Vangold CEO advises, "The drilling program is to define and expand the potential mineralization at El Pinguico. We are fully aware of the historical cutoff grade mined at 15g/t AuEq, now it's our job to prove it. With drill results, we can define a resource over the UG stockpile and document its value. Phase 2 drilling is the start of Vangold's future growth strategy, proving the El Pinguico vein system continues at depth adds years of development and production."

Operations Update:

Over the past six months heavy equipment and work crews have been focused on rehabilitation of the old workings and constructing a headframe over the El Pinguico shaft, complete with electric hoist and drum gear. Access into El Pinguico mine is now possible from surface to the top of the UG stockpile located at Level 3 (110 metres below surface) to Level 6 (210 metres below surface). Rehabilitation work continues until Level 8 (290 metres below surface) is secured, targeting a February 2018 completion. The newly installed hoist and personnel cage will become El Pinguico Mine's primary access.

Hernan Dorado, Vangold Director stated, "The advantages to operations are significant; time savings for crews, moving equipment and retrieving samples from the lower levels will become extremely efficient. Moving the heavy drill equipment from surface into the Pachuca drift at Level 3 would have been impossible without these improvements."

About Vangold Mining Corp.

Vangold is a development-stage silver and gold company with nine mining concessions in the Guanajuato, Mx mining district. Vangold is aggressively pursuing its production plans by bringing the historic El Pinguico mine back online. Having an acquisition focus, targeting advanced mineral properties and the pursuit of near production opportunities will continue to fuel our growth.

Qualified Person

Mr. Hernan Dorado, a director of Vangold Mining Corp. is a member of the Mining and Metallurgical Society of America and is a qualified person as defined in National Instrument 43-101, and has reviewed and approved the technical contents of this news release.

ON BEHALF OF THE BOARD OF DIRECTORS

"Cameron S. King"
President, CEO and Director

For further information contact:

T: 1-778-945-2940

E: cking@vangoldmining.com

Further information is available on Vangold Mining's web site at: www.vangoldmining.com.

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