

# Carpathian Gold Inc.

## **CARPATHIAN GOLD STRENGTHENS ENGINEERING TEAM AND PROVIDES CORPORATE UPDATE**

Toronto, Ontario  
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Carpathian Gold Inc. (CSE:CPN) (the "Corporation" or "Carpathian") is pleased to provide a corporate update following the recently announced private placement, management re-organization, and the divestment of its Riacho dos Machados project in Brazil.

### ***Recent Transactions***

On April 29, 2016, Carpathian closed the divestment of the Riacho dos Machados project in Brazil to Yamana Gold. This transaction included the US\$1.0 million private placement from Yamana and the subsequent elimination of all outstanding debt instruments in Carpathian owed to Macquarie Bank relating to the Riacho dos Machados project.

On May 19<sup>th</sup>, 2016 Carpathian closed a Private Placement with Forbes & Manhattan, Sulliden Mining Capital and Black Iron, for CDN\$10 million at a price of \$0.07, a 250% premium to the share price at that time. Carpathian also announced significant changes to its board of directors and management team, with the resignation of two directors the appointment of Mr. G. Scott Moore, MBA, as President and CEO and Mr. Paul Bozoki, MBA, as CFO, as well as the appointed of Stan Bharti, P.Eng., Peter Tagliamonte, P.Eng., and Matthew Simpson, P.Eng. to the board of directors.

### ***Engineering Team Strengthened***

In preparation for the construction and permitting phase proposed in the mining licence, Carpathian has strengthened its technical team with the addition of Mr. Joseph Milbourne and Mr. Les Kwasik.

Joseph Milbourne, FAUSIMM, has been appointed Technical Services Manager, effective immediately, and will be the lead project engineer for Carpathian as it transitions from the exploration phase to mine permitting and construction. Mr. Milbourne is a metallurgist with over 40 years of experience in the development, design, construction and management of mineral processing projects in North America, South America and overseas. Mr. Milbourne is the former Vice-President of Technical Services and Operations for Sulliden Gold Corp., which was acquired by Rio Alto in 2014. Prior to that, he was Technical Director AMEC Mining and Metals where he oversaw process engineering and has international experience with BHP, Eldorado and Cominco. He has a B.S. in Metallurgical Engineering from New Mexico Institute of Mining and Technology and a M.S. in Metallurgy from the University of Utah. Mr. Milbourne is a fellow of the Australasian Institute of Mining and Metallurgy and a registered member of SME.

Les Kwasik P.Eng, has been appointed Country Manager, Technical, effective immediately. Mr. Kwasik will be based in Romania and will work closely with Mr. Milbourne to manage all local engineering consultants with full assistance to our Country Manager, Permitting, Mr. Sacha Nicolici as we move into the development phase at Rovina. Mr. Kwasik previously worked with INCO Limited Canada (VALE Canada Limited), Xstrata Colombia, BE&K Group, Inter Invest Sp Company, NESMA Company Saudi Arabia, Maple Minerals Corporation Canada and Archipelago Resources Singapore. His tenures have included international postings in Russia, Poland, Indonesia, Colombia and Eritrea in leadership roles ranging from General Manager to COO. Mr. Kwasik is an industrial engineer and a graduate of the Opole University of Technology in Poland. He holds a B.Sc. in Industrial Engineering.

Peter Tagliamonte, P.Eng., Director of Carpathian, commented, "We are fortunate to have Joe and Les lead our engineering team in Romania. With over 70 years of cumulative mining engineering experience building and operating mines globally, we are well positioned to deliver a robust and socially responsible mining project for Carpathian shareholders and the people of Romania."

### ***Recent Project Visit***

The new senior management and directors of Carpathian have recently returned from a site visit to the Rovina Valley Project in Romania. The team was not only impressed with the infrastructure and ease of access to the deposits, but also with the openness and support from the local communities. Throughout the years of exploration work and discovery of the three mineral deposits on the property, the local Carpathian team has done an excellent job in engaging the local communities of Brad, Criscior and Bucuresci in a socially sustainable and respectful manner. Management is confident that local support for mining and the Rovina Project will remain strong.

### ***Permitting Update***

In May 2015, a mining license was issued to Carpathian by the National Agency for Mineral Resources (NAMR). By law, the license will need to be ratified by four ministries, namely the Ministry of Economy, Environment, Public Finance and Justice, and published in the government Gazette. Carpathian management is working diligently to have NAMR initiate the ratification process and allow the Company to initiate the full permitting process at Rovina.

### ***About Carpathian***

Carpathian Gold Inc. is a mining company focused on the development of its 100% owned Rovina Valley gold and copper project located in west-central Romania. Rovina is the second largest gold deposit in Europe.

### ***Forward-Looking Statements***

*Statements and certain information contained in this press release and any documents incorporated by reference may constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation which may include, but is not limited to, information with respect to the Corporation's expected production from, and further potential of, the Corporation's properties; the Corporation's ability to raise additional funds; the future price of minerals, particularly gold and copper; the estimation of mineral reserves and mineral resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Often, but not always, forward-looking statements/information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain*

actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements/information is based on management's expectations and reasonable assumptions at the time such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration and development activities are based on assumptions underlying mineral reserve and mineral resource estimates and the realization of such estimates are set out herein. Capital and operating cost estimates are based on extensive research of the Corporation, purchase orders placed by the Corporation to date, recent estimates of construction and mining costs and other factors that are set out herein.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Carpathian and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include: uncertainties of mineral resource estimates; the nature of mineral exploration and mining; variations in ore grade and recovery rates; cost of operations; fluctuations in the sale prices of products; volatility of gold and copper prices; exploration and development risks; liquidity concerns and future financings; risks associated with operations in foreign jurisdictions; potential revocation or change in permit requirements and project approvals; competition; no guarantee of titles to explore and operate; environmental liabilities and regulatory requirements; dependence on key individuals; conflicts of interests; insurance; fluctuation in market value of Carpathian's shares; rising production costs; equipment material and skilled technical workers; volatile current global financial conditions; and currency fluctuations; and other risks pertaining to the mining industry. Although Carpathian has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein or incorporated by reference are made as of the date of this presentation or as of the date of the documents incorporated by reference, as the case may be, and Carpathian does not undertake to update any such forward-looking information, except in accordance with applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers are cautioned not to place undue reliance on forward-looking information. The forward-looking information contained or incorporated by reference in this document is presented for the purpose of assisting shareholders in understanding the financial position, strategic priorities and objectives of the Corporation for the periods referenced and such information may not be appropriate for other purposes.

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