

Carpathian Gold Inc. Closes \$10 Million Private Placement Announces Board and Management Additions

TORONTO, ONTARIO--(Marketwired – May 19, 2016) - **Carpathian Gold Inc. (CSE:CPN)** (the “**Corporation**” or “**Carpathian**”) wishes to announce that it has closed the previously announced financing whereby Forbes & Manhattan Inc. (“**Forbes & Manhattan**”), Sulliden Mining Capital Inc. (TSX:SMC) and Black Iron Inc (TSX: BKI) have subscribed to a private placement (the “**Private Placement**”) of units (the “**Units**”) at a subscription price of CAD\$0.07 per Unit for aggregate gross proceeds of ten million dollars (CAD\$10,000,000). Each Unit consists of one (1) common share of the Corporation (“**Common Share**”) and one-half (0.5) of a common share purchase warrant (“**Warrant**”).

Guy Charette, interim CEO stated: “We are pleased with the quick closing of our previously announced financing with Forbes and Manhattan and look forward to our renewed focus on our Rovina Project in Romania”.

Stan Bharti, Chairman of Forbes and Manhattan stated: “Forbes and its team are excited to get involved with an asset such as Rovina. Much like our previous successes at Sulliden Gold, Avion Gold, Belo Sun Mining and Central Sun Mining, we view Rovina as a tremendous opportunity to bring our technical, social, and capital market expertise to unlock the value in Rovina in the coming months.”

In conjunction with the closing of the financing Mr. John Hick and Mr. Julio Carvalho have stepped down from the board of directors. The Board would like to thank them for their hard work over the last several years during a difficult time for Carpathian.

The board would also like to welcome Mr. Stan Bharti, Mr. Peter Tagliamonte and Mr. Matt Simpson to the board of Carpathian.

Additionally the Board of Carpathian would like to announce the appointment of Mr Scott Moore as the new interim CEO of Carpathian. Mr. Moore is a seasoned capital markets executive and current COO of Forbes and Manhattan Inc. Mr. Moore has been involved in numerous turnaround situations over the last decade, specifically in the gold space with Avion gold in Mali and Sulliden Gold in Peru. The board would also like to extend its thanks to Mr. Guy Charette for his guidance through the divestiture of MRDM and the debt resolution with Macquarie. We look forward to Guy’s continued input as a member of the board of directors of Carpathian.

G. Scott Moore, Incoming CEO stated: “We have been looking to get involved in Rovina for several years as we believe it represents an outstanding opportunity. While there are some challenges to overcome, we are confident on their resolution fully surfacing Rovina’s true value.”

Each whole Warrant will entitle the holder to acquire one (1) Common Share at a price of CAD\$0.12 for a period of two (2) years from the date of issuance. However, the Warrant exercise period may be accelerated if after the date that is 4 months and a day following the closing, the Common Shares trade at a price above CAD\$0.15 for a period of 20 consecutive trading days.

Origin Merchant Partners acted as financial advisor for Carpathian in connection with this transaction.

About Carpathian

Carpathian is an exploration and development company whose primary business is focused on advancing its exploration and development plans on its 100% owned Rovina Valley Au-Cu Project located in Romania.

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.

The CSE does not accept responsibility for the adequacy or accuracy of this news release.

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