

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct 21, 2015) - [Edgewater Exploration Ltd.](#) (TSX VENTURE:EDW) ("Edgewater" or the "Company") announced today that the Government of the Autonomous Community of Galicia, Spain (the "Galician Government") has issued a resolution declaring the "*caducidad*" of the mining concessions for the Corcoesto Gold Project (the "Corcoesto Concessions"), which are held through the Company's wholly-owned subsidiary, Corcoesto, S.A. ("Corcoesto"). Under Spanish law, this declaration of "*caducidad*" unilaterally terminates the Corcoesto Concessions.

Edgewater and Corcoesto consider the "*caducidad*" declaration and related actions of the Galician Government to be manifestly unlawful and in breach of the Kingdom of Spain's obligations under international law. Edgewater and Corcoesto intend to exercise all available remedies to protect the rights and the interests of their shareholders, including international arbitration.

Corcoesto has therefore today served a notice of dispute on the Kingdom of Spain pursuant to the terms of the bilateral investment treaty (the "BIT") between Spain and Panama, where Corcoesto is incorporated. Should Spain fail to promptly offer full compensation for the loss of investment and opportunity, Corcoesto will vigorously prosecute its claims in international arbitration under the BIT to secure such full compensation.

Edgewater and Corcoesto have retained Three Crowns LLP, a specialist international arbitration firm based in London, Paris and Washington DC with extensive experience in investment disputes in the natural resource sector, to act as lead counsel in the BIT arbitration. Third party funding has also been secured to finance the prosecution of Corcoesto's claims under the BIT. The funding was arranged on Corcoesto's behalf by ClaimTrading Ltd, a broker of litigation finance.

George Salamis, President and CEO stated: "This "*caducidad*" resolution is a thinly disguised repudiation of Corcoesto's rights and constitutes a clear violation of Spanish and international law. We intend to take all necessary actions to protect our investment and the interests of our shareholders. This investment defined a substantial gold resource that was on track for development. We have spent over US\$35 million on the Corcoesto Gold Project through the performance of significant engineering and environmental studies and resource definition drilling. We have obtained the approval of our Environmental Impact Statement in December, 2012, and defined an open pit constrained, measured and indicated resource of 1,027,000 ounces gold at average grade of 1.32 g/t Au using a 0.5 g/t Au cutoff. (see Edgewater News Release dated August 6, 2013). This major investment over the past five years was until recently supported and actively encouraged by the Galician Government."

Edgewater will provide further updates regarding the BIT arbitration against the Kingdom of Spain as additional information becomes available.

Mr. Gregory Smith, P. Geo., Vice President of Exploration for [Edgewater Exploration Ltd.](#), is the qualified Person as defined by NI 43-101 and has prepared and approved the technical data and information in this news release.

On behalf of the board of

EDGEWATER EXPLORATION LTD.

George Salamis, President and CEO

*Neither the TSX Venture Exchange nor its Regulation Services Provider as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

#### Cautionary Note Regarding Forward-Looking Statements

Certain of the statements and information in this news release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation. In certain cases, forward-looking statements or information can be identified by the use of words such as "believe", "intend", "may", "will", "should", "plans", "anticipates", "believes", "potential", "intends", "expects" and other similar expressions. Forward-looking statements and information relate to, among other things: the intention to exercise all available remedies to protect the rights and interests of its shareholders and to vigorously prosecute claims in international arbitration. Key assumptions upon which the Company's forward-looking statements and information are based include the following: the Company's ability to complete third party funding to finance the prosecution of claims under the BIT; the price of gold will not fall significantly; and the Company's ability to achieve its growth strategy. These assumptions should be considered carefully by readers. Readers are further cautioned that the foregoing list of assumptions is not exhaustive. Although the Company believes that the assumptions on which the forward-looking statements or information are made are reasonable, based on the information available to the Company on the date such statements were made, no assurances can be given as to whether these assumptions will prove to be correct.

Forward-looking statements or information 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 reflected in the forward-looking statements or information. Such

risks, uncertainties and other factors include among others, the following: gold price volatility; mining development risk; regulatory restrictions, including environmental regulatory restrictions and liability; risks of sovereign investment; currency fluctuations; speculative nature of gold exploration; global economic climate; ability to obtain financing; dilution; share price volatility; competition; loss of key employees; and additional funding requirements;, as well as those factors discussed under the heading "Risk Factors" in the Company's management discussion and analysis filed on SEDAR at [www.sedar.com](http://www.sedar.com). Should one or more of these risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements and information.

The forward-looking statements and information contained in this news release are made as of the date indicated in that information and, accordingly, are subject to change after such date. We do not undertake to update any forward-looking statements or information, except as, and to the extent, required by applicable securities laws. For the reasons set forth above, investors should not place undue reliance on forward-looking statements and information. The forward-looking statements and information contained in this news release are expressly qualified by this cautionary note.

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