

TORONTO, ONTARIO--(Marketwired - Aug 4, 2016) - Gowest Gold Ltd. ("Gowest" or the "Company") (TSX VENTURE:GWA) is pleased to announce that it has signed a non-binding Letter of Intent with Pandion Mine Finance, LP ("Pandion") to fund the Company's previously announced Advanced Exploration work (see Gowest release dated June 16, 2016) at its 100% owned Bradshaw Gold Deposit ("Bradshaw"), part of its North Timmins Gold Project ("NTGP").

The US\$17.6 million financing is subject to the completion of the remaining due diligence and the negotiation and execution of a Prepaid Forward Gold Purchase Agreement and related security documentation. On completion of the agreement, funds are expected to be received in a number of tranches with a total term of seventy-two (72) months, subject to certain funding conditions and milestones.

Greg Romain, Gowest's President and CEO, said, "We are very pleased that Pandion has recognized the serious potential that Bradshaw affords their investors. Further, their funding package is particularly beneficial to our shareholders in that it represents a major step towards Gowest building the next new gold mine in the Timmins camp. We look forward to closing this financing transaction as soon as possible."

"Pandion is excited about the prospects for the Bradshaw project and is looking forward to working with the Gowest management team," said Joe Archibald, Founding Partner of Pandion.

About Pandion Mine Finance, LP

Pandion is a mining-focused investment firm backed by MKS PAMP Group and Ospraie Management, LLC that provides flexible financing solutions to developing mining companies.

Qualified Person

The technical information in this news release has been reviewed and approved by Mr. Jeremy Niemi, P.Geo., Geological Advisor to [Gowest Gold Ltd.](#), who is the Qualified Person for the technical information in this news release under National Instrument 43-101 standards.

About Gowest

Gowest is a Canadian gold exploration and development company focused on the delineation and development of its 100% owned Bradshaw Gold Deposit (Bradshaw), on the Frankfield Property, part of the Corporation's North Timmins Gold Project (NTGP). Gowest is exploring additional gold targets on its +100-square-kilometre NTGP land package and continues to evaluate the area, which is part of the prolific Timmins, Ontario gold camp. Currently, Bradshaw contains a National Instrument 43-101 Indicated Resource estimated at 2.1 million tonnes ("t") grading 6.19 g/t Au containing 422 thousand oz Au and an Inferred Resource of 3.6 million t grading 6.47 g/t Au containing 755 thousand oz Au. Further, based on the Pre-Feasibility Study produced by Stantec Mining and announced on June 9, 2015, Bradshaw contains Probable Mineral Reserves, using a 3 g/t Au cut-off and utilizing a gold price of US\$1,200 / oz, totalling 1.8 million t grading 4.82 g/t Au for 277 thousand oz Au.

Forward-Looking Statements

This news release may contain certain "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Any forward-looking statement speaks only as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OF THIS RELEASE.

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