

Announces Commencement of Phase II 10,000-Meter Drilling Campaign

MONTREAL, Aug. 16, 2016 /CNW Telbec/ - [Algold Resources Ltd.](#) (TSXV: ALG) (the "Corporation") today announced excellent preliminary results from its Phase I 10,000-meter drilling campaign. The results support the Corporation's interpretation of a potential high-grade gold deposit covering an area of more than 3.1 kilometers on strike and open in all directions. The exploration was carried out on the Eleonore zone, Sophie I, Sophie II-III and Lily zones. These prospects are located on Algold's Tijirit Property ("Tijirit" or "the Property") in Mauritania, which represents an area of more than 1,000 km² situated approximately 25 kilometers southeast of the Tasiast gold mine.

Highlights - Phase I

- Recent results at Eleonore, in combination with previously reported reverse-circulation ("RC") drilling results, continue to corroborate our initial interpretation of a high-grade gold zone over 3.1 kilometers:
 - Drill hole T16RC027 intersected 6 m @ 16.4 g/t Au on strike, 1.25 kilometers southwest of previously reported hole ERC4, thus bringing the overall strike length defined by drilling to over three kilometers. (Reference: Figure 1);
 - Drill hole T16RC031 intersected 6 m @ 9.64 g/t Au, 100 meters northeast of earlier hole ERC4, outside the actual wireframe;
 - Drill hole T16RC024 intersected 6 m @ 4.23 g/t Au, on strike, 860 meters northeast of previous drill hole ERC4, which intersected 6 m @ 17.6 g/t Au;
 - T16RC032, a twin hole of previously drilled holes ERC4 and ECD1, intersected 6 m @ 9.31 g/t Au.
- All intersections on Eleonore are associated with quartz veining within mafic volcanic, or are at sheared contacts between a volcano sedimentary sequence and mafic volcanic.
- The Eleonore structure is characterized by mineralized quartz veins, which have been identified further north and south of currently known occurrences, thus extending the exploration target to over 10 kilometers.
- Drill hole T16RC020 on Sophie II intersected 11 m @ 1.53 g/t Au, while T16RC021 intersected 12 m @ 1.5 g/t Au, possibly in the hinge of an interpreted fold in BIF. These intersections are situated down dip of the actual wireframe. (Reference: Figure 2)
- An impressive grab chip sample grading 2,200 g/t Au was retrieved from an area approximately two kilometers southwest of Sophie II. This represents the highest-grade rock chip ever found on the property. (Reference: Figure 3)

Francois Auclair, President and Chief Executive Officer, Algold commented on the preliminary results, "We are very pleased with the progress of our exploration program. To date, the results of Phase I of our 2016 exploration program meet, and in several instances exceed, our expectations. We are in receipt of some 25% of the Phase I assay results and thus far the high-grade intersections on Eleonore continue to corroborate our initial interpretation of a continuous, high-grade gold zone associated with quartz veining at the sheared contact between a volcano sedimentary sequence and a mafic volcanic unit striking over 3.1 kilometers. Furthermore, RC drilling at Sophie II indicates a potential extension along strike and down dip of a previously identified wide, lower grade mineralized zone."

The Phase I drilling program was completed on time and on budget in early August 2016 with the anticipated remaining assay results expected in the later part of Q3 2016.

Phase II 10,000-Meter Drilling Campaign

Based on the excellent results from Phase I exploration Algold is planning Phase II, a 10,000-meter combined diamond drilling and RC drilling program, which will focus primarily on the Eleonore and the Sophie II zones. The Phase II drilling campaign is expected to commence in early September 2016 and should be completed by year-end 2016. Algold is fully funded to complete all phases of its 2016 exploration programs.

Detailed geological descriptions of all mineralized zones can be found on Algold's website (www.algold.com) and on SEDAR (www.sedar.com) in the report entitled "Algold 43-101 Technical Report: Tijirit Maiden Mineral Resources Estimates for the Tijirit Gold Project in Mauritania".

Quality Assurance / Quality Control (QA/QC)

Analytical work for soil geochemical samples and rock chips samples is being carried out at the independent ALS Laboratories Ltd. in Loughrea, Co. Galway, Ireland, and an ISO 17025 (2005) Certified Laboratory. Samples are stored at the Corporation's field camps and put into sealed bags until delivered by a geologist to ALS preparation laboratory in Nouakchott, Mauritania, where samples are sieved and prepared for shipping. To the end of 2015, samples were analysed at ALS facility in Bamako, Mali. Since early 2016, samples are analysed at ALS in Ireland. Samples are logged in the tracking system, weighed, dried and finely crushed to better than 70 % passing a 2 mm (Tyler 9 mesh, US Std. No.10) screen. A split of up to 1000 g is taken and pulverized to better than 85 % passing a 75 micron (Tyler 200 mesh) screen, and a 50 gram split is analysed by fire assay with an AA finish. Blanks, duplicate and certified reference material (standards) are being used to monitor laboratory performance during the analysis.

All of the results and press releases related thereto are also reviewed for accuracy and to ensure they are in accordance with National Instrument 43-101 by André Ciesielski, DSc. PGeo, [Algold Resources Ltd.](#) Lead Consulting Geologist and Qualified

Person, and Alastair Gallagher, C.Geol. (Chartered Geologist and Fellow of the Geological Society of London), BSc. Geology, Algold's Exploration Manager in Mauritania, Qualified Persons as defined by NI 43-101 Standards of Disclosure for Mineral Projects.

Table 1: Assay Result Highlights (Partial) - Phase I RC Drilling Program

Hole ID	Prospect	East	North	From	To	Average Width**	Grade*	Comments
		UTM	UTM	(m)	(m)	(m)	(g/t)	
T16RC024	Eleonore	482476	2250760	28	34	4.23	6	New zone; north – 860 m from nearest drill intersection including 2 m @ 10.4 g/t Au
T16RC027	Eleonore	481604	2248703	84	90	16.44	6	Including 2m @ 46.25g/t Au
T16RC029	Eleonore	481776	2248835	123	127	1.16	4	New zone; south. 300 m from previous modelled intersections
T16RC030	Eleonore	482043	2248911	54	56	4.51	2	Extends wireframe 40 m SW
T16RC031	Eleonore	482296	2249966	50	56	9.64	6	Extends wireframe 60 m NW
T16RC032	Eleonore	482214	2249887	24	30	9.31	6	Twin hole
T16RC034	Eleonore	482278	2249749	112	114	2.03	2	Extends wireframe 80 m SW
T16RC035	Eleonore	481776	2248835	0	2	1.55	2	Quartz rich float
				45	52	3.20	7	Extends wireframe 70 m SW
				54	58	1.14	4	
T16RC036	Eleonore	482016	2249723	69	72	1.98	3	Extend wireframe 60 m NE
T16RC037	Eleonore	482123	2249743	44	48	2.68	4	Extension of mineralisation seen in T16RC035
T16RC001	Sophie I	474800	2251731	42	48	1.25	6	Including 4 m @ 1.65 g/t Au
				129	132	1.35	3	Stopped in mineralisation due to water table
T16RC005	Sophie I	475658	2252448	89	93	1.58	5	50 m north of current wireframes
T16RC013	Sophie II	475763	2251059	164	168	1.92	4	Extends BIF mineralisation down dip
T16RC015	Sophie II	475670	2250836	122	124	1.70	2	Extends BIF mineralisation down dip
T16RC019	Sophie II	475548	2250631	116	120	3.62	4	Fold zone (amphibolite)
T16RC020	Sophie II	475654	2250672	136	147	1.53	11	Fold zone (BIF)
				51	53	1.96	2	
T16RC021	Sophie II	475563	2250944	67	79	1.50	12	Twin hole
				93	100	1.19	7	

*Weighted average

**Down-hole length (believed to be close to true width)

Note: Complete assay results will be posted to Algold's website (www.algold.com).

ABOUT ALGOLD

[Algold Resources Ltd.](http://www.algold.com) is focused on the exploration and development of gold deposits in West Africa. The board of directors and management team are seasoned resource industry professionals with extensive experience in the exploration and development of world-class gold projects in Africa.

Algold is the operator of all of its exploration licenses in Mauritania. Algold owns 100% of the Tijirit and Akjout properties, which were acquired from Gryphon Minerals (Australia) through a transaction completed earlier in 2016. The Kneivissat property is 90% owned by Algold and the Legouessi property is being managed through a 51% earn-in interest agreement with Caracal Gold LLC. Algold can earn up to a 90% interest in the Legouessi exploration permit (see October 10, 2013 press release for more details), however, Caracal has the right to participate in the joint venture at either 51% or 75%, by funding its share of expenditures.

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING INFORMATION

This news release contains and refers to forward-looking information based on current expectations. All other statements other than statements of historical fact included in this release are forward looking statements (or forward-looking information). The Corporation's plans involve various estimates and assumptions and its business is subject to various risks and uncertainties. For more details on these estimates, assumptions, risks and uncertainties, see the Corporation's most recent Annual Information Form and most recent Management Discussion and Analysis on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. These forward looking statements are made as of the date hereof and there can be no assurance that such statements will prove to be accurate, such statements are subject to significant risks and uncertainties, and actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements that are included herein, except in accordance with applicable securities laws.

SOURCE [Algold Resources Ltd.](#)

Contact

[Algold Resources Ltd.](#), 1320, boul. Graham, bureau 132, Mont-Royal, Québec, H3P 3C8, www.algold.com ; François Auclair M.Sc., PGeo, President & CEO, f.auclair@algold.com, (514) 889 5089; Yves Grou, CPA CA, Executive Vice Chairman, y.grou@algold.com, (514) 237 7757