Ecuador Gold Announces Proposed Private Placement and Debt Settlement

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Vancouver, September 26, 2016 - Ecuador Gold & Copper Corp. (TSXV: EGX) (the "Company") is pleased to announce it has arranged a private placement to raise gross proceeds of US$250,000 (C$329,125) through the issuance of 548,541 common shares at a price of C$0.60 per share to investor(s) in the Company. The Company intends to use the proceeds of the private placement for working capital. The common shares issued under the private placement will be subject to a four-month hold period from the closing date of the private placement. The private placement is subject to the approval of the TSX Venture Exchange.

The Company also announces that in connection with an arrangement agreement (the "Arrangement Agreement") entered into between the Company and Odin Mining & Exploration Ltd. ("Odin") dated August 2, 2016 and amended and restated September 9, 2016, the Company has arranged to settle a total of US$322,883 (C$425,075) in debt (the "Debt") owed to Heye Daun, Chief Executive Officer and a director of the Company. The Debt consists of: (1) management fees of US$140,000 owed or to be owed to Mr. Heye for the months January to October, 2016; (2) outstanding expenses incurred by Mr. Heye of US$14,883.20 from January to October, 2016; and (3) a severance payment of US$168,000 in the consulting agreement dated January 1, 2016 between the Company and a private nominee services company in which Mr. Heye Daun holds a direct or indirect beneficial interest, which will be triggered as a result of the completion of the Arrangement. The Company is proposing to settle the Debt by issuing a total of 708,458 common shares (the "Debt Shares") of the Company at a deemed price of C$0.60 per Debt Share. All Debt Shares issued to settle the Debt will be subject to a four month hold period from the date of issuance of the Debt Shares. Settlement of the Debt will be subject to approval of the TSX Venture Exchange (the "Exchange"). Subject to receipt of Exchange approval and shareholder approval of the Arrangement, management anticipates that the Debt Shares will be issued prior to completion of the Arrangement.

About Ecuador Gold and Copper Corp.

Ecuador Gold and Copper Corp. is a Canadian exploration and mining company focused on its gold and copper mineral properties located in the Province of Zamora-Chinchipe in southern Ecuador. The Company has completed a Preliminary Economic Assessment of its Santa Barbara Gold and Copper Project dated May 29, 2015, and is currently listed on the TSX Venture Exchange under the symbol "EGX". For additional information, please visit us at www.ecuadorgoldandcopper.com.

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Cautionary Note

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.

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