



NxGold to Acquire 80% Interest In Pilbara Gold Project

Vancouver, B.C. December 22, 2017 – NXGOLD LTD. (“NxGold” or the “Company”), (NXN:TSXV) is pleased to report that it has entered into a binding term sheet (the “**Agreement**”) with Roe Gold Limited (“**Roe**”) and its shareholders to acquire an 80% interest in the Mt. Roe Gold Project (“**Mt. Roe**” or the “**Project**”), located in the Pilbara region of Western Australia.

Christopher McFadden, Chief Executive Officer, commented: “The acquisition of the Mt. Roe Gold Project located in the heart of the Pilbara gold region is an exciting addition to our high quality portfolio of assets. Similar to the adjacent Novo/Artemis joint venture, the Project contains outcropping conglomerates that are known to host gold nuggets, discovered at surface across the Mt. Roe Project.”

Mt. Roe Gold Project:

Mt. Roe is comprised of approximately 1,200 hectares covering two exploration blocks and is located approximately 30 kms south of the port city of Karratha, Western Australia (see Figure 1). The Project is situated immediately adjacent to Novo Resources Corp. and Artemis Resources Limited’s joint venture tenements and is known to contain outcropping gold-bearing conglomerates at the base of a basalt layer (see Figure 2). These known gold-bearing conglomerates have been traced for over 5 kms of strike length within the Project area. Additionally, gold nuggets have been discovered at surface on Mt. Roe with similar characteristics as gold discovered on nearby projects (see Figures 3 and 4).

The Terms:

Pursuant to the Agreement: (i) Roe will acquire an 80% interest in the Project and a special purpose vehicle (“**SPV**”) formed by the shareholders of Roe will acquire a 20% interest in the Project, all pursuant to the terms of an existing option agreement (the “**Option Exercise**”); (ii) NxGold will acquire all of the issued and outstanding shares of Roe for a purchase price comprised of A\$1.5 million cash and an aggregate of 19 million common shares in the capital of the Company (subject to a 4 month hold period). The Project will be held as a joint venture between Roe and the SPV pursuant to which the SPV will be free-carried through to Bankable Feasibility Study with standard dilution applying after that. If the SPV’s interest in the Project falls below 5%, the balance of its interest will be transferred immediately to NxGold. The SPV will be granted a US\$20 per ounce royalty over the Project and at completion will have the right to nominate one director to the Company’s Board of Directors.

The transaction is subject to the completion of due diligence to the satisfaction of NxGold, due completion of the Option Exercise and receipt of all regulatory approvals including acceptance by the TSX Venture Exchange. Either party may terminate the agreement if the due diligence condition is not waived or satisfied within 7 days of execution of the Agreement or if any of the other conditions are not satisfied or waived within 14 days of execution of the Agreement. The cash component of the purchase price is payable upon satisfactory completion of due diligence and receipt of all regulatory approvals but is refundable if the Option Exercise is not completed.

Figure 1: Mt. Roe Project Location Map

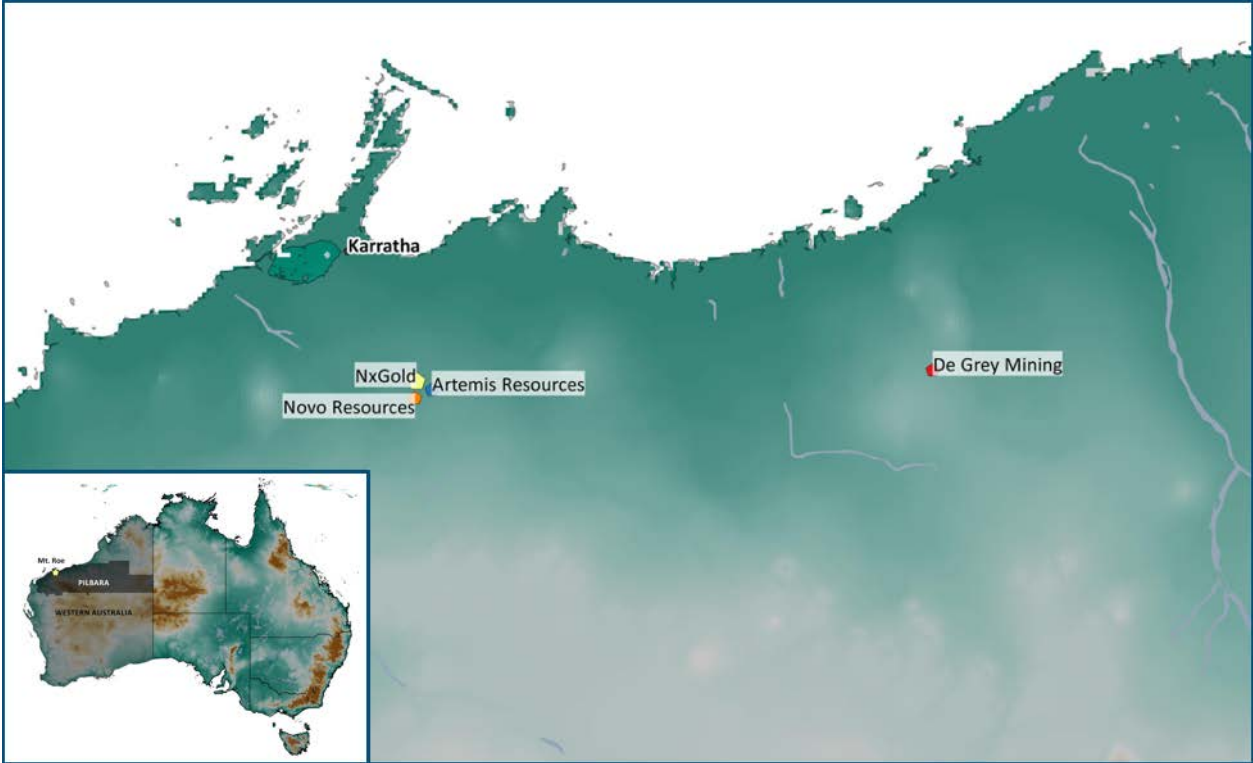


Figure 2: Outcropping Gold-Bearing Conglomerates

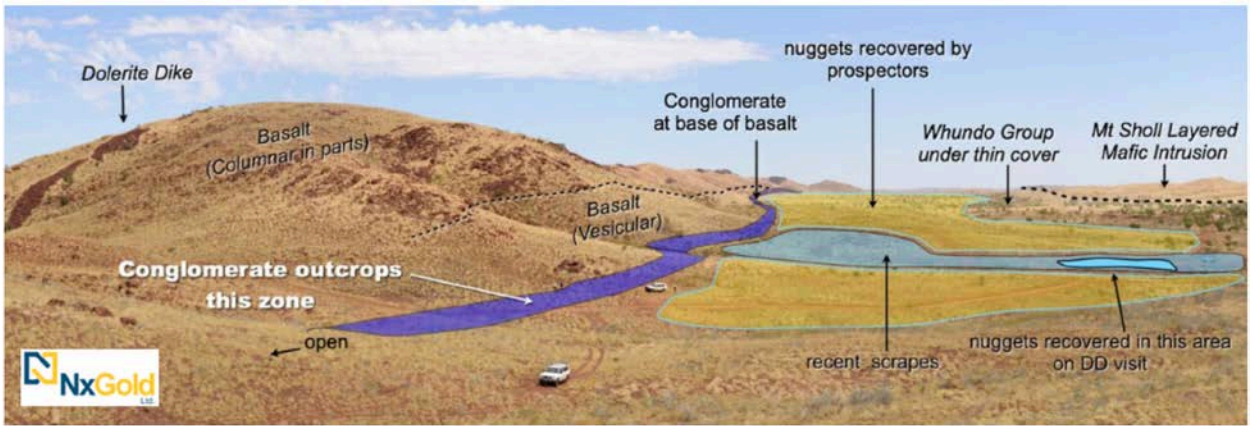


Figure 3: Gold Nuggets Recovered from the Mt. Roe Project



Figure 4: Variety of Gold Nuggets from Mt. Roe Project



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

About NxGold

NxGold is a Vancouver-based exploration company. NxGold has entered into an earn-in agreement with Meliadine Gold Ltd. to earn up to a 70% interest in the Kuulu Project (formerly known as the Peter Lake Gold Project). Additionally, the Company has entered into an earn-in agreement to earn up to a 100% interest in the Chicobi Project located within the prolific Abitibi Greenstone Belt in Québec.

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Qualified Person Statement

The scientific and technical information contained in this news release was prepared by Darren Lindsay, P.Geo., NxGold's Vice President, Exploration, who is a "qualified person" (as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*). This news release refers to properties other than those in which the Company has an interest. Mineralization on those other properties is not necessarily indicative of mineralization on the Property.

Cautionary Statement Regarding "Forward-Looking" Information.

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. "Forward-looking information" includes, but is not limited to, statements with respect to activities, events or developments that the Company expects or anticipates will or may occur in the future including whether the proposed acquisition will be completed. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.

Such forward-looking information and statements are based on numerous assumptions, including among others, that the conditions to completion of the proposed acquisition will be obtained, general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms, and that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Company's planned exploration activities will be available on reasonable terms and in a timely manner. Although the assumptions made by the

Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual events or results in future periods to differ materially from any projections of future events or results expressed or implied by such forward-looking information or statements, including, among others: failure to satisfy the conditions to the proposed acquisition, negative operating cash flow and dependence on third party financing, uncertainty of additional financing, no known mineral reserves or resources, reliance on key management and other personnel, potential downturns in economic conditions, actual results of exploration activities being different than anticipated, changes in exploration programs based upon results, and risks generally associated with the mineral exploration industry, environmental risks, changes in laws and regulations, community relations and delays in obtaining governmental or other approvals.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws.