



NxGold Provides Exploration Update on the Mt. Roe Project

- **Twenty-four reconnaissance stream sediment samples contain gold grains.**
- **Additional sediment exposures in 508 m of follow up trenching/stripping.**
- **Specimen Area target structure traced approximately 50 m.**

VANCOUVER, BC, August 8, 2018 – NxGold Ltd. (“NxGold” or the “Company”), (TSXV: **NXN**) is pleased to provide an update on its 2018 exploration program at the Mt. Roe Project located in the Pilbara region of Western Australia. The Company has recently completed a reconnaissance stream sediment sampling program to identify (i) auriferous sections of the inferred paleo-placer target horizon; and (ii) areas that have the potential to host lode gold style mineralisation. A preliminary follow-up trenching/stripping program was also completed expanding the exposure of sediments at the target horizon and continuing to evaluate the target horizon to the southwest.

Christopher McFadden, Chief Executive Officer, commented: “Our systematic approach to evaluating the Mt. Roe properties continues to support gold being shed from the Mt. Sholl ridge. The stream silt samples define key portions of the ridge with the potential to host gold mineralisation. The identification of vein structures in the ‘Specimen Area’, among others, supports the potential existence of primary gold mineralisation on the property. Both of these targets are being evaluated and we look forward to continuing to unlock the potential of this prospective project.”

Stream sediment samples

A total of 45 stream sediment samples were collected which included 5 control samples (field duplicates or quartz sand blanks). At each sample site, approximately 10 kilograms (‘kg’) of - 80 mesh (-1.77 millimetre (‘mm’)) material was sieved on site (fine fraction); a 1.5-2.0 kg subsample of this fine fraction was collected in a separate sample bag for gold and multi-element analyses. The remaining fine fraction material was processed through a sluice box with the resulting fines panned for the qualitative detection of heavy minerals. Hackly textured or pristine gold grains are interpreted to be indicative for the potential for lode style mineralisation weathering into the drainage basin hosting the sample site. Rounded or modified grains are interpreted to be either (i) derived from the inferred paleo-placer horizon; or (ii) grains more distal from a lode style mineralisation source. Assay results of the subsamples are pending.

Figure 1 shows the distribution of those samples which returned visible gold grains with an inset showing an example of gold grains recovered from a sluiced then panned stream sediment sample (grid scale dark lines 1.0 cm, light lines 2 mm).

Trenching/Stripping

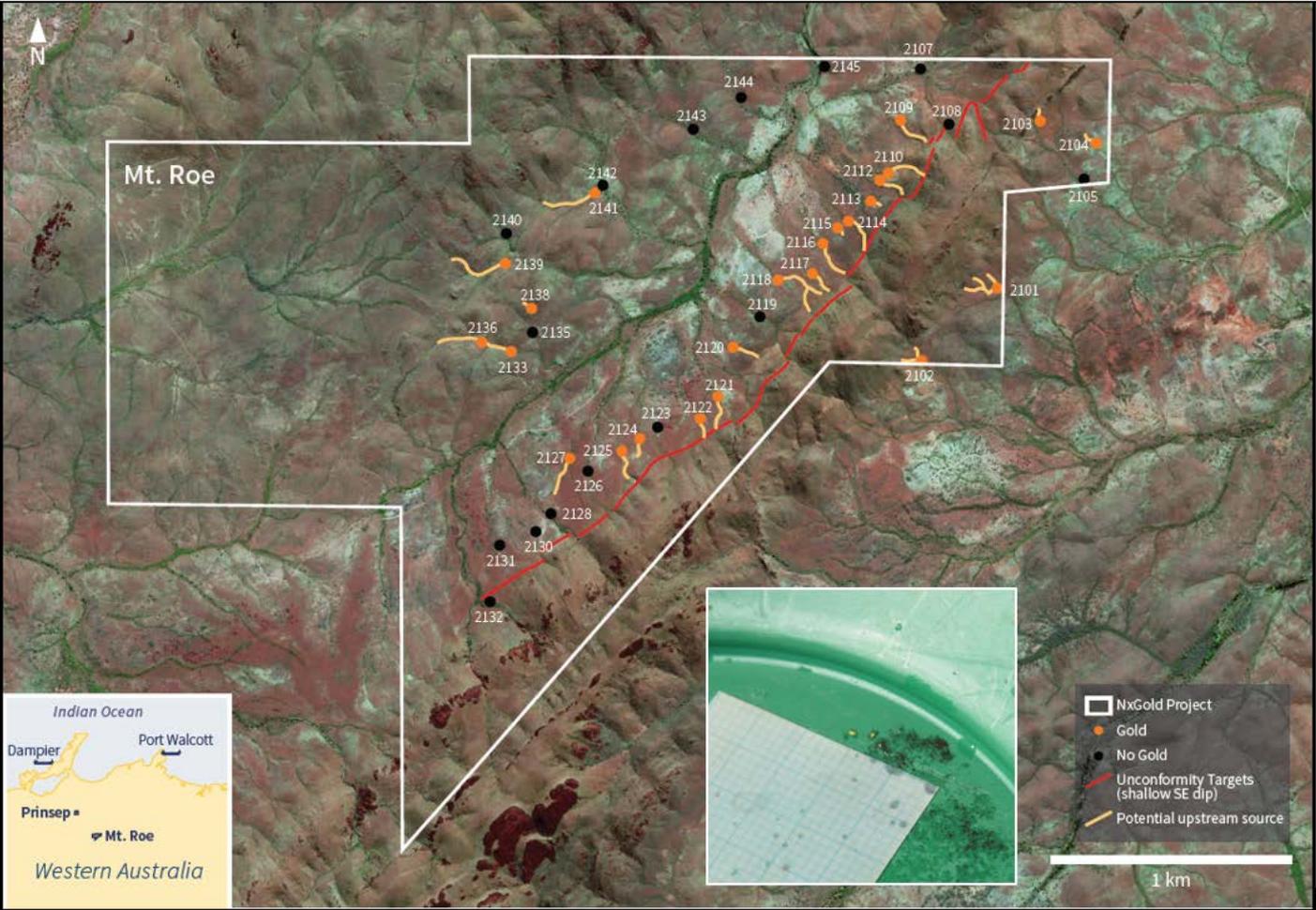
Sixteen trenches and trench extensions totalling 508 m in length were used to further expose the conglomerate/pebbly sandstone/sandstone target horizon, to step along strike and expose the target horizon, and to further expose potential high-grade structures. The target horizon is shown in Figure 1. The trenching/stripping evaluates a strike length of approximately 2.0 km of the targeted contact of interest. Of these, seven trenches (150

m) were focused on exposing and tracing the known sedimentary exposures in the Conglomerate Area, five trenches (206 m) were used to trace the target horizon to the southeast and four trenches (152 m) were used to further evaluate potential gold bearing structures in the “Specimen” Area.

Conglomerate Area: Conglomerate/pebbly sandstone/sandstone rocks inferred to be the source of ‘melon seed’ nuggets have been exposed by a series of trenches and stripping covering a total area of 420 m squared in two locations approximately 150 m apart. These exposures are currently being considered for larger scale sampling that would be required to better determine gold grade in a prospect that contains coarse or nugget gold.

Specimen target area: Three trenches were cut to perpendicularly cross the mineralised structure identified in the previous trenching program (see News Release dated: June 28, 2018); additional structures were exposed in these short trenches (35 m). A long trench was excavated to cross numerous zones of float quartz in the immediate vicinity of the Specimen area. Vertical and horizontal one metre chip samples were collected from these trenches in addition to selective samples collected from the veins. A total of 29 samples were collected including four control samples (certified reference material or duplicate). These samples were sent for gold and multi-element analysis. Results are pending.

Figure 1: Stream Sediment Sample Locations



Option Grant

The Company has also granted 4,200,000 incentive stock options to certain officers, directors, consultants and employees of the Company (the “Options”) pursuant to the Company’s Stock Option Plan.

The Options were granted on August 8, 2018 (the “**Grant Date**”), have a term of five years, vest in three annual instalments commencing on the Grant Date, and are exercisable at a price of \$0.20 per common share of the Company. All of the stock options granted are subject to TSXV acceptance.

About NxGold

NxGold is a well-funded Vancouver-based exploration company. The Company owns 80% of the Mt. Roe gold project located in the Pilbara region of Western Australia. The Company has also 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) in Nunavut.

Travis McPherson

Vice-President Corporate Development

NxGold Ltd.

+1 604 428 4112

tmcpherson@nxgold.ca

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.

Technical Disclosure

The sampling programs of stream sediments, soils, rocks and chip samples involve a quality assurance and quality control program that includes the collection of field duplicates and insertion of certified reference materials at frequency of roughly one in ten samples. Rock samples and some chip samples are selective in nature and are not representative of the property as a whole. All samples have been sent to Intertek Genanalysis in Perth, WA for analysis.

NxGold advises that the Mt Roe Gold project is an early stage exploration project utilising an evolving gold deposit model for a paleo-placer style of mineralisation. Abundant exploration work is required to understand the previously unrecognised sedimentary geology and confirm if the source(s) of the coarse gold is located within NxGold Ltd.’s tenements. There is no certainty of the discovery nor definition of a mineral resource.

The scientific and technical information in this news release has been prepared or approved by Darren Lindsay, Vice President Exploration and Development, of the Company, a “qualified person” within the meaning of *National Instrument 43-101 – Standards of Disclosure for Mineral Projects*.

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 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: 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.