

WINWELL VENTURES ANNOUNCES PROPOSED ACQUISITION OF NEVADA GOLD PROPERTIES FROM WATERTON AND FINANCING TRANSACTIONS TO FORM CONTACT GOLD

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Vancouver, British Columbia (December 8, 2016) – Winwell Ventures Inc. ("**Winwell**") announces that it has agreed to complete a series of transactions with Carlin Opportunities Inc. ("**Carlin**") and Waterton Precious Metals Fund II Cayman, LP ("**Waterton**") that will result in Winwell (after its continuance and change of name to "**Contact Gold Corp.**" as discussed below) acquiring Clover Nevada II LLC ("**Clover Nevada**") from a subsidiary of Waterton (being, Waterton Nevada Splitter, LLC ("**Waterton Nevada**"). Clover Nevada holds a portfolio of 2,762 unpatented mining claims distributed over 13 gold properties located in Nevada (the "**Carlin Trend Properties**"), including the Pony Creek, North Dark Star and Dixie Flats properties. The proposed transactions will be effected through a securities exchange agreement (the "**Securities Exchange Agreement**") and an arrangement agreement (the "**Arrangement Agreement**"). The transactions are conditional on Carlin and Winwell raising net proceeds of CAD\$20,000,000 in financing transactions with closing occurring within 18 months, and other customary conditions.

Arrangement Agreement

Winwell and Carlin have entered into the Arrangement Agreement pursuant to which it is proposed, among other things, that the following transactions will occur by way of a court approved statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the "**Arrangement**"):

- The completion by Winwell of a share consolidation on the basis of one (1) new common share in the capital of Winwell (the "**Winwell Shares**") for every eight (8) existing Winwell Shares;
- The conversion of the Subscription Receipts (defined below) into common shares of Carlin (the "**Carlin Shares**") which will automatically be exchanged for Contact Gold Shares (defined below);
- The acquisition by Winwell of all of the issued and outstanding Carlin Shares in exchange for the issuance of Winwell Shares (on a post-consolidation basis) to shareholders of Carlin on a one (1) share for one (1) share basis; and
- The authorization for Winwell to continue into the State of Nevada (the "**Continuance**") and change its name to "Contact Gold Corp." ("**Contact Gold**").

Completion of the Arrangement will be subject to certain conditions, including among others: (i) the requirement for Winwell to obtain approval of at least 66⅔ percent of the votes cast by shareholders of Winwell at a special meeting of shareholders of Winwell (the "**Winwell Meeting**"); (ii) the requirement for Carlin to obtain approval of the shareholders of Carlin (which will be evidenced by a unanimous written consent resolution); (iii) court approval of the Arrangement; (iv) completion of the Private Placement (defined below); (v) obtaining conditional approval of the TSX Venture Exchange ("**TSXV**") to the listing of the Contact Gold Shares; and (vi) other than the completion of both the Arrangement and the Continuance (which will occur immediately following the Arrangement), the satisfaction or waiver of all other conditions precedent to the closing of the Asset Acquisition (defined below) including all necessary authorizations for Winwell to be continued into Nevada.

The Clover Nevada Acquisition

Winwell, Carlin, Waterton Nevada and Clover Nevada have also entered into the Securities Exchange Agreement pursuant to which, and in connection with, and after completion of, the Arrangement, Contact Gold will acquire all of the issued and outstanding securities of Clover Nevada, which is the holder of the Carlin Trend Properties (described below) in exchange for the issuance of common shares ("**Contact Gold Shares**") and preferred shares ("**Contact Gold Preferred Shares**") of Contact Gold to Waterton

Nevada or its designee and a cash payment of CAD\$7,000,000 (the "**Asset Acquisition**", and together with the Arrangement, the "**Transactions**"). Upon completion of the Transactions, and after completion of the Private Placement, Waterton Nevada or its designee will own approximately 37% of the issued and outstanding Contact Gold Shares and 100% of the issued and outstanding Contact Gold Preferred Shares. The Contact Gold Preferred Shares will have a face value of CAD\$15,000,000, a maturity date of five years from the date of issuance and a cumulative cash dividend at a fixed rate equal to 7.5% per annum. The Asset Acquisition is subject to a number of conditions, including the implementation of the Arrangement, the completion of the Private Placement, and other customary conditions.

Carlin Trend Properties

The Carlin Trend Properties are comprised of a portfolio of 2,762 unpatented mining claims distributed over 13 gold properties located on Nevada's prolific Carlin and Independence gold trends. The 24,772 hectares (247 square kilometres) of target rich mineral tenure hosts numerous known gold occurrences, ranging from early to advanced exploration and resource definition stage. The properties are characterized by large strategic land positions, with extensive exploration databases comprising geochemistry, geophysics and drilling, including approximately 500 drill holes completed across the portfolio of properties.

The Pony Creek, Dixie Flats and North Dark Star properties are located on the southern Carlin trend to the south of Newmont Mining Corporation's Rain and Emigrant mines and flank Gold Standard Ventures Corp.'s Railroad-Pinion Project. The properties host Carlin type gold systems and numerous targets that have been the subject of intermittent exploration campaigns with very limited recent work completed. The exploration database is extensive with approximately 200 drill holes, soil geochemistry, gravity, CSAMT, IP and magnetic surveys completed. This portion of the Carlin trend is widely considered to be the most underexplored area on the trend and management of Carlin believes it has excellent potential to yield new discoveries. Recent work in the region by other operators has demonstrated the ability of previously ignored Pennsylvanian and Permian carbonate units to host significant gold mineralization.

The remaining 10 properties are located on the Carlin and Independence gold trends. The properties host both Carlin type gold systems and low sulphidation gold, the principal deposit types in the state, with numerous known gold occurrences. The projects have been largely dormant or intermittently explored over the past decade, representing a potential opportunity to leverage new exploration concepts and technologies on the large and prospective land package into new discoveries.

Governance and Investor Rights Agreement

Contact Gold, Waterton and certain of the post-Transaction significant shareholders of Contact Gold have also agreed to enter into a governance and investor rights agreement on closing of the Transactions which will include, among other things, a standstill, lock-up and resale restrictions placed on Waterton's holdings in Contact Gold for a period of two years, participation rights in favour of Waterton to maintain its *pro rata* interest in Contact Gold and registration rights in favour of Waterton. In addition, Waterton has agreed to support recommendations of management of Contact Gold in respect of future shareholder meetings for a period of two years, subject to certain limitations.

Certain of the future significant shareholders of Contact Gold will also agree to a lock-up whereby they shall not sell or otherwise dispose of their shareholdings in Contact Gold for a period of two years.

On closing of the Transactions, the board of directors of Contact Gold will be comprised of the following individuals: Matthew Lennox-King, John Dorward, Andrew Farncomb, George Salamis and Mark Wellings. In addition, Waterton shall be entitled to designate two nominees on the reconstituted board of Contact Gold. Biographies of the directors and senior management team of Contact Gold will be provided in the Circular (defined below).

Financing Matters

Carlin intends to complete a private placement of subscription receipts (the "**Subscription Receipts**") for aggregate net proceeds of at least CAD\$20,000,000 (the "**Private Placement**"). On Closing of the Arrangement, the Subscription Receipts will convert into Carlin Shares which will subsequently be exchanged pursuant to the Arrangement and immediately prior to the Continuance for Contact Gold Shares. The net proceeds of the Private Placement will be placed into escrow and released to Carlin as a step in the Arrangement, subject to the satisfaction of a number of conditions including that, other than the completion of both the Arrangement and the Continuance (which will occur immediately following the Arrangement), all other conditions precedent to the closing of the Asset Acquisition shall be satisfied or waived. Under the Arrangement, the net proceeds of the Private Placement will be distributed by Carlin to Winwell prior to the Continuance.

The net proceeds of the Private Placement will be used by Contact Gold to fund the acquisition of Clover Nevada and indirectly the Carlin Trend Properties, fund further exploration on the Carlin Trend Properties and for general corporate purposes.

The securities to be offered in the Private Placement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Stock Exchange Matters

As at the date hereof, neither the Winwell Shares nor the Carlin Shares are listed on any stock exchange. A condition to completion of the Transactions is the conditional approval for the listing of the Contact Gold Shares on the TSXV.

Further Details Regarding the Transactions

The board of directors of Winwell has unanimously approved the Arrangement and will recommend that shareholders of Winwell vote in favour of the Arrangement at the Winwell Meeting. Further details of the Transactions will be provided in a management information circular in connection with the Winwell Meeting (the "**Circular**") to be held to, among other things, approve: (i) the Arrangement; (ii) the Asset Acquisition; and (iii) stock compensation plans for Contact Gold.

Upon closing of the Transactions, the board of Contact Gold shall be constituted in a manner that complies with applicable corporate and securities laws.

Completion of the Transactions is subject to a number of conditions, including completion of the Private Placement, receipt of applicable regulatory approvals and shareholder approvals and consents. Winwell and Carlin do not currently have active business operations or assets other than cash, and have not entered into any written or oral agreements for the acquisition of an asset or business at this time other than pursuant to the Securities Exchange Agreement and the Arrangement Agreement.

Pursuant to the Arrangement Agreement, certain directors, officers and shareholders of Winwell and Carlin have agreed to support the proposed Transactions and have each entered into voting and support agreements with either Winwell or Carlin, as applicable, to either vote their Winwell Shares in favour of the resolutions to be passed at the Winwell Meeting or provide their written consent and sign the shareholders resolution to be prepared and circulated by Carlin, approving the Transactions and all matters related thereto, as contemplated by the Arrangement Agreement.

The Arrangement Agreement and the Securities Exchange Agreement, and the Circular once completed, will be filed under Winwell's issuer profile on SEDAR at www.sedar.com.

Unless otherwise indicated, the scientific and technical information contained in this news release has been reviewed and approved by Michael Gustin, Ph.D., CPG of Mine Development and Associates, Inc. of Reno, Nevada who is a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and is independent of Winwell and Carlin.

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Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the completion of the Transactions; the anticipated benefits of the Transactions to Winwell, Carlin and their respective shareholders; the timing and receipt of the required shareholder, court, stock exchange and regulatory approvals for the Arrangement; the timing and ability of Winwell and Carlin to satisfy the conditions precedent to completing the Transactions; completion of the Private Placement; anticipated use of proceeds from the Private Placement; the length of the current market cycle and requirements for an issuer to survive in the current market cycle; future growth potential of Contact Gold; and future development plans.

These forward-looking statements are based on reasonable assumptions and estimates of management of Winwell and Carlin, as the case may be, at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Winwell or Carlin, as the case may be, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: satisfaction or waiver of all applicable conditions to the completion of the Transactions (including receipt of all necessary shareholder, court, stock exchange and regulatory approvals or consents, and the absence of material changes with respect to the parties and their respective businesses, all as more particularly set forth in the Arrangement Agreement); ability to close the Private Placement on the proposed terms or at all, the synergies expected from the Transactions not being realized; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards

associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. Although the forward-looking statements contained in this news release are based upon what management of Winwell and/or Carlin, as the case may be, believes, or believed at the time, to be reasonable assumptions, Winwell and/or Carlin, as the case may be, cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended.

Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, Winwell and Carlin assume no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.