



CONTACT GOLD REPORTS Q3 2017 FINANCIAL AND OPERATING RESULTS

Vancouver, B.C. (November 27, 2017) – Contact Gold Corp. (the "Company" or "Contact Gold") (TSXV: C) is pleased to announce its financial and operating results for the nine months ended September 30, 2017.

As of September 30, 2017, the Company has approximately \$9 million available in cash and cash equivalents, with no significant balance of accounts payable or accruals due.

An aggressive 8,000-9,000 metre reverse circulation ("RC") and core drill program designed to offset and expand the footprint of gold mineralization continues at the Company's Pony Creek gold project on the South Carlin Trend in Nevada. The program began on July 24, 2017, and is expected to run into December 2017.

Highlights of results reported (see news releases dated [October 4, 2017](#) and [November 2, 2017](#)) to date include:

- 2.82 grams per tonne ("g/t") gold ("Au") over 45.72 metres in drill hole PC17-010
- 0.78 g/t Au over 79.25 metres in drill hole PC17-007
- 1.36 g/t Au over 43.74 metres in drill hole PC17-024
- 0.65 g/t Au over 65.53 metres in drill hole PC17-03
- 0.41 g/t Au over 47.24 metres in drill hole PC17-01
- 0.61 g/t Au over 47.24 metres in drill hole PC17-017
- 0.82 g/t Au over 19.81 metres in drill hole PC17-014
- 0.92 g/t Au over 15.24 metres in drill hole PC17-09

To date, the Company has completed 23 RC and 3 core holes totaling approximately 6,300 metres of drilling, with an expected 2,600 metres remaining in the 2017 program. Exploration activities and the related budget for the remainder of 2017 will continue to focus on Pony Creek with drilling planned at the Bowl zone, host to a historical mineral resource, and in follow-up on results from historic drilling at the "Pony Creek North" target, approximately three kilometres to the north of the Bowl zone. Geophysical, geochemical, permitting and target generation activities are also expected to continue through the end of the year.

Results from ten drill holes are currently pending; all drill holes drilled and reported by Contact Gold have intersected gold mineralization. The Company expects to report drill results regularly through the remainder of 2017 and into 2018 as programs continue.

The 2017 exploration budget is approximately \$4.2 million, of which approximately \$3.5 million has been spent.

Selected financial data

Details of financial results for the three and nine months ended September 30, 2017 are described in the unaudited condensed interim consolidated financial statements and related notes thereto (the "Interim Financial Statements"), and the corresponding MD&A, copies of which are available on SEDAR at www.sedar.com.

The following selected financial data is derived from the Interim Financial Statements, as prepared in accordance with International Financial Reporting Standards. All dollar amounts are presented in Canadian dollars unless otherwise stated.

	<u>Three months ended</u> <u>September 30, 2017</u>	<u>Nine months ended</u> <u>September 30, 2017</u>
Attributable to shareholders:		
Loss for the period	\$163,165	\$1,000,611
Loss and comprehensive loss for the period	\$1,663,222	\$4,069,546
Basic and diluted loss per share	\$ 0.00	\$ 0.03
	<u>As at September 30, 2017</u>	<u>As at December 31, 2016</u>
Cash	\$8,989,141	\$ -nil
Working capital/(deficit)	\$9,082,615	(\$1,005,471)
Total assets	\$48,070,297	\$731,673
Current liabilities	\$706,493	\$1,005,471
Preferred shares	\$10,363,508	\$ -nil
Shareholders' equity/(deficit)	\$37,000,296	(\$273,798)

Consistent with IFRS accounting standards for a reverse takeover (“RTO”) transaction, the number of common shares issued and outstanding at September 30, 2017 (50,346,986) (and that which is reflected at December 31, 2016, having adjusted retrospectively for the 8-for-1 share rollback: 2,769,486) are those of Contact Gold, the legal entity, while the values reflected are those of Carlin Opportunities Inc., the accounting acquirer.

Losses attributable to shareholders for the three and nine months ended September 30, 2017 of \$0.16 million and \$1.00 million, respectively, reflect primarily (i) non-cash expenses arising from the RTO transaction (\$2.2 million “listing expense”), (ii) exploration and evaluation of the Company’s exploration property interests (\$1.94 million and \$2.02 million for the three and nine months ended September 30, 2017, respectively), and (iii) costs incurred for professional, legal and advisory fees, wages and salaries and for investor relations activities, net of a fair value adjustment recognized on the embedded derivatives within the Preferred Shares (gain of \$2.61 million and \$4.48 million for the three and nine months ended September 30, 2017, respectively) and foreign currency gains of \$0.28 million and 0.62 million for the three and nine months ended September 30, 2017, respectively). During the nine months ended September 30, 2017, exploration and evaluation expenditures predominantly related to activity at the Pony Creek property with the commencement of an active drill program in July. Approximately \$1.82 million in expenditures had been incurred through period end for exploration at Pony Creek.

Other comprehensive loss attributable to shareholders for the three and nine months ended September 30, 2017, was \$1.50 million and \$3.07 million respectively, and reflects the foreign currency impact arising on the post-acquisition carrying value of the Contact Gold Properties.

Net cash operating outflows for the nine-month period ended September 30, 2017 of \$3.33 million reflects settlement of balances due to service providers and vendors after closing of the transactions to create Contact Gold (the “Transactions”).

The Company’s has elected to capitalize mineral property acquisition costs and expense exploration expenditures as incurred. Total assets at September 30, 2017 comprise primarily the exploration and evaluation assets of \$38.09 million, including the acquisition “bump” of \$35.01 million attributed to, and subsequently allocated across, the individual properties acquired by Contact Gold, net of a \$3.07 million foreign currency adjustment, and \$8.99 million in cash and cash equivalents. At December 31, 2016, total assets included \$0.72 million in expenditures deferred in advance of closing the Transactions. Some of the deferred balance at year end was subsequently included as part of the \$0.59 million in cost capitalized to the acquisition of the Contact Gold Properties, while a portion was included within the total of \$1.56 million share issue costs, offsetting the value of share capital.

Total liabilities at September 30, 2017 and December 31, 2016, include the value of the Preferred Shares (\$10.36 million), and accounts payable and accruals (\$0.71 million). The Preferred Shares were concluded to be a form of obligation, and have been included as a non-current liability. The terms and conditions of the Preferred Shares are detailed in the Interim Financial Statements. The accounting value of the Preferred Shares reflects both a “host” component of the instrument and certain embedded derivatives. At inception these were determined to be \$8.14 million and \$6.85 million, respectively. The fair values of each will change from period to period, including (i) an accretion to the host, (ii) a fair value adjustment, and the (iii) the impact of foreign exchange on the embedded derivatives (\$0.46 million, \$4.48 million gain, and \$0.62 million gain, respectively in the period from issuance to September 30, 2017).

Options award

The Company also announces that its Board of Directors has resolved to grant an aggregate of 200,000 incentive stock options (“Options”) to acquire common shares of the Company pursuant to the Company’s Stock Option Plan (the “Plan”) to certain employees of the Company, subject to the applicable policies of the TSX Venture Exchange.

The Options were awarded are exercisable at \$0.58 per share, vesting in thirds at the end of each successive year, and will expire in accordance with the Plan and not later than November 24, 2022

About Contact Gold Corp.

About Contact Gold Corp. Contact Gold is a gold exploration company focused on leveraging its properties, people, technology and capital to produce district scale gold discoveries in Nevada. Contact Gold’s extensive land holdings are on the prolific Carlin, Independence and Northern Nevada Rift gold trends which host numerous gold deposits and mines. Contact Gold’s land position comprises 29,530 hectares (295 square kilometres) of target rich mineral tenure hosting numerous known gold occurrences, ranging from early- to advanced-exploration and resource definition stage.

Additional information about the Company is available at www.contactgold.com.

For more information, please contact:
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Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Pony Creek and Information Regarding Historical Resources

Pony Creek is an early stage exploration property and does not contain any mineral resource estimates as defined by NI 43-101. There has been insufficient exploration to define a mineral resource estimate at Pony Creek or on any of Contact Gold's properties.

Disclosure of the historical estimate on the Pony Creek gold project contained on this website is derived from the Technical Report and has been judged to be relevant and therefore suitable for disclosure, however should not be relied upon. There are numerous uncertainties inherent in the historical estimate, which is subject to all of the assumptions, parameters and methods used to prepare such historical estimate and reference is made to the full text of the Technical Report with respect thereto. The historical estimate does not comply with or fulfill the CIM Definition Standards on Mineral Resources and Mineral Reserved adopted by the Canadian Institute of Mining, Metallurgy and Petroleum and may vary significantly from actual amounts, grade and quality of minerals recovered from the property. There are no other recent estimates or data available to Contact Gold and a detailed exploration program is required to be conducted by Contact Gold in order to verify or treat the historical estimate as a current mineral resource. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves. Contact Gold is not treating the historical estimate as current mineral resources and the historical estimate should not be relied upon

The scientific and technical information contained in this news release has been reviewed and approved by Vance Spalding, CPG, VP Exploration, Contact Gold, who is a "qualified person" within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101").

The information contained herein is subject to all of the assumptions, qualifications and procedures set out in a technical report entitled "Technical Report on the Pony Creek Gold Project, Elko County, Nevada, USA" dated April 18, 2017, and effective March 15, 2017), prepared by Michael M. Gustin, C.P.G. of Mine Developments Associates of Reno, Nevada (the "Technical Report"), which can be viewed under Contact Gold's issuer profile on SEDAR at www.sedar.com, and reference should be made to the full details of the Technical Report.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. There are no other recent estimates or data available to the Company as at the date of this news release and a detailed exploration program is required to be conducted by the Company in order to verify or treat the historical estimate as a current mineral resource. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves and the Company is not treating the historical estimate as current mineral resources.

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 planned expenditures through the remainder of the year, and the anticipated exploration activities of the Company at Pony Creek.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company 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 the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include;

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 the Company believes, or believed at the time, to be reasonable assumptions, the Company 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. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.