

# VANGOLD RESOURCES LTD.

NEWS RELEASE

TSXV: VAN

## VanGold Signs Agreement for 100% Interest In Historic El Pinguico Mine

January 5, 2017; Vancouver, B.C. -- Vangold Resources Ltd. (TSXV:VAN; “Vangold” or the “Company”) is pleased to announce that it has entered into an asset acquisition agreement made effective December 16, 2016, with Exploraciones Mineras Del Bajio SA de CV (“EMDB”) to acquire a 100% interest in the El Pinguico property (the “Property”). The Property consists of two mining concessions covering 71 hectares, located approximately 5km southeast of the City of Guanajuato in Guanajuato State, Mexico, and contains the historic El Pinguico-Carmen silver-gold mine. The acquisition is at arm’s length.

The historic El Pinguico Mine is on strike with the Veta Madre (Mother Lode), and is located approximately 4.5 km from Endeavor Silver’s El Cubo mine and 2.5 km from Mina Las Torres, Fresnillo. The Property has excellent access routes, communications, basic mining infrastructure and proximity to processing plants. In 2012, the Mexican Geological Service (SGM) estimated the presence of 320,000 mt of broken mineralized rock underground with an average grade of 1.66 g/t Au and 167 g/t Ag (the “Stockpile”) – see also Table of sampling results below <sup>1</sup>. EMDB has been conducting a geological assessment of the historic mine with the aim of bringing it back into production and liberating the Stockpile.

Under the terms of the agreement, Vangold will pay US\$20,000 on execution, US\$30,000 on receipt of TSXV approval, issue 5,000,000 common shares on closing, and make a final payment of US\$50,000 on the date that is six months after TSXV approval. Vangold has further granted EMDB royalties equal to (i) 4% NSR and 15% NPI on minerals recovered from the Stockpile; and (ii) 3% NSR (of which Vangold can repurchase one-third (ie. 1% NSR interest) for US\$1,000,000) and 5% NPI on all newly mined mineralization. In connection with the acquisition, Vangold has agreed to pay a finder fee equal to 10% of the acquisition value up to \$300,000 and 7.5% of the acquisition value in excess of \$300,000. The agreement and payment of the finder fee remain subject to a number of conditions, including the approval of the TSX Venture Exchange. All securities issued will be subject to a four month hold period.

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<sup>1</sup> SGM, 2012, Certificacion de Reservas Mineral Quebrado en la mina “El Carmen-El Pinguico” Municipio de Guanajuato, Gto. The SGM estimate is considered a historical estimate and was not prepared pursuant to CIM definitions for mineral resources. Vangold has not conducted an independent review of the data and methodology employed, but believes the estimate is reliable as SGM is an agency of the Mexican government. The SGM estimate assumes:

- specific weight: 1.4 ton/m<sup>3</sup>
- area of vertical influence is considered zero (0) because it is a lying mineral and is not in situ
- abundance factor: 35%
- in the calculation of the metric tonnage, area and volume based on the average length of the trenches (width of the recess)

Vangold is not aware of any more recent estimates or data regarding the Stockpile. In order to verify the historical estimates, additional sampling and mapping will be required. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves, and Vangold is not treating the historical estimate as current mineral resources or reserves.

## **Guanajuato State; El Pinguico Mine**

Guanajuato Mining District is considered to be one of the top three historic silver mining districts in Mexico, having produced an estimated 1 to 1.2 billion oz silver and 5 to 6 million oz gold [General Direction of Mining Development]. At their peak during the 1700's, the silver mines of Guanajuato were thought to be the largest and richest silver mines in the world.

The historic El Pinguico mine was one of the richest gold and silver mines at the beginning of the 20<sup>th</sup> Century. It was operated by The Pinguico Mines Company with grades over 50 g/t Au and 700 g/t Ag <sup>[1]</sup>. First put into production in 1890, the historic El Pinguico Mine was in full production by 1906 (approximately 250 tpd), one of the largest in its day <sup>[1]</sup>. The mineralization is a classic, low sulfidation epithermal vein system, consisting of disseminations and fracture-fillings of pyrite, pyrargyrite, polybasite and electrum in quartz-calcite veins ranging from 1 to 30 metres thick but averaging 2 to 3 m wide. Multiple historic mineralized zones (now stopes) formed steep-plunging shoots 100 to 500 m long that were mined down to depths of 200 to 600 m [Prof. Robert T. Hill, 1910, Report upon the Properties of The Pinguico Mines Company, The Securities Corporation Ltd. NY, NY].

The following table shows the sampling done by the SGM in 2012. A qualified person has not verified the sampling data, as the original samples were unavailable and new samples will need to be obtained. Although this work was not performed under NI 43-101 and not tested in a certified laboratory, there is considerable exploration potential at the historic El Pinguico mine. Further work is required in these areas, including sampling and mapping.

LEY MEDIA GENERAL MINA PINGÜICO (SGM)					LEY MEDIA POR FAJILLA		
Fajilla No.	Muestra clave	Espesor m	Ag g/ton	Au g/ton	Espesor m	Ag g/ton	Au g/ton
1	SGM-1A	4.00	335	2.200	12	131	1.3
	SGM-1B	4.00	15	0.667			
	SGM-1C	4.00	44	1.033			
2	SGM-2A	3.50	169	1.500	10.5	78	.933
	SGM-2B	3.50	28	0.900			
	SGM-2C	3.50	36	0.400			
3	SGM-3A	2.50	199	1.800	7.5	198	1.8
	SGM-3B	2.50	223	2.100			
	SGM-3C	2.50	173	1.500			
4	SGM-4A	3.50	42	0.333	14	140	1.108
	SGM-4B	3.50	132	1.000			
	SGM-4C1	3.50	138	1.000			
	SGM-4C2	3.50	249	2.100			
5	SGM-5	2.00	14	0.167	2	14	.167
6	SGM-6A	2.20	43	0.400	6.6	99	1.011
	SGM-6B	2.20	210	2.133			
	SGM-6C	2.20	44	0.500			
7	SGM-7A	1.80	68	0.533	5.4	52	.522
	SGM-7B	1.80	45	0.700			
	SGM-7C	1.80	43	0.333			
8	SGM-8A	1.30	181	1.367	2.6	181	1.717
	SGM-8B	1.30	181	2.067			
9	SGM-9A	1.75	182	1.533	7	104	1
	SGM-9B	1.75	44	0.500			
	SGM-9C1	1.75	43	0.533			
	SGM-9C2	1.75	145	1.433			
10	SGM-10A	2.20	85	0.567	8.8	58	5
	SGM-10B	2.20	37	14.433			
	SGM-10C1	2.20	697	3.667			
	SGM-10C2	2.20	109	1.333			
11	SGM-11A	2.00	66	0.567	6	113	.933
	SGM-11B	2.00	149	1.333			
	SGM-11C	2.00	124	0.900			
12	SGM-12A	3.00	53	0.433	12	72	.917
	SGM-12B	3.00	66	1.000			
	SGM-12C1	3.00	112	1.367			
	SGM-12C2	3.00	58	0.867			
13	SGM-13A	3.00	41	0.400	9	62	.6
	SGM-13B	3.00	86	0.767			
	SGM-13C	3.00	60	0.633			
14	SGM-14A	2.50	137	1.133	5	145	1.067
	SGM-14B	2.50	152	1.000			
15	SGM-15A	2.00	817	8.467	4	72	4.983
	SGM-15B	2.00	144	1.500			
16	SGM-19A	3.25	145	0.866	6.5	173	1.133
	SGM-19B	3.25	201	1.399			
17	SGM-20A	2.75	319	2.299	5.5	337	2.316
	SGM-20B	2.75	355	2.333			
18	SGM-21A	1.85	265	1.666	3.7	241	1.566
	SGM-21B	1.85	217	1.466			
19	SGM-22A	2.00	1047	8.332	4	0	6.682
	SGM-22B	2.00	654	5.032			
<b>Total =</b>	<b>19 FAJILLAS</b>	<b>132.10</b>	<b>22064</b>	<b>219.595</b>			
	<b>LEY MEDIA</b>	<b>6.95</b>	<b>167</b>	<b>1.662</b>			

**Valor del mineral 12-Agosto-12**  
**V.M.=237.54 USD/ton**  
**(sin considerar recuperación metalúrgica)**  
**Fuente: Kitko.com**  
**Tabla No. 7**

Vangold intends to commission a 43-101 report to establish a work program and budget for the Property, which is expected to include data compilation, mapping and sampling. The results of this work will be used to outline priority targets to be tested by a phase two, with further mapping and sampling continuing during phase two.

Dal Brynelsen, CEO, states “We are extremely pleased with the opportunity represented by the historic El Pinguico mine. The location and historical reports show significant promise. We are looking forward to a more detailed and systematic exploration of the Property and its potential.”

The Company also reports that Ms. Anna Serin has resigned from the office of Corporate Secretary. The Company would like to thank Ms. Serin for her years of devoted service, and wishes her well in her future endeavours.

On behalf of the Board Directors

Dal Brynelsen  
Chief Executive Officer

For more information, refer the Company website at [www.vangold.ca](http://www.vangold.ca) and please contact:

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The disclosure of scientific or technical information regarding the Property in this news release has been reviewed and approved by Mr. Carlos Cham, P.Eng., CPG, who is considered an independent qualified person under National Instrument 43-101. Mr. Cham received a Bachelors of Geologist Engineering from the Universidad Autónoma de San Luis Potosí in 2003, and has also completed an MBA (specializing in finance) from the Universidad Tec Milenio and a Diploma in Mining and Environment from the University Miguel de Cervantes. Mr. Cham has 13 years experience working as a geologist or geologist engineer, including exploration on several precious and base metal projects in Mexico, and is a Certified Professional Geologist (exploration) of the American Institute of Professional Geologists as well as a member of the Asociación de Ingenieros de Minas, Metalurgistas y Geólogos de México.

***Neither the TSX Venture Exchange nor its Regulations 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.***

*This news release contains forward-looking statements. Any statements that are not historical fact are to be considered forward-looking statements. Forward-looking statements cannot be guaranteed and involve assumptions and are subject to a variety of risks and uncertainties which could cause actual events or results to materially differ from those reflected in the forward-looking statements. Readers are advised to rely on their own evaluation of such risks and uncertainties and not place undue reliance upon forward-looking statements. Any forward-looking statements herein are made as of the date hereof, and the Company disclaims any intention and assumes no obligation to update or revise any forward-looking information and statements except as required by applicable laws.*