



PLATO GOLD CORP

For Immediate Release

## **Plato Gold Announces the Signing of Option Agreements with Rudy Wahl for the Good Hope Niobium Project**

**Toronto, May 31, 2017** – Plato Gold Corp. (TSX-V: PGC) (“Plato” or the “Company”), an exploration company with a portfolio of properties in Northern Ontario and Santa Cruz, Argentina is pleased to announce the signing of two Option Agreements, KL226 Option Agreement (“KL226”) and KL37 Option Agreement (“KL37”) to acquire 100% interest in the Good Hope Niobium Project in Killala Lake area, near Marathon Ontario. The acquisition is subject to approval by the TSX Venture Exchange.

“I am very pleased to have Plato and its shareholders involved in the Good Hope Niobium Project. Niobium is classified as a “strategic metal” by the U.S. government and is a metal whose various uses should continue to grow,” said Anthony Cohen, President and CEO. “I am particularly pleased with the exploration team that Plato has put together to work on this project. Plato looks forward to exploring and developing the Niobium discovery by award winning prospector Rudy Wahl. The niobium discovery is located near the mining centre of Marathon, Ontario with all of its excellent mining infrastructure.”

### **About the Good Hope Niobium Project**

The Good Hope Niobium Property consists of a total of 19 claims, 263 claim units and 4208 hectares in Killala Lake Area and Cairngorm Lake Area Townships, northwest of Marathon, Ontario. The Good Hope Property is located approximately 45 kilometers northwest of Marathon and 28 km north of Highway 17. The property is readily accessible from Trans-Canada Highway 17 and Dead Horse Road. The Property is also in close proximity to the Hemlo gold mining camp.

The regional geology around the Good Hope Property consists of alkaline and carbonatite intrusions formed during Midcontinental rifting within the Trans-Superior Tectonic zone. The Good Hope Property forms a doughnut around the Prairie Lake Complex. The Prairie Lake Complex is composed of carbonatite, ijolite and potassic nepheline syenite. The most common rock types on the Good Hope Property are carbonatite, syenite breccia and ijolite. The Good Hope Property hosts Niobium mineralization in pyrochlore. The Niobium mineralization differs from that in Prairie Lake Complex in that it is low in Th and U contents.

The discovery of Niobium mineralization at Good Hope was made by Rudy Wahl in 2010 when he identified 1.63 % Nb<sub>2</sub>O<sub>5</sub> in a small outcrop on site #28. In 2014, he followed up with mapping and prospecting in 5 pits that he dug in the area. Subsequent exploration work on the property includes: grab sampling, channel sampling, trenching, ground radiometrics survey, airborne magnetic - radiometrics surveys and mineralogical studies. Mineralogical studies completed in 2014 by Professor Roger H. Mitchell on samples from site #28 shows that the pyrochlore minerals are ThO<sub>2</sub>-free and contain very low UO<sub>3</sub> so radionuclide problems are low for future extraction.

During the summer of 2015, a detailed prospecting-geological survey was completed on the Good Hope Property with the objective of finding larger zones of mineralized, non-radioactive carbonatite. The first trench, TR-01, revealed a non-radioactive carbonatite at the contact with a syenite. The carbonatite is at least 5 meters wide by 15 meters long, and observations indicate that it extends underneath the swamp for an unknown distance. The best result from 26 channel samples in trench TR-01 is 1.205% Nb<sub>2</sub>O<sub>5</sub> over 1.10 meters. Trench TR-04 revealed a contact between ijolite breccia and syenite breccia, both matrix being carbonatite, with a chunk of massive carbonatite. Again, the carbonatite most likely extends underneath the swamp. The best channel sampling result for TR-04 is 0.437% Nb<sub>2</sub>O<sub>5</sub> over 0.60 meters. In summary, the 2015 exploration program was successful in discovering a new type of niobium mineralization which is potentially a non-radioactive carbonatite intrusion. As the discovery coincides with a low magnetic/low topography sector, all the multi square-kilometers low topography, low magnetics area covered by the Good Hope Property, is considered highly prospective.

Two drill holes were completed in 2016 for a total of 280.7 m on an airborne radiometric anomaly near the discovery site #28. The assay highlights for drill hole PL-01 include 0.45 % Nb<sub>2</sub>O<sub>5</sub> over 1.0 m and 6.25 % P<sub>2</sub>O<sub>5</sub> over 1.0 m. The assay highlights for drill hole PL-02 include 0.34 % Nb<sub>2</sub>O<sub>5</sub> over 1.0 m and 5.81 % P<sub>2</sub>O<sub>5</sub> over 1.0 m. The Niobium mineralization in drill core is associated with carbonatite and syenite carbonatite breccia.

### June Exploration Program

A data compilation on the Property was completed to use for exploration targeting and program planning. A geological mapping and sampling program is planned for June 2017. The goal of the program is to identify additional Niobium mineralization on the Property. Geophysics surveys suggest that the Prairie Lake Complex has a non-magnetic ring dyke and radial fracture system around it on Plato's Good Hope Property. The geological mapping will search for Niobium mineralization within the ring dyke.

Another goal of the June geological mapping program will be to collect more geological data for drill targeting for the proposed August drill program.

The Good Hope Niobium Project is being supervised by Dr. Julie Selway, Ph.D., P.Geo, who is the project's Qualified Person. Dr. Selway has prepared and supervised the preparation of the scientific and technical disclosure in this news release.

### **About Dr. Julie Selway**

Julie Selway, Ph.D., P.Geo. is the Principal Geologist for J-J Minerals, a mineral exploration consulting firm based in Sudbury, Ontario. Dr. Selway has over 25 years of work experience for academia, government and industry. Dr. Selway's specialties are writing NI 43-101 reports, QA/QC reviews of drill core assays, data compilations and project management. She is the co-author of twenty-six NI 43-101 Independent Technical Reports, twenty-three scientific journal articles and thirteen Ontario Geological Survey publications. She has worked on a wide variety of deposit types including: carbonatites, lithium pegmatites, Cu-Ni-PGE deposits, gold, stratiform Cu, VMS, porphyry Cu and banded iron formation. Dr. Selway is a Qualified Person ("QP") as defined by National Instrument 43-101.

### **About Rudy Wahl**

Rudy Wahl has been prospecting in the Marathon – Hemlo – Terrace Bay area since 1989 and has optioned more than 30 properties to different mining companies. Between 2005 and 2014, Mr. Wahl found 17 new rare earth and 2 new Uranium occurrences within the Prairie Lake – Killala Lake Area. He made the Niobium discovery of up to 1.63 % Nb<sub>2</sub>O<sub>5</sub> and up to 20.6 % P<sub>2</sub>O<sub>5</sub> on the Good Hope Property in 2014. In recognition of this Niobium discovery, he received the Bernie Schnieders Discovery of the Year Award for 2014 from the Northwestern Ontario Prospectors' Association (NWOPA). He has also made numerous gold and diamond discoveries and in 2012 was presented with the Lifetime Achievement Award for Outstanding Work as a Prospector in Northwestern Ontario from the NWOPA. Mr. Wahl will be presented with an Honorary Doctorate in Science from Lakehead University in June 2017.

### **Details of the two option agreements are as follows:**

#### **KL226 Option Agreement**

The Optionors are Rudolf Wahl (45%), Mike Dorval (45%), Roger H. Mitchell (10%). Plato, as the Optionee, will earn in for 100% interest in the KL226 claims upon completion of the following:

- i) Total cash payment of \$106,600 as follows:
  - i. \$10,000 to Optionors within 7 days of signing of both the KL226 Option Agreement and KL37 Option Agreement
  - ii. \$1,600 to Rudolf Wahl for costs of staking within 7 days of signing of both the KL226 Option Agreement and KL37 Option Agreement
  - iii. \$15,000 to Optionors within 60 days of TSXV approval of both the KL226 Option Agreement and KL37 Option Agreement
  - iv. \$20,000 to Optionors on or before the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> anniversary of the TSXV approval of both the KL226 Option Agreement and KL37 Option Agreement
- ii) Total payment of 7,500,000 common shares

- i. 3,500,000 common shares to Optionors within 15 days of TSXV approval of both the KL226 Option Agreement and KL37 Option Agreement
  - ii. 1,000,000 common shares to Optionors on or before the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> anniversary of the TSXV approval of both the KL226 Option Agreement and KL37 Option Agreement
- iii) Combined exploration expenditures of \$400,000 on either or both the KL226 and KL37 properties
  - i. \$100,000 on or before the 1<sup>st</sup> anniversary of the TSXV approval of both the KL226 Option Agreement and KL37 Option Agreement
  - ii. \$300,000 on or before the 4<sup>th</sup> anniversary of the TSXV approval of both the KL226 Option Agreement and KL37 Option Agreement.

### KL37 Option Agreement

The Optionors are Rudolf Wahl (85%), Leonard Windover (5%), Darren Hutchinson (5%), Ryan Harasym (5%). Plato, as the Optionee, will earn in for 100% interest in the KL37 claims upon completion of the following:

- i) Total cash payment of \$2,000 as follows:
  - i. \$2,000 to Optionors within 7 days of signing of both the KL37 Option Agreement and KL226 Option Agreement
- ii) Total payment of 1,600,000 common shares
  - ii. 1,000,000 common shares to Optionors within 15 days of TSXV approval of both the KL37 Option Agreement and KL226 Option Agreement
  - iii. 150,000 common shares to Optionors on or before the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> anniversary of the TSXV approval of both the KL37 and KL226 Option Agreement
- iii) Combined exploration expenditures of \$400,000 on either or both the KL226 and KL37 properties
  - iv. \$100,000 on or before the 1<sup>st</sup> anniversary of the TSXV approval both the KL37 and KL226 Option Agreement
  - v. \$300,000 on or before the 4<sup>th</sup> anniversary of the TSXV approval of both the KL37 Option Agreement and KL226 Option Agreement

### For both the KL226 and KL37 Option Agreements

- i) A 3% Net Smelter Return Royalty to Optionors, with first right of refusal for 50% buy back for \$1,500,000.
- ii) A 3% Gross Overriding Royalty from the production of diamonds only to Optionors, with first right of refusal for 50% buy back for \$1,500,000.
- iii) Performance Shares of 1,000,000 common shares to Optionors, if a NI 43-101 compliant resource exceeding 100 million tonnes of Nb205/P205 and an additional 2,000,000 common shares to Optionors, upon a positive bankable feasibility study

- iv) 10% of the sale price or option price in cash or shares to Optionors, if the KL226 or KL37 claims are sold or optioned to a third party.

### **About Plato Gold Corp.**

Plato Gold Corp. is a Canadian exploration company listed on the TSX Venture Exchange with projects in Marathon Ontario, Timmins Ontario and Santa Cruz, Argentina.

The Good Hope Niobium Project consists of a total of 19 claims, 263 claim units and 4208 hectares in Killala Lake Area and Cairngorm Lake Area Townships, near Marathon Ontario. In May 2017, Plato signed an option agreement with Rudy Wahl and co-owners to acquire 100% interest in the Good Hope Property. A drill program is planned for 2017.

The Timmins Ontario project includes 4 properties: Guibord, Harker, Holloway and Marriott in the Harker/Holloway gold camp located east of Timmins, Ontario. In November 2010, Plato signed an agreement granting St Andrew Goldfields Ltd. the option to earn a 75% interest in the above properties. On January 26, 2016, St. Andrew Goldfields was acquired by Kirkland Lake Gold Inc.. The Holloway and Marriott options are now held by Kirkland Lake Gold Inc..

In July 2012, Plato sold a 50% interest in the Guibord property to Victory Gold Mines Inc. who amalgamated with Northern Gold Mining Inc. on February 6, 2013. On December 22, 2015, Oban Mining Corporation completed the acquisition of Northern Gold Mining. In June 2016, Oban changed its name to Osisko Mining Inc. ("Osisko"). Osisko now holds the 50% interest in the Guibord property.

In February 2013, Plato sold an 80% interest in the Harker property to Northern Gold Mining Inc. and was subsequently acquired by Oban Mining Corporation on December 22, 2015. In June 2016, Oban changed its name to Osisko Mining Inc.. Osisko now holds the 80% interest in the Harker property.

In Argentina, Plato owns a 75% interest in Winnipeg Minerals S.A. ("WMSA"), an Argentina incorporated company. The Lolita Property, held by WMSA, is comprised of a number of contiguous mineral rights totaling 9,672 hectares. Work has advanced on this exploration property to the point that it is drill-ready or ready to be optioned to a partner.

For additional company information, please visit: [www.platogold.com](http://www.platogold.com).

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***Forward Looking Statements***

*This news release contains “forward-looking statements”, within the meaning of applicable securities laws. These statements include, but are not limited to, statements regarding the potential mineralization and resources, exploration results, and future plans and objectives. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, 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”. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, use of proceeds, level of activity, performance or achievements of Plato to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: risks related to exploration; actual resource viability, and other risks of the mining industry . Although management of Plato has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.*