



CORE GOLD ANNOUNCES RESTORATION TO GOOD STANDING OF LOCAL SUBSIDIARY ELIPE S.A.

Vancouver, B.C., September 4th, 2018 – Core Gold Inc. ("Core Gold" or the "Company") (TSX-V: CGLD, OTCQX: CGLDF) is pleased to announce that further to its June 5th, 2017 and January 19th, 2018 news releases, its local subsidiary Elipe S.A has been deemed in corporate good standing by Ecuador's government once again.

This reactivation of Elipe S.A allows Core Gold to regain total control of all operations including financial and administrative operations, and to appoint the General Manager of Elipe S.A. The reactivation of Elipe S.A also releases the Company from the previously announced payment plan as described in a May 31st, 2018 news release by the Company.

Keith Piggott, CEO of Core Gold commented "the release of Elipe S.A from liquidation is a major achievement for our team. As investors may remember, we took over this company with Elipe S.A in liquidation. Now just under twenty four months later we have completed the local remediation of the subsidiary through a diligent dedication to honoring our payment agreements with the government institutions, former employees and suppliers".

Accendo Banco debt facility update

As per the Company's December 1st, 2017 and May 31st, 2018 news releases, the Company executed a term sheet with Accendo Banco (formerly known as Investa Bank S.A.) ("Accendo") to arrange a senior debt facility for up to USD \$15,000,000. The original expected closing date for the debt facility was March 31st, 2018.

As per the advice received from Accendo and the Company's legal advisors, however, the senior security over assets required of the Accendo facility was not feasible to be put in place in Ecuador before the previously announced closing date of on or before March 31st, 2018.

This delay was due to a longer than expected timeline for restoration of the Company's local subsidiaries into good standing by the local liability holders' government appointed representative as part of its commitment to normalize payables and stabilize operations at Elipe S.A.

As Elipe S.A has now been pulled out of liquidation and restored to good standing, Core Gold management and Accendo are exercising their best efforts to progress documentation and advance towards closing of the debt facility, and the Company will provide an update in due course.

About Core Gold Inc.

The Company is a Canadian based mining company involved in the mining, exploration and development of mineral properties in Ecuador. The Company is currently focused on gold production at

its wholly-owned Dynasty Goldfield project and continued development at its legacy Zaruma mine. Mineral is treated at the Company's wholly-owned Portovelo treatment plant close to the Zaruma mine operations. The Company also owns other significant gold exploration projects including the Linderos and Copper Duke area in southern Ecuador all of which are on the main Peruvian Andean gold-copper belt extending into Ecuador.

For further information please contact:

Keith Piggott, CEO
Suite 1201 – 1166 Alberni Street
Vancouver, B.C. V6E 3Z3
Phone: +1 (604) 345-4822
Email: info@coregoldinc.com

Cautionary Notice:

This news release contains statements which are, or may be deemed to be, "forward-looking information" which are prospective in nature. Such information in this news release includes statements regarding the Company's plans to close the Accendo debt facility. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause Core Gold's actual results to be materially different from any future results expressed or implied by the forward-looking information. Important risks that could cause Core Gold's actual results to differ materially from Core Gold's expectations include, among other things: the risk that, as a result of market conditions, due diligence or other factors, the Company will be unable to complete the Accendo debt facility in a timely manner or at all; risks relating to the actual results of additional exploration activities and mine operations; fluctuating prices in metals and other commodities; possibility of accidents, equipment breakdowns, labor disputes or other unanticipated difficulties with or interruptions in operations; exploration cost overruns; the geology, grade and continuity of mineral deposits; currency fluctuations; availability of capital and financing to maintain the Company's operations and plans; general economic, market or business conditions; regulatory changes; timeliness of government or regulatory approvals; and other risks detailed herein and as disclosed in the Company's filings as available on SEDAR at www.sedar.com. Other than in accordance with regulatory obligations, Core Gold is not under any obligation and Core Gold expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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