Barkerville Gold hit high grade mineralisation in Island Mountain drill campaign.

Barkerville Gold Mines Ltd. {**TSX.V: BGM}** announced additional results from the ongoing Phase I Island Mountain exploration drilling program at the Company's flagship Cariboo Gold Project.

Three drill rigs are currently operating on Island Mountain, with a fourth rig on Barkerville Mountain.

BARKERVILLE INTERSECTS 11.36 G/T AU OVER 12.36 METRES AND 56.31 G/T AU OVER 4.10 METRES IN ISLAND MOUNTAIN PHASE I DRILLING NEW REPLACEMENT MINERALIZATION DISCOVERED

VANCOUVER, BC– December 15, 2016 – **Barkerville Gold Mines Ltd. {TSX.V: BGM}** (the "**Company**" or "**Barkerville**") is pleased to announce additional results from the ongoing Phase I Island Mountain exploration drilling program at the Company's flagship Cariboo Gold Project.

Three drill rigs are currently operating on Island Mountain, with a fourth rig on Barkerville Mountain testing the 800 metre long KL Zone gold in soil anomaly. The results from the new drilling are presented in Table 2. A drill hole location plan map and longitudinal section are presented at the end of this release.

Highlights of the new drilling include: **12.91 g/t Au over 2.50 metres** in BGM-16-537, **56.31 g/t Au over 4.10 metres** in BGM-16-553, **11.23 g/t Au over 2.84 metres** in BGM-16-555, **34.72 g/t Au over 2.75 metres** in BGM-16-556, **11.36 g/t Au over 12.36 metres** in BGM-16-567. Reported core lengths represent 50-90% true widths.

Island Mountain Phase I Drilling

The ongoing 20,000 metre Phase I exploratory and stratigraphic drill program on Island Mountain is having continued success in discovering extensions to and defining new vein systems that were historically never developed or explored, and has also outlined new occurrences of massive sulphide replacement bodies.

At the Aurum and Mosquito Creek mines, past exploration and mining was primarily focused on the replacement hosted gold as opposed to the veining due to the higher gold tenor and as such, the extents of the vein sets were never fully considered.

New Replacement Mineralisation Discovered

A previously unknown body of massive pyrite replacement mineralisation has been discovered 75 metres northwest of the Mosquito Creek Mine in drillhole BGM-16-553 which averaged **56.31 g/t Au over 4.10 metres**. The intersection occurs only 85 metres vertically below surface and opens a new exploration target along strike towards the northwest. Gold grade continuity within this massive sulphide replacement mineralisation is remarkably continuous as illustrated in Table 1.

Table 1: Raw assays and length weighted gold composite for drillhole BGM-16-553:

HOLE-ID	SAMPLE-ID	FROM (M)	TO (M)	CORE LENGTH(M)	AU (G/T)
BGM-16-553	U011934	119.60	120.10	0.50	**48.40**
BGM-16-553	U011935	120.10	120.60	0.50	**62.10**
BGM-16-553	U011936	120.60	121.10	0.50	**52.70**
BGM-16-553	U011937	121.10	121.60	0.50	**59.30**
BGM-16-553	U011938	121.60	122.10	0.50	**39.30**
BGM-16-553	U011939	122.10	122.65	0.55	**98.30**
BGM-16-553	U011941	122.65	123.20	0.55	**40.50**
BGM-16-553	U011942	123.20	123.70	0.50	**47.30**
LENGTH WEIGHTED AVERAGE		**119.60**	**123.70**	**4.10**	**56.31**

Core lengths represent 50-90% true widths. Rock not recovered by drilling was assigned zero grade and not included in the composites. Top cuts have not been applied to high grade assays.

Approximately 40 metres down plunge of BGM-16-553, drillhole BGM-16-556 intersected additional replacement mineralization grading **34.72 g/t Au over 2.75 metres including 121.00 g/t Au over 0.60 metres.** The northwestern extension to the mine stratigraphy was previously interpreted to be truncated at the Aurum Fault and hence mine development was not undertaken to explore for additional mineralization across this structure. Past operators only undertook widely spaced, shallow exploratory drilling in this area. This new mineralization remains untested down plunge and along strike.

Drilling Continues to Identify New Veining

New auriferous quartz veining was intersected by BGM-16-567 grading **11.36 g/t Au over 12.36 metres including 34.23 g/t Au over 4.00 metres** located 70 metres vertically below surface in an undeveloped and undrilled portion of the Aurum Mine.

Approximately 70 metres along strike to the southeast, BGM-16-564 also intersected additional high grade veins averaging **41.73 g/t Au over 2.10 metres including 88.90 g/t Au over 0.95 metres.** These intersections were further corroborated by drillhole BGM-16-537 which delineated numerous other vein sets including **12.91 g/t Au over 2.50 metres** and also **10.83 g/t Au over 2.65 metres** located 65 metres footwall to the Aurum Mine at a vertical depth of 330 metres below surface.

Chris Lodder, President and CEO of Barkerville, states "*that with this initial phase of drilling on Island Mountain now complete, our exploration team has developed a solid geologic understanding to guide drilling though the 2017 infill and exploration programs on Island Mountain*".

Qualified Persons

Exploration activities at the Cariboo Gold Project are jointly administered on site by the Company's Project Managers, Maggie Layman, P.Geo. and Wanda Carter, P.Geo. As per National Instrument 43-101 Standards of Disclosure for Mineral Projects, Paul Geddes, P.Geo. Vice President Exploration, is the Qualified Person for the Company and has prepared, validated and approved the technical and scientific content of this news release. The Company strictly adheres to CIM Best Practices Guidelines in conducting, documenting, and reporting its exploration activities on the Cariboo Gold Project.

Quality Assurance – Quality Control

Once received from the drill and processed, all drill core samples are sawn in half, labelled and bagged. The remaining drill core is subsequently stored on site at the Company's secure facility in Wells, BC. Numbered security tags are applied to lab shipments for chain of custody requirements. The Company inserts quality control (QC) samples at regular intervals in the sample stream, including blanks and reference materials with all sample shipments to monitor laboratory performance. The QAQC program was designed and approved by Lynda Bloom, P.Geo. of Analytical Solutions Ltd., and is overseen by Paul Geddes, P.Geo, Vice President Exploration.

Drill core samples are submitted to ALS Geochemistry's analytical facility in North Vancouver, British Columbia for preparation and analysis. The ALS facility is accredited to the ISO/IEC 17025 standard for gold assays and all analytical methods include quality control materials at set frequencies with established data acceptance criteria. The entire sample is crushed and 250 grams is pulverized. Analysis for gold is by 50g fire assay fusion with atomic absorption (AAS) finish with a lower limit of 5ppb and upper limit of 10,000ppb. Samples with gold assays greater than 10,000ppb are re-analyzed using 50g fire assay with gravimetric finish, as well as 1,000g screen metallic fire assay. Samples are also analyzed using a 48 multi-elemental geochemical package by a 4-acid digestion, followed by Inductively Coupled Plasma Atomic Emission Spectroscopy (ICP-AES) and Inductively Coupled Plasma Mass Spectroscopy (ICP-MS).

Stock Option Grant

Barkerville also announces that it has granted an aggregate of 400,000 options to purchase common shares of the Company exercisable at a price of $0.55 per share for a period of five years, to an officer and consultant of the Company. The common shares issuable upon exercise of the options are subject to a four month hold period from the original date of grant.

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