Barkerville Gold Mines discovers high grade gold intersects at Cow Mountain

Barkerville Gold Mines Ltd. {TSXV: BGM} announced results from the ongoing Phase I exploration and category conversion drilling program on Cow Mountain at the Company's flagship Cariboo Gold Project.

Barkerville Gold Mines Intersects 11.82 g/t (0.34 oz/t) Au over 10.10 Metres including 68.80 g/t (2.01 oz/t) Au over 1.30 Metres in Cow Mountain Phase I Drilling – August 3rd, 2016

VANCOUVER, BC- August 3, 2016 – **Barkerville Gold Mines Ltd. {TSXV: BGM}** is pleased to announce results from the ongoing Phase I exploration and category conversion drilling program on Cow Mountain at the Company's flagship Cariboo Gold Project.

The results of these drill holes are presented in Table 1. A drill hole location plan map and longitudinal section are offered at the end of this release.

Drilling Highlights:

BGM-16-366: 16.97 g/t (0.49 oz/t) Au over 2.70 metres including 87.60 g/t (2.56 oz/t) Au over 0.50 metres
BGM-16-367: 8.70 g/t (0.25 oz/t) Au over 4.50 metres including 20.23 g/t (0.59 oz/t) Au over 1.90 metres including 8.64 g/t (0.25 oz/t) Au over 1.00 metres and 33.10 g/t (0.97 oz/t) Au over 0.90 metres

BGM-16-369: 20.31 g/t (0.59 oz/t) Au over 5.70 metres including 46.26 g/t (1.35 oz/t) Au over 2.40 metres including 121.50 g/t (3.54 oz/t) Au over 0.80 metres and 12.40 g/t (0.36 oz/t) Au over 1.00 metres
BGM-16-377: 31.94 g/t (0.93 oz/t) Au over 2.70 metres including 57.33 g/t (1.67 oz/t) Au over 1.50 metres including 21.40 g/t (0.62 oz/t) Au over 0.5 metres and 75.30 g/t (2.20 oz/t) Au over 1.00 metres
BGM-16-380: 11.82 g/t (0.34 oz/t) Au over 10.10 metres including 9.45 g/t (0.28 oz/t) Au over 1.00 metres and 68.80 g/t (2.01 oz/t) Au over 1.30 metres
BGM-16-385: 10.98 g/t (0.32 oz/t) Au over 5.50 metres including 33.53 g/t (0.98 oz/t) Au over 1.70 metres including 12.85 g/t (0.37 oz/t) Au over 0.85 metres and 54.20 g/t (1.58 oz/t) Au over 0.85 metres
BGM-16-400: 13.15 g/t (0.38 oz/t) Au over 4.25 metres including 43.20 g/t (1.26 oz/t) Au over 1.20 metres
*Note: Reported core lengths represent 50-75% true widths.

Phase I Drilling

The ongoing 30,000 metre Phase I drilling program at Cow Mountain is currently optimizing inferred gold mineralisation within a conceptual open pit. As per the updated 2015 Cow Mountain resource estimate performed by Snowden Mining Industry Consultants (Snowden), of Vancouver, British Columbia (refer to Company News Release dated March 31, 2015), drilling by previous operators from 1938-1981 was classified as inferred mineralisation because of lessened data confidence and was not simply a function of wider drill hole spacing. The BGM Phase I program is explicitly targeting these areas by replacing the historical gold intersections with modern drilling that conforms to CIM best practices and QAQC procedures. Based upon the Phase I drilling results to date,

there has been excellent correlation between the historic mineralized intervals and the new 2016 Phase I drilling.

"*These latest drill results along with ongoing mapping, underground sampling, geologic modeling and historic data validation, continue to add positively to our confidence level of the Cow Mountain gold mineralisation*," commented **Chris Lodder, President and CEO of BGM**. "*After completion of this drilling program the rigs will be moved to begin drilling on Island Mountain and thus allow us to analyze the drill data and begin planning the next work program on Cow Mountain. We expect to have a resource statement for all exploration targets sometime in 2017*."

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 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).

For further information on Barkerville Gold Mines Ltd. please contact:

Chris Lodder
President & Chief Executive Officer
Suite 400-365 Bay Street
Toronto, Ontario, Canada
clodder@barkervillegold.com

About Barkerville Gold Mines Ltd

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The Company is focused on developing its extensive land package located in the historical Cariboo Mining District of central British Columbia. Barkerville's mineral tenures cover 1,164 square kilometres along a strike length of 60 kilometres which includes several past producing hard rock mines of the historic Barkerville Gold Mining Camp near the town of Wells, British Columbia. The QR Project, located approximately 110 kilometres by highway and all weather road from Wells was acquired by Barkerville in 2010 and boasts a fully permitted 900 tonne/day gold milling and tailings facility. Test mining of the Bonanza Ledge open pit was completed in March of 2015 with 91,489 tonnes of ore milled producing 25,464 ounces of gold. The Company has completed a number of drilling and exploration programs over the past 20 years and is currently compiling this data with all historical information in order develop geologic models which will assist new management and provide the framework to continue to explore the Cariboo Gold Project. An extensive drill program is currently underway with the goal of delineating additional high grade gold mineralisation.