

Barkerville Gold Mines reports high grade drill results at Cow Mountain

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Barkerville Gold Mines {TSX.V: BGM} Intersects 10.02 g/t (0.29 oz/t) Au over 22.20 Metres Including 13.01 g/t (0.38 oz/t) Au over 11.50 Metres in Cow Mountain Phase I Drilling

VANCOUVER, BC- August 31, 2016 – **Barkerville Gold Mines Ltd. {TSX.V: 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 (CGP).

The results of these drillholes are presented in the full news release on the BARKerville website.

Drilling Highlights:

BGM-16-419: 24.55 g/t (0.72 oz/t) Au over 3.30 metres including 47.00 g/t (1.37 oz/t) Au over 0.60 metres and 40.60 g/t (1.18 oz/t) Au over 1.30 metres

BGM-16-420: 32.62 g/t (0.95 oz/t) Au over 2.95 metres including 61.20 g/t (1.79 oz/t) Au over 1.45 metres

BGM-16-423: 12.30 g/t (0.36 oz/t) Au over 8.00 metres including 12.90 g/t (0.38 oz/t) Au over 1.50 metres and 69.90 g/t (2.04 oz/t) Au over 0.50 metres and 31.00 g/t (0.90 oz/t) Au over 0.90 metres

BGM-16-446: 12.80 g/t (0.37 oz/t) Au over 2.50 metres including 16.50 g/t (0.48 oz/t) Au over 0.50 metres and 41.30 g/t (1.20 oz/t) Au over 0.50 metres

BGM-16-447: 16.43 g/t (0.48 oz/t) Au over 2.40 metres including 23.00 g/t (0.67 oz/t) Au over 1.25 metres and 9.28 g/t (0.27 oz/t) Au over 1.15 metres

BGM-16-451: 51.00 g/t (1.49 oz/t) Au over 1.75 metres including 172.50 g/t (5.03 oz/t) Au over 0.50 metres

BGM-16-451: 10.02 g/t (0.29 oz/t) Au over 22.20 metres including 13.01 g/t (0.38 oz/t) Au over 11.50 metres including 27.60 g/t (0.81 oz/t) Au over 1.50 metres and 43.90 g/t (1.28 oz/t) Au over 1.00 metres

BGM-16-456: 32.62 g/t (0.95 oz/t) Au over 4.50 metres including 46.04 g/t (1.34 oz/t) Au over 3.10 metres

BGM-16-457: 14.77 g/t (0.43 oz/t) Au over 5.75 metres including 18.98 g/t (0.55 oz/t) Au over 2.00 metres including 19.00 g/t (0.55 oz/t) Au over 1.00 metres and 24.50 g/t (0.71 oz/t) Au over 1.75 metres

BGM-16-458: 15.96 g/t (0.47 oz/t) Au over 3.00 metres including 27.20 g/t (0.79 oz/t) Au over 1.00 metres and 14.45 g/t (0.42 oz/t) Au over 1.00 metres

BGM-16-459: 39.93 g/t (1.16 oz/t) Au over 3.50 metres including 10.05 g/t (0.29 oz/t) Au over 0.70 metres and 78.20 g/t (2.28 oz/t) Au over 1.30 metres and 20.70 g/t (0.60 oz/t) Au over 1.50 metres

BGM-16-461: 52.59 g/t (1.53 oz/t) Au over 5.20 metres including 27.20 g/t (0.79 oz/t) Au over 0.80 metres and 232.00 g/t (6.77 oz/t) Au over 0.50 metres and 108.50 g/t (3.16 oz/t)

Au over 0.90 metres

***Note: Reported core lengths represent 50-75% true widths.**

Cow Mountain Phase I Drilling

As per the Company's directive to optimise a new, geologically constrained gold resource at Cow Mountain potentially amenable to either open pit and or underground mining methods, 242 drill holes totaling 32,290 metres have now been completed in the 2016 Phase I drilling program.

Assay results for the final 40 drill holes are pending and will be made public once available. The purpose of the Cow Mountain 2016 campaign was to confirm and upgrade auriferous drill intersections by previous operators from 1938-1981 that were classified as inferred mineralisation because of lessened data confidence and not simply a function of wider drill hole spacing. The 2016 Phase I program was 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 2016 drilling results to date, there has been excellent correlation between the historic mineralized intervals and the new 2016 drilling.

Island Mountain Exploration Update

With the Cow Mountain drilling now completed, three drill rigs have been mobilized to Island Mountain and are currently performing a first pass, 20,000 metre Phase I drilling program. The vein style of gold mineralisation that dominates on Cow Mountain also occurs on Island Mountain but was never the primary focus of exploration or past development because of the incidence of higher grade massive sulphide replacement

style mineralised bodies. As such, the 2016 Phase I program is designed to determine the extents of these vein systems, as well as test the down plunge extensions of the replacement bodies in areas that have never been drilled.

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 pulverised. 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 analysed 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).

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About Barkerville Gold Mines Ltd.

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.