



NEWS RELEASE

Japan Gold Expands Area of Prospecting Rights Applications and Commences Work Program at Aibetsu Project in North Hokkaido

May 31, 2017– Vancouver, BC - Japan Gold Corp. (TSX-V: JG) (OTCQB: JGLDF) (“Japan Gold” or the “Company”) is pleased to announce that it has expanded its portfolio in Japan with extensions to the Aibetsu Project and also commenced its 2017 regional work program at Aibetsu.

The Ministry of Economy, Trade and Industry (METI) has accepted thirteen new prospecting rights applications at the Aibetsu Project extending the area further to the north and east. The new applications cover prospective areas of mapped alteration and mineralization centered along northeast trending structures that extend out of the existing applications at Aibetsu, refer to **Figure 1**.

The Metal Mining Agency of Japan (MMAJ) completed regional stream geochemical sampling within the newly extended applications area which shows elevated gold and arsenic values associated with mapped alteration in the same order of magnitude as those occurring within the pre-existing applications around the historically mined mineralization at Aibetsu. The Aibetsu Project area now comprises 22 applications for a total of 7,034.5 hectares.

Five historic epithermal gold / silver and mercury mines are located within the Aibetsu Project area, **Figure 1**. Tokusei, the largest known historic mine at Aibetsu, is reported to have produced approximately 38,580 ounces-gold and 472,600 ounces-silver between 1930-42¹. Underground workings were developed at Tokusei along an array of parallel epithermal quartz-adularia veins located beneath a silica sinter and hydrothermal breccia capping¹. The project area has had only minor exploration since the 1940's which included mapping, soil sampling, and resistivity surveys by the MMAJ over the Tokusei mine area between 1998 and 2002. This work culminated in five deep diamond drill holes targeted mainly on Tokusei mine extensions. Narrow high-grade gold and silver intercepts in two drill holes targeted beneath a mercury soil anomaly located approximately 500 meters northeast of the Tokusei mine workings, included **0.95 m @ 69 g/t Au, 263 g/t Ag** (13MAHB-1) and **1.15 m @ 12 g/t gold and 7 g/t Ag** (13MAHB-2) ², at about 300 meters and 450 meters below surface respectively. A wider gold intercept of **7.5 m @ 1.92 g/t Au and 11 g/t Ag** (14MAHB-1) ³ was recorded from drill hole 14MAHB-1³ located approximately 500 meters to the southeast of drill hole 13MAHB-1 along a parallel structure, refer to **Figure 2**.

2017 Aibetsu Regional Work Program

Within the pre-existing applications, the Company plans to infill and extend southwards, from previous MMAJ mapping and soil geochemical sampling completed over the Tokusei mine area, to define new drill targets. Surveying and clearing of grid-lines to allow access for mapping and soil sampling over an approximate 5 km by 4 km area commenced in mid-May 2017, soil sampling is expected to commence in mid-June 2017. Mapping conducted along some recently cut grid lines has confirmed the presence of silica capping and sinter outcrops on Mt Maruyama above the Tokusei veins, indicating that limited erosion has occurred and that the vein systems are therefore well preserved.

The Company now has 173 prospecting rights license applications accepted in Japan for a combined area of 57,337 hectares over eleven separate projects. Thirty-two of these applications have been granted as Prospecting Rights.

John Proust, Japan Gold Chairman & CEO, commented, “We are pleased to expand our position at Aibetsu. Based on historical information and confirmation from recent mapping, erosion in the area appears to be limited, increasing the chance for discovery of well-preserved epithermal systems throughout the Aibetsu Project”.

Reference

¹Watanabe, 1996. Genesis of Vein-hosting Fractures in the Kitami Region, Hokkaido, Japan. Resource Geology, v46(3), pp 151-166, 1996.

²Metal Mining Agency of Japan, Geological Survey Report for Fiscal Year 2002, North Hokkaido Area.

³Metal Mining Agency of Japan, Geological Survey Report for Fiscal Year 2003, North Hokkaido Area.

Note 1

The Company’s compilation has been based on data published by the MMAJ and the Company has not resampled the underground workings or re-assayed samples. The MMAJ report does not refer to QA/QC protocols followed historically.

On behalf of the Board of Japan Gold Corp.

“John Proust”

Chairman & CEO

About Japan Gold Corp.

Japan Gold Corp. is a Canadian mineral exploration company focused solely on gold and copper-gold exploration in Japan. The Company has applied for 173 prospecting rights licenses in Japan for a combined area of 57,337 hectares over eleven separate projects. Thirty-two of the applications have been granted as Prospecting Rights. The applications cover areas with known gold occurrences and a history of mining, and are prospective for both high-grade epithermal gold mineralization and gold-bearing lithocaps, which could indicate the presence of porphyry mineralization. Japan Gold’s leadership team has decades of resource industry and business experience, and the Company has recruited geologists and technical advisors with experience exploring and operating in Japan. More information is available at www.japangold.com or by email at info@japangold.com.

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The technical information in this news release has been reviewed by Japan Gold's President & Chief Operating Officer, Dr. Mike Andrews, PhD, FAusIMM, who is a Qualified Person as defined by National Instrument 43-101.

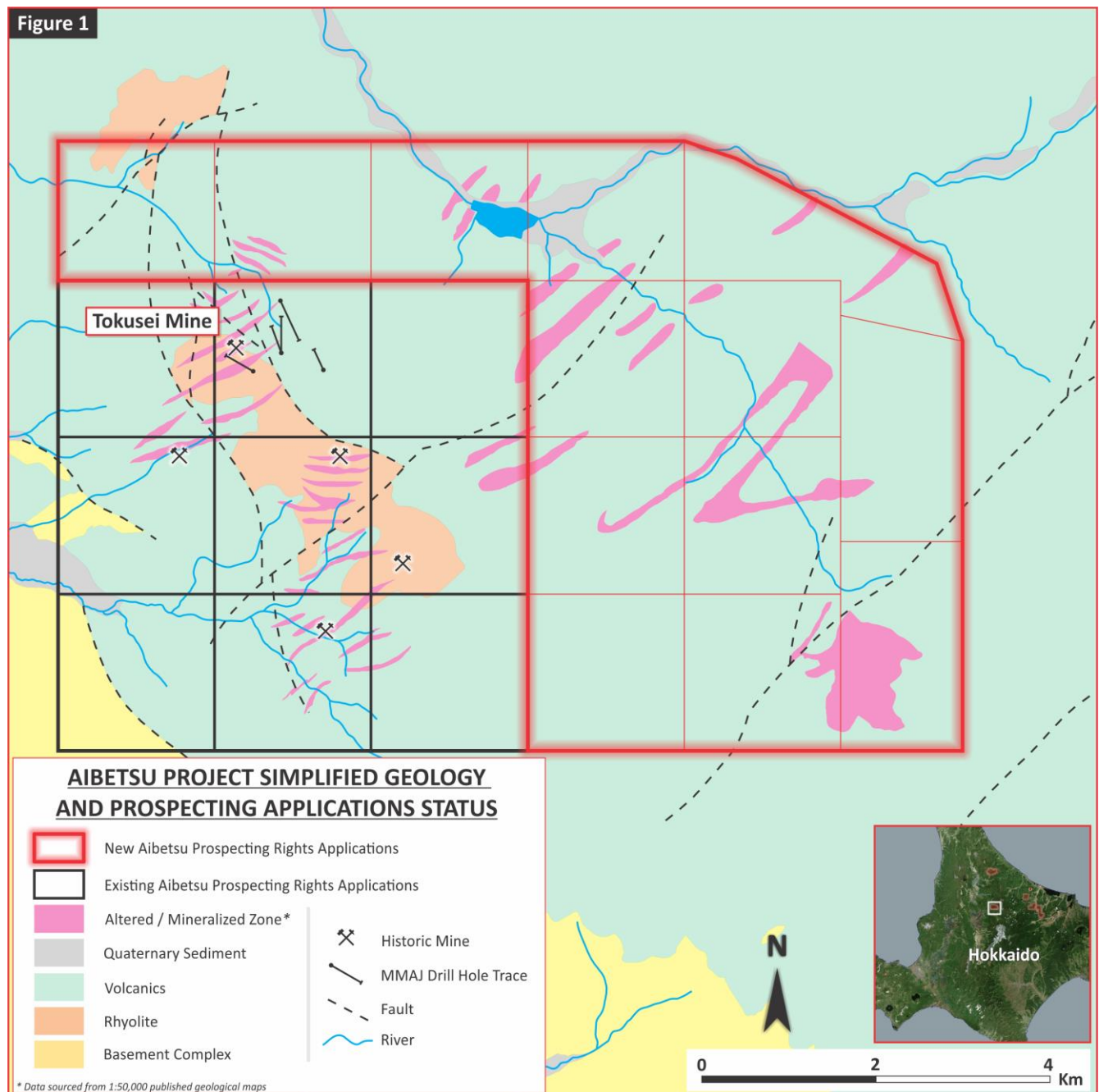


Figure 2

