



TSX-V: JG

NEWS RELEASE

Japan Gold Signs Drilling Contract with Sumiko Resources Exploration & Development Co., Ltd. and Reaches Agreement to Purchase Three Diamond Core Drill Rigs

June 1, 2017– Vancouver, BC - Japan Gold Corp. (TSX-V: JG) (OTCQB: JGLDF) (“Japan Gold” or the “Company”) is pleased to announce that the Company has concluded an agreement with Sumiko Resources Exploration & Development Co., Ltd. (“SRED”) to manage and operate its drilling programs in Japan. To support this contract, Japan Gold has agreed to purchase three diamond core drill rigs that will be operated by SRED.

SRED, founded in 1963, is a wholly owned subsidiary of Sumitomo Metal Mining Co., Ltd., a major non-ferrous metal mining and smelting company based in Japan. SRED offers consulting services for resource exploration and environmental investigation using geological, geophysical exploration and related technologies including drilling.

SRED was instrumental in the prospecting, development and exploitation of the Hishikari Mine, Japan’s largest and highest grade operating gold mine.

John Proust, Chairman and CEO of Japan Gold, commented, “We are very pleased to partner with SRED in this new venture. Their experience and reputation in Japan is unsurpassed and will be particularly valuable as we seek to unlock the potential of our large project portfolio. Undoubtedly, this partnership will enhance the capability and credibility of Japan Gold Corp.”

In conjunction with the SRED contract, Japan Gold has agreed to purchase three portable diamond core drill rigs from PT. Promincon Indonesia (“PMC”) for \$544,000. PMC manufactures a range of portable diamond core drill rigs and is an established diamond core drilling contracting company incorporated in Indonesia. A director and officer of Japan Gold has a controlling interest in PMC.

The purchase was approved by the independent members of the Japan Gold Board of Directors and is a “related party transaction” within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The purchase is exempt from the valuation and minority shareholder approval requirements pursuant to sections 5.5 (a) and 5.7 (1)(a) respectively of MI 61-101.

Acquisition of the two PMC400 drill rigs and one PMC700 drill rig will give the Company independence and flexibility on the timing and execution of its drill programs. Also, the Company sees cost saving benefits of owning its own drill rigs. The compact nature of these diamond core drill rigs allows for rapid set-up, move and the remediation of drill sites. They also have a smaller environmental footprint when compared to conventional equipment. The drill rigs have been proven and tested in similar geological environments. The PMC400 and the PMC700 drill rigs can core-drill to depths of over 400 meters and 700 meters in NQ core size respectively.

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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