

Vancouver, British Columbia--(Newsfile Corp. - October 23, 2018) - **Japan Gold Corp. (TSXV: JG) (OTCQB: JGLDF) ("Japan Gold" or the "Company")** is pleased to announce that it has entered into a binding letter agreement ("**Letter Agreement**") with **First Quantum Minerals Ltd. (TSX: FM) ("FQML")** to explore four of its prospective lithocap projects (collectively, the "**Lithocap Projects**" and each a "**Project**") located on the islands of Hokkaido, Honshu and Kyushu, Japan. The Lithocap Projects represent exploration targets for shallow-level epithermal gold and deeper porphyry copper-gold deposits. Pursuant to the terms of the Letter Agreement, FQML has committed to manage and oversee a systematic surface exploration reconnaissance program on each Project prior to June 30, 2019.

John Proust, Chairman and CEO of Japan Gold, commented: *"We are delighted to partner with a company with First Quantum's international reputation, exploration, development and production expertise and financial capability to advance four of our highly prospective gold and copper-gold exploration targets in Japan. We believe this to be a first of many validating events for our pioneering efforts to re-establish Japan as a major mining jurisdiction. Separately, Japan Gold's portfolio includes an additional twelve epithermal gold projects focused on the islands of Hokkaido and Kyushu, all of which sit within historic mining districts. Taken together, we believe that the Company is in an excellent strategic position in Japan, and we heartily welcome First Quantum as a partner."*

The Projects included in the Letter Agreement are the Eboshi, Kobui, Minamikayabe and Kamitsue projects, which collectively cover a land area of 11,830 hectares ("ha"), refer to **Figure 1** which shows Japan Golds lithocap projects on the islands of Hokkaido, Honshu and Kyushu.

FQML will immediately commence work on initial exploration programs at each of the Projects, which will consist of reconnaissance field work, mapping, soil and rock sampling, and targeted geophysics. FQML personnel will be working directly alongside Japan Gold, who will remain as operator during this initial program at each of the Projects.

Option Summary

Upon completion of the initial exploration program, as defined by a specific scope of work on each of the four Projects, FQML will have the option to enter into a formal earn-in agreement ("**Option Agreement**") on any Project individually, pursuant to which FQML may earn-in to 51% of a Project by completing a minimum of US\$5 million in total exploration expenditures prior to June 30, 2022. For any project that FQML options it will endeavour to maintain minimum average annual

expenditures of US\$1 million per year during the initial earn-in period.

Upon earning a 51% interest in a Project, FQML would have the right to earn an additional 29% interest in a Project by solely funding the Project until FQML makes a "Decision to Mine", increasing FQML's ownership in a Project to 80%.

Lithocap Project Summaries

The Eboshi project comprises nine contiguous prospecting rights totaling 3,080 ha, located near the coastal town of Noheji in northern Honshu, Japan. The project area contains a large, exposed advanced-argillic lithocap, one of several identified along the Northeast Japan Arc by government funded regional metallogenic surveys conducted in the 1980's and 1990's.

The Kobui project comprises eight contiguous prospecting rights applications totaling 2,738 ha, located in the Kameda Peninsula of southwestern Hokkaido. The project area contains two large advanced-argillic lithocaps separated by a younger andesitic volcanic dome.

The Minamikayabe project comprises six contiguous prospecting rights applications totaling 1,943 ha also on the Kameda Peninsula of southwestern Hokkaido. Targets include high level epithermal gold systems, and deeper potential porphyry targets associated with two broad advanced-argillic lithocaps.

The Kamitsue project comprises twelve contiguous prospecting rights applications totaling 4,069 ha, located near the town of Kikuchi in northern Kyushu. A large area of advanced argillic alteration was identified by the Company in 2018 during reconnaissance programs around historically prospected gold bearing quartz veins.

Advisors

Haywood Securities Inc. is acting as financial adviser to Japan Gold in connection with the transaction. Morton Law LLP is acting as legal counsel to Japan Gold.

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 210 prospecting rights licenses in Japan for a combined area of 69,505 hectares over seventeen separate projects. Forty-one 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.

About First Quantum Minerals Ltd.

First Quantum Minerals Ltd. is a leading and fast-growing copper company founded more than 20 years ago with a strong conviction in the long-term fundamentals for copper. Beginning with the 1996 purchase of the Bwana Mkubwa Mining License in Zambia, to reprocess tailings from past mining activities, First Quantum's assets and operations now span nine countries and five continents. Today, First Quantum is one of the world's top ten copper producers. In 2017, First Quantum recorded the highest copper production in its history at 573,963 tonnes in addition to 199,736 ounces of gold and 17,837 tonnes of nickel. First Quantum's rapid growth is set to continue with the ramp-up of the massive Cobre Panama project beginning in late 2018.

Japan Gold Contact

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Cautionary Note

Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. 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. As the Qualified Person, he has supervised the preparation and approved the scientific and technical disclosure in the news release.

This news release contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the Company's ability to execute and implement future plans, and the occurrence of unexpected events. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

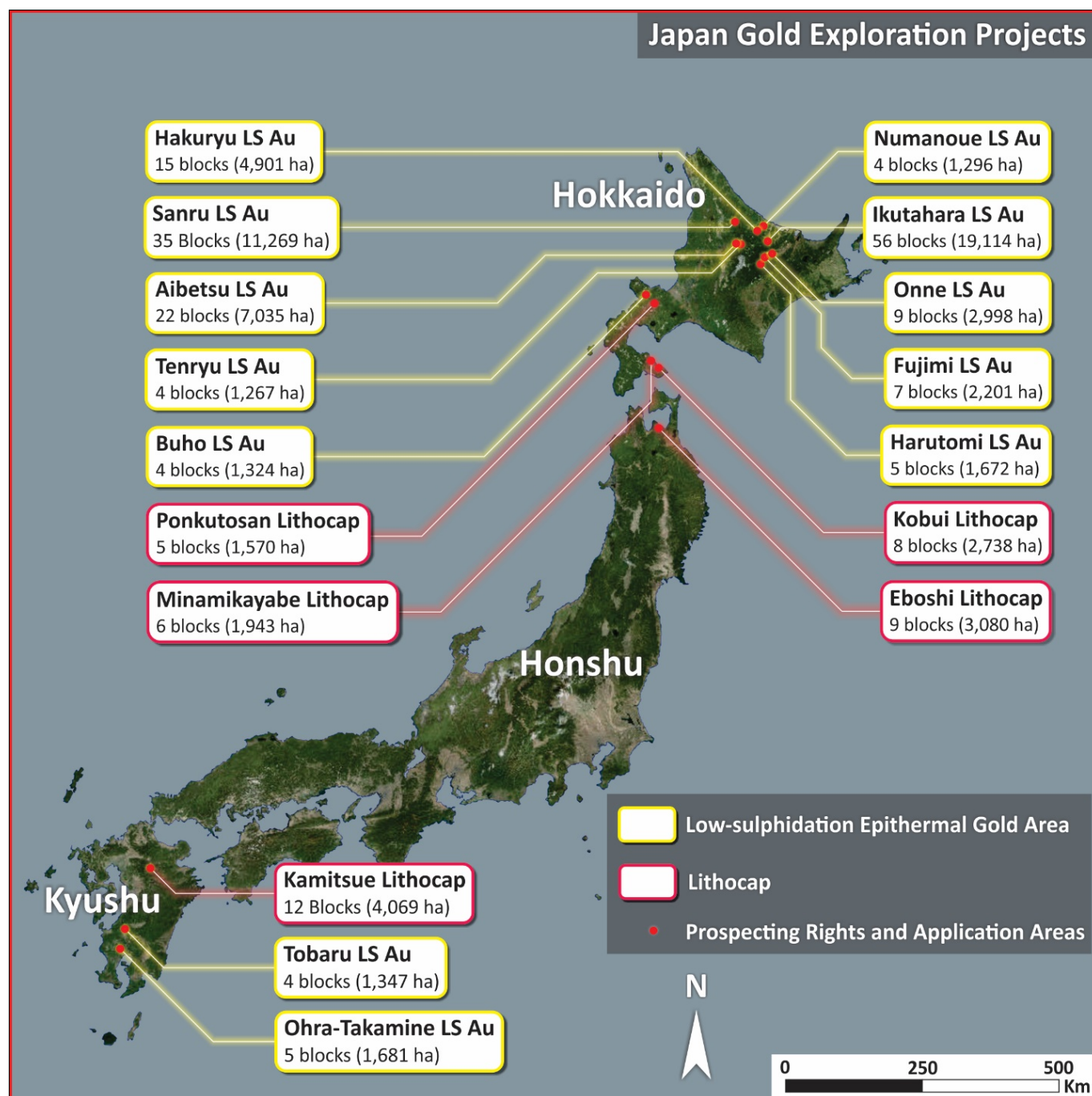


Figure 1: Japan Gold Lithocap and Low-Sulphidation Epithermal Gold Projects

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