



CANAMEX GOLD CORP.

NEWS RELEASE

Updated PEA: NPV5 of \$CAD 88.4 million or \$CAD 1.44 per share

Vancouver, British Columbia / The Newswire / January 8th, 2018 – Canamex Gold Corp. (the “Company”) (TSX-V: CSQ) (OTCBB: CNMXF) (FSE: CX6) is pleased to announce the positive results of the Updated Preliminary Economic Assessment (“PEA”) on the 100% owned Bruner Gold Development Project, located in Nye County, Nevada. The PEA was prepared by Welsh Hagen Associates (WHA) of Reno, Nevada in accordance with the requirements of Canadian National Instrument 43-101 "Standards of Disclosure for Mineral Projects" ("NI 43-101").

Highlights of the Updated PEA

- **After-tax net present value at 5% discount rate (NPV5) \$US 69.6 million (\$CAD 88.4 million) or \$CAD 1.44 per share (based on 61,365,676 shares currently on issue).**
- The updated PEA adds 93,000 ounces of indicated resources of gold and 826,000 ounces of indicated resources of silver to the resources referenced in the 2016 PEA.
- **Low pay-back period of nominally 1.65 years at \$US 1,280/oz. gold.**
- **Attractive after-tax IRR of 31% at \$US 1280/oz gold price and 51.5% at \$US 1,500/oz gold.**
- **Average annual production of 42,500 oz gold, and 44,250 oz silver.**
- **10-year operation, including a 2-year tail of gold and silver recovery after mining.**
- **Average annual cash cost of \$US 577/oz. for the first two years and \$US 872/oz. thereafter for an average cash cost of \$US 796/oz.**
- **Low initial capital expenditures of \$US 37.81 million, including contingency of \$ US 4.8 million, not including \$US 6.8 million of working capital.**
- Contract mining with room for significant improvement on mining costs with owner operated equipment and detailed scheduling of mining costs between the three proposed pits.
- Facility siting and first two years of production entirely on patented claims to allow for a streamlined permitting process for the Phase 1 production scenario.
- **Oxide heap leach processing with 90% recovery of gold on single stage crushed material and 75% recovery of gold on run of mine (ROM) material.**
- The reported NI43-101 **resources remain open in multiple directions** and are amenable to expansion with additional drilling.

Comments by Management

Greg Hahn, President and Chief Operating Officer of the Company stated: "Completion of this updated PEA significantly advances the Bruner Gold Project. This updated PEA extends the life of the conceptual mine life from six to eight years and adds 93,000 ounces of indicated resources of gold and 826,000 ounces of indicated resources of silver to the resources referenced in the previous 2016 PEA. It also tightens the capital and operating cost estimates by reference to recently experienced actual costs on another gold development project in Nevada. I believe we will be able to move the Bruner Gold Project forward into permitting and development on the strength of this positive PEA. The project includes the fundamental elements we consider important to investors when building a mine, including low capital and operating costs, and an attractive rate of return in the current price environment. We can now move ahead with permitting and engineering the project for development."

The Company cautions that the PEA is preliminary in nature in that it includes some Inferred Mineral Resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be characterized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Dollar references are in US dollars. The exchange rate used is 1.27 CAD to USD.

Financial Analysis

The PEA base case uses a gold price of \$1,280/oz. and generates an after-tax net present value (NPV5) of \$US 69.6 million, after-tax IRR of 31.0%, and an average annual after-tax net cash flow from operations of \$US 14.4 million for the ten years of gold recovery. The PEA results are disclosed on an after-tax basis, and take into account the Nevada Net Proceeds Tax, and federal and state income taxes after allowance for accelerated depreciation of initial and sustaining capital, and depletion allowance, but without allowance for depreciation of capital investment to date. Project break-even (nil IRR) is reached at a gold price of \$US 958/oz, although the first two years of operation have a break-even gold price of \$849/oz. The mine production schedule is developed such that a decision whether to proceed with the higher cost Penelas pit development can be made based upon prevailing gold price at the time, after the first two years of production and payback of initial capital, and sufficient net cash flow is generated to pay for the pre-stripping of the Penelas deposit.

Table 1: After-Tax Economic Sensitivity

	Base Case \$1,280/oz. gold	Upside Case \$1,500/oz. gold
IRR	31.0%	51.5%
NPV@5% Discount Rate	US\$69.6 million	US\$114 million
Average Annual Cash Flow	US\$14.4 million	US\$19.7 million
Average Operational Margin	\$484/oz.	\$704/oz.
Payback Period	~1.65 year	~1.25 year

Mining and Processing

The Bruner Gold Project PEA was prepared as an open pit mining project. Contractor mining is assumed, using an average of current contractor mining rates for similar sized projects in Nevada. There is considerable room for improvement of the unit mining costs by properly engineering and quantifying haul road distances and grades and considering owner operated mining in further studies. Material grading greater than 0.192 gpt gold will be crushed in a single stage jaw crusher and conveyed onto the leach pad. Material grading between 0.117 and 0.192 gpt gold will be truck dumped on the leach pad and leached run-of-mine (ROM). Crushed material will be processed at a rate of approximately 7500 tonnes per day and conveyed onto a conventional heap leach pad, with solution reporting to an adsorption-desorption recovery (ADR) carbon plant producing a gold-silver doré product. Recoveries used in the PEA include 90% on gold for single-stage crushed material, 75% on gold for ROM material, and only 10% on silver for all material processed. Doré will be approximately 50:50 gold and silver. Over the mine life, production will total approximately 21.755 million tonnes of material at a gold grade of 0.56 gpt for a total payable of 349,300 oz. of gold and 363,400 ounces of silver. Leached material will require 2 lbs/ton lime for pH adjustment and 0.2 lbs/ton sodium cyanide consumption. The conceptual production schedule is as follows:

Table 2: Conceptual Production and Processing Summary

Year	Tonnes	Gold Grade	Contained	Recovered	Silver Grade	Contained	Rec'd
	(000's)	(gpt)	Gold (oz)	Gold (oz)	Grade	Silver (oz)	Silver (oz)
1	3,224	0.501	51,936	39,350	4.87	504,538	42,920
2	3,279	0.601	63,341	50,850	8.19	863,161	73,400
3	2,444	0.445	34,948	35,120	3.55	279,084	31,290
4	2,877	0.475	43,943	41,110	3.9	360,307	43,500
5	2,852	0.549	50,339	43,720	5.05	462,604	43,540
6	2,839	0.465	42,471	38,230	5.91	539,441	51,210
7	2,822	0.645	58,563	51,850	4.68	424,741	43,070
8	1,417	0.975	44,414	39,810	4.38	199,635	25,090
9	0			5,260			6,380
10	0			4,000			3,000
LoM	21,755	0.558	389,955	349,300	5.19	3,633,511	363,400

Note: Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding.

Capital and Operating Costs

Initial capital is estimated at \$US 37.81 million, including \$US 4.8 million for contingencies, but not including \$US 8.1 million in reclamation expenses, or \$US 6.8 million for working capital. Additional capital expenses such as a heap leach pad expansion and pre-stripping of the Penelas pit bring the total LOM capital required to \$US 51.8 million. The PEA assumes contractor mining with the contractor providing all mining equipment, maintenance, fuel and explosives. Operating costs were estimated based on process design criteria, current contractor mining rates at similar sized projects in Nevada, grid power available from NV Energy's 60Kv line located in Gabbs. All costs are in Q4 2017 dollars. Average cash costs are \$577/oz. for the first two years of operation and \$872/oz, thereafter. Break-even gold prices are \$849/oz and \$1012/oz respectively, or \$958/oz life-of-mine.

Table 3: Capital Cost Summary

Capital Items (US\$)	Initial Capital	Sustaining Capital
Mine	\$ 5.71 million	\$11.2 million
Admin, Infrastructure, Processing	\$21.11 million	\$ 1.75 million
Indirect (includes EPCM, contingency, owner costs)	\$ 10.99 million	\$2.73 million
Salvage		(\$1.7 million)
Total Capital Cost	\$37.81 million	\$13.98 million

Table 4: Operating Cost Summary

	Cost per tonne processed	Cost per payable ounce produced (net of silver)
Mining	\$8.80	\$548
Processing and Heap Leach	\$2.63	\$164
G&A + Reclamation	\$1.35	\$ 84
Total Cash Cost⁽¹⁾	\$12.78	\$796
All-In Cost⁽²⁾	\$15.16	\$944

Note 1: Cash cost is calculated by dividing total life-of-mine production costs by total ounces produced.

Note 2: All-in cost is calculated by dividing the sum of all capital, operating, and royalty and reclamation costs by total ounces produced.

Permitting & Property Location

The Bruner Project in Nye County, Central Nevada, is located on both patented lands and on public lands managed by the Bureau of Land Management (BLM) Carson City Office. The BLM and the Nevada Division of Environmental Protection (NDEP) will be the primary regulatory agencies responsible for ensuring environmental protection as the Bruner Project progresses through permitting and approval processes.

While the project manager has had preliminary discussions with both agencies regarding an initial mine development plan on the project, formal Mining Plans of Operations have not been submitted yet, and baseline studies to support permit applications have not yet commenced. The Company expects that baseline studies to support an Environmental Assessment will commence in the spring of 2018, and permit applications will be prepared during 2018. All other applicable State and Local permits will also be applied for in due course. It is anticipated that permitting for the project will take approximately 18 months to complete. The Company has already secured approval from the State of Nevada for adequate water rights necessary to conduct mining activities. The approved water rights will be sufficient for life-of-mine operations.

The Bruner Project is located within the Walker Lane gold trend. The nearest mines are the Rawhide Mine located approximately 30 miles to the west which was operated by Kennecott Minerals and produced in excess of 1.7 million ounces of gold and 17 million ounces of silver between 1980 and 2005, and the Paradise Peak Mine, located about 30 miles to the south, which was operated by FMC and produced in excess of 1.5 million ounces of gold and 20 million ounces of silver between 1980-2000. Canamex cautions that historical production from the stated nearby mines has not been verified by the QP is not necessarily indicative of the mineralization on the Bruner Project property.

Resource Estimate

The NI 43-101 compliant resource estimate included in the PEA was performed by Randy Martin, SME-RM and is built upon prior work in 2015 by William Tanaka, FAusIMM and by Randy Martin, SME-RM as part of the 2016 original PEA, and is comprised only of gold resources that fall within the boundaries of conceptual pits with engineered ramps and smoothed walls. Grade models for all three resource areas HRA, Penelas, and Paymaster were all re-created to reflect additional drilling completed in all three areas since the original PEA in 2016. The Resource has been updated to reflect the additional drilling and refinements in relevant economic parameters.

Table 5: Mineral Resource Statement

<u>MATERIAL ABOVE EXTERNAL BREAKEVEN CUTOFF</u>										
Indicated > 0.192 gpt Au Equiv						Inferred > 0.192 gpt Au Equiv				
Zone	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
HRA	4550	0.61	7.76	89	1135	250	0.36	5.37	3	43
Penelas	12350	0.59	4.70	234	1866	1650	0.59	4.43	31	235
Paymaster	600	1.01	4.4	19	85	200	0.54	1.12	3	7
Sub Total	17500	0.61	5.49	342	3086	2100	0.56	4.23	37	285
<u>MATERIAL ABOVE INTERNAL BREAKEVEN CUTOFF AND BELOW EXTERNAL CUTOFF</u>										
Indicated between 0.117 and .192 gpt Au Equiv						Inferred between 0.117 and 0.192 gpt Au Equiv				
Zone	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
HRA	1150	0.16	4.43	6	164	50	0.17	3.6	0	6
Penelas	900	0.16	3.17	5	92	100	0.16	2.59	1	8
Paymaster	0	0	0	0	0	0	0	0	0	0
Sub Total	2050	0.16	3.88	11	256	150	0.16	2.93	1	14
<u>ALL MATERIAL ABOVE INTERNAL BREAKEVEN CUTOFF</u>										
Indicated > 0.117 gpt Au Equiv						Inferred > 0.117 gpt Au Equiv				
Total	19550	0.56	5.32	353	3342	2250	0.53	4.14	38	299

Table Notes:

- The Mineral Resource estimates were prepared in conformity with CIM “Estimation of Mineral Resource and Mineral Reserves Best Practices” guidelines and are reported in accordance with the Canadian Securities Administrators NI 43-101.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
- Resources stated as contained within a potentially economic minable open pit design with engineered ramps and smoothed walls; economic cut-off grade parameters are: \$1,250/oz Au and \$15/oz Ag,

90% gold recovery for crushed material, 10% silver recovery, \$2.70/tonne unit mining cost \$4.23/tonne

- processing + G&A+ reclamation cost, 55-degree inter-ramp pit slopes. Resources are reported using a 0.006 oz/t (0.192 gpt Au equiv.) gold cut-off grade for crush material, and a 0.004 oz/t (0.117 gpt Au equiv.) gold cut-off grade for crush material above internal breakeven but below external breakeven cut-off.
- "gpt" means grams per metric tonne, "opt" means ounces per short ton, "oz" means ounce(s), "IRR" means Internal Rate of Return.
- Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding. Tonnages have been rounded to nearest 50 k-tonnes. Grades have been rounded to nearest 0.01 gpt. Contained ounces have been rounded to nearest K-oz.
- HRA Resource is based on designed pit for \$1350 Au Price Cone Shell.
- Penelas Resource is based on designed pit for \$1350 Au Price Cone Shell.
- Paymaster Resource is based on designed pit for \$1350 Au Price Cone Shell.
- External Breakeven Cut-off is the cut-off where value of metal recovered equals the cost of mining and processing.
- Internal Breakeven Cut-off is the cut-off where value of metal recovered equals the cost of processing.

Further Optimization, Cost Reductions and Project Potential

The Company believes there are opportunities to further improve the economics of the Bruner Gold Project through continued exploration, refinement of the resource model using deterministic constraints, reductions in mining costs through detailed engineering and owner operated mining, further drilling within gaps in the data in the Penelas pit area, and possible pre-split blasting to increase pit slopes and minimize waste mining, and potential increases in silver extraction through further metallurgical testing. Metallurgical test work will continue during the feasibility and permitting progresses.

RECOMMENDATIONS

WHA recommends the following work based on the positive results of the PEA:

- Additional drilling to improve the confidence of the inferred resources to indicated resources, and to test the open extensions of the current resources.
- Additional infill drilling in the Paymaster zone surrounding the current underground workings, and infill drilling in the core and in the deeper Penelas mineralized zone.
- Column leach tests on large diameter core from the Paymaster and Penelas resource areas.
- Commencement of permitting with the State of Nevada and the US BLM.
- Engineering sufficient to support at least a pre-feasibility study to develop the project as outlined in this PEA.
- Perfection of the water rights granted by the State of Nevada to secure them for development.

This recommended work program is expected to cost approximately US\$3.5 million.

Qualified Persons

John Welsh, P.E., Rusty Hufford, P.E. (SME-RM), Carl Nesbitt, (SME-RM), Doug Willis (CPG) and Randy Martin (SME-RM) are the Qualified Persons as defined under NI 43-101 representing Welsh Hagen Associates and have reviewed the contents of this press release for accuracy of the technical and economic information presented. The report titled "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA" with an effective date of December 26, 2017 has been prepared by Welsh Hagen Associates, an independent geological consulting firm with a local office in Reno, Nevada. This report will be available on SEDAR (www.sedar.com) within 45 days.

The technical contents of this news release have been reviewed and approved by Gregory A. Hahn, President and COO of Canamex Gold Corporation, CPG#7122, a Qualified Person as defined by Canadian Securities Administrator National Instrument 43-101 "Standards of Disclosure for Mineral Projects".

About the Company

Canamex Gold Corp. (TSX-V: CSQ) (OTCBB: CNMXF) (FSE: CX6) is engaged in fast-tracking toward development of the Bruner Gold Development Project in the prolific gold jurisdiction of Nye County, Nevada. The region is home to several producing and past-producing mines along the Walker Lane Trend. Canamex completed a positive Preliminary Economic Assessment (PEA) on the Bruner Gold Development Project in 2016. Based on additional drilling conducted on the property, the company completed an updated PEA in 2018, which significantly advances the project. The after-tax net present value at 5% discount rate (NPV5) is \$US 69.6 million (\$CAD 88.4 million) or \$CAD 1.44 per share (based on 61,365,676 shares currently on issue). Canamex is now moving the Bruner Gold Project forward into permitting and development on the strength of this positive updated PEA. The second asset is the Silverton Gold property, a gold exploration project, in Nevada, which has geological similarities to the Long Canyon gold deposit in Nevada, being mined by Newmont Mining. Canamex has signed Agreements with Harmonychain AS, for Ethereum Blockchain Smart Contract Tokens for Gold and Silver, as an alternative means of raising capital, potentially without equity dilution. The Agreements secure the exclusive rights to 6 (Six) Ethereum Token domain names, ticker codes, and associated smart contracts, for Gold and Silver, if any of them have been successfully completed by 31st December 2018. Further information is available at <http://canamexgold.com>

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

CAUTIONARY NOTE TO US INVESTORS REGARDING RESOURCE ESTIMATION

Canamex Gold prepares its resource estimates in accordance with standards of the Canadian Institute of Mining, Metallurgy and Petroleum referred to in Canadian National Instrument 43-101 (NI 43-101). These standards are different from the standards generally permitted in reports filed with the SEC. Under NI 43-101, Canamex Resources reports measured, indicated and inferred resources, measurements, which are generally not permitted in filings made with the SEC. The estimation of measured resources and indicated resources involve greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. U.S. investors are cautioned not to assume that any part of measured or indicated resources will ever be converted into economically mineable reserves. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This news release includes certain forward-looking statements or information. All statements other than statements of historical fact included in this release are forward-looking statements that involve various risks and uncertainties. Forward-looking statements in this news release include statements in relation to the timing, cost and other aspects of the planned 2018 program on the Bruner property; the potential for development of the mineral resources; the potential mineralization and geological merits of the Bruner property; and other future plans, objectives or expectations of the Company. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's plans or expectations include the risk that actual results of current and planned exploration activities, including the results of the Company's 2018 drilling program(s) on the Bruner property, will not be consistent with the Company's expectations; the geology, grade and continuity of any mineral deposits and the risk of unexpected variations in mineral resources, grade and/or recovery rates; fluctuating metals prices; possibility of accidents, equipment breakdowns and delays during exploration; exploration cost overruns or unanticipated costs and expenses; uncertainties involved in the interpretation of drilling results and geological tests; availability of capital and financing required to continue the Company's future exploration programs and preparation of geological reports and studies; delays in the preparation of geological reports and studies; the metallurgical characteristics of mineralization contained within the Bruner property are yet to be fully determined; general economic, market or business conditions; competition and loss of key employees; regulatory changes and restrictions including in relation to required permits for exploration activities (including drilling permits) and environmental liability; timeliness of government or regulatory approvals; and other risks detailed herein and from time to time in the filings made by the Company with securities regulators. In connection with the forward-looking information contained in this news release, the Company has made numerous assumptions, including that the Company's 2018 programs will proceed as planned and within budget. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as otherwise required by applicable securities legislation.