

MONTANA GOLD MINING COMPANY INC.

NEWS RELEASE

October 16, 2013

CNSX SYMBOL: MGM

Montana Gold Receives Financing

Commencing Surface Sampling and Geochemistry Program, Golden Trail Project, Elko County, Nevada

London, Ontario – Montana Gold Mining Company Inc. (“MGM” or the “Company”) (CNSX Symbol: MGM) has received \$170,000 toward a non-brokered private placement financing that will be completed through the issuance of units priced at \$0.05 per unit. Each unit will be comprised of one common share and one warrant to purchase an additional common share at \$0.10 during the first year and then at \$0.15 during the second year and then at \$0.20 during the third year after the closing of the placement. The Company may accept additional subscriptions toward the private placement financing.

A surface sampling and geochemistry program will now commence at the Company’s 100% owned Golden Trail Project, located in Elko County, Nevada. This program is expected to take about one month to complete and is being conducted by Richard C. Capps, PhD., author of a NI 43-101 report filed on this property and available on SEDAR or the Company website at www.montanagoldmining.com.

Overview of the Golden Trail Project

Golden Trail is situated on the Pequop Trend (also called the Eastern Nevada Gold Trend), a recently identified gold trend in north-eastern Nevada that in 2011 saw Newmont Mining Company (“Newmont”) take over the former owner of the Long Canyon property, 52 miles south of Golden Trail for a reported \$US2.3 Billion. **Subsequent to Newmont’s acquisition of Long Canyon, Newmont staked 211 mineral claims totaling some 4,300 acres that completely surround the Company’s Golden Trail Project, which is comprised of 16 contiguous mining claims that total about 320 acres.**

Hydrothermal precious metal vein and mineralized skarn are the primary exploration targets at the Golden Trail Project and sediment hosted gold is a potential target at depth. The Golden Trail mineralization is centered on a broad zone of thermal metamorphism and hydrothermal/metasomatic alteration. The alteration/mineralization is defined by rock chip geochemistry, 8,100 feet of Phase 1 drilling, gravity and magnetic surveys, petrographic and x-ray diffraction studies, and geologic mapping. The zone includes decalcified and silica replaced Paleozoic limestone and calcareous sandstone. Gold and base metal mineralization is controlled and localized along broad northwest-

trending dilational zones containing numerous northwest-striking, high-angle gold-bearing veins and adjacent replacement zones all centered within a Northwest-striking calcsilicate skarn. Pre-skarn host rocks include Paleozoic limestone, siltstone, chert, sandstone and conglomerate.

The largest identified vein, the Golden Trail Vein (GTV), is over 1,200 meters long, and has an associated alteration zone that averages about 30 meters wide. Gold values above 20 ppb are common within the zone and several samples above 9 grams have been taken in the central GTV area including one rock chip sample of decalcified limestone contained over 28 grams gold.

The surface sampling program now commencing involves channel and soil samples along the Golden Trail Vein and primarily in the vicinity of planned drill locations. Subject to financing, drilling is planned to follow the surface program either later this year or in 2014.

Richard C. Capps, PhD., PRG, SME Geologist is the qualified person responsible for reviewing this press release for content and accuracy.

For further information please contact:

Edward (Ted) Ellwood, MBA
President & CEO
1-519-964-2836

Montana Gold Mining Company Inc. is a reporting issuer in good standing in the Province of Ontario whose common shares are listed on CNSX (Symbol: MGM). There are 33,631,007 common shares issued and outstanding in the capital of the Company, prior to any issuances from the private placement discussed herein.

CNSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

This news release contains "forward-looking information" (within the meaning of applicable Canadian securities laws) and "forward-looking statements" (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995). Such statements or information are identified with words such as "anticipate", "believe", "expect", "plan", "intend", "potential", "estimate", "propose", "project", "outlook", "foresee" or similar words suggesting future outcomes or statements regarding an outlook. Such statements include, among others, those concerning the Company's ability to complete exploration programs.

Such forward-looking information or statements are based on a number of risks, uncertainties and assumptions which may cause actual results or other expectations to differ materially from those anticipated and which may prove to be incorrect. Assumptions have been made regarding, among other things, management's expectations regarding its ability to initiate and complete future exploration work as expected. Actual results could differ materially due to a number of factors, including, without limitation, operational risks in the completion of the Company's future exploration work, technical, safety or regulatory issues.

Although the Company believes that the expectations reflected in the forward-looking information or statements are reasonable, prospective investors in the Company's securities should not place undue reliance on forward-looking statements because the Company can provide no assurance that such expectations will prove to be correct. Forward-looking information and statements contained in this news release are as of the date of this news release and the Company assumes no obligation to update or revise this forward-looking information and statements except as required by law.