



15, Gamble Street East – Suite 204 - Rouyn-Noranda (Québec) (Canada) J9X 3B6
(TSX Venture Listing = ZGG)

Z-GOLD EXPLORATION START DRILLING ABITIBI GOLD PROPERTY

Rouyn-Noranda, Canada – May 17, 2011 – Z-Gold Exploration Inc. is pleased to announce the start of a 10,000 meters drill program on its Abitibi Gold Property. The property is located in the Munro Township, in the Larder Lake mining district, Province of Ontario, in the famous Timmins-Porcupine mining camp within proximity to past and existing producers.

The Abitibi Gold Property is comprised of five 21 year mining leases containing 85 claims consisting of 91 claim units and 27 claims consisting of 33 units located Munro Township in the Larder Lake Mining Division, Province of Ontario. The Abitibi Gold Property covers approximately 2,007 ha and is located approximately 86 km east northeast of the City of Timmins. Access to the Property is easy with paved highway 101 passing near the south boundary of the Property and gravel secondary roads giving access to the central area of the Property.

Gold exploration activity in the general Munro Township Region has accelerated as the result of exploration successes in neighbouring townships and along the regional strike to the east. In Hislop Township, Brigus Gold is currently mining their Black Fox deposit. The current proven and probable reserves are 6,336,000 tonnes grading 4.4 grams gold per tonne (*Brigus Gold website*).

The Abitibi Greenstone Belt is well known to have hosted a large number of world class gold mines both large and small. Current and past producers in the area include the Croesus Mine (1.5 km to the South West of the Abitibi Gold Property (AGP)), St. Andrews Goldfields (20 km to the East of the AEP), Brigus Gold (10 km to the South West of the AGP), and the Harker Holloway Gold Mine (20 km to the East of the AEP).

The Destor-Porcupine fault zone (DPFZ) extends 200 km from Timmins, Ontario, to Destor, Quebec. The DPFZ is part of Abitibi Greenstone belt, known as the largest and most prolific Archean greenstone belt in the world. In Timmins, mines are characterized by richly mineralized and extremely deep deposits with relatively short strike lengths but large down-plunge extensions. They have plunge lengths of up 2 km and most remain open at depth.

Mines in the Timmins-Porcupine camp have produced over 70 millions ounces of gold (*Timmins Resident Geologist Annual Report 2010, MNM Website*). Recent discoveries have added another 20 millions ounces of mineable reserves: Goldcorps Hoyle Pond complex, as well as the Lake Shore's Timmins West mine, and their Thorne discovery bodes well for the Timmins mining camp.

Detailed prospecting has been conducted on the property since 1984. Said exploration has included the re-evaluation of a number of previously known gold-bearing quartz vein zones; and has resulted in the discovery of additional associated gold zones as well as previously undiscovered gold-bearing areas. A number of these auriferous zones have been tested by old pits and shallow prospect shafts. More recent exploration during the period 1984-94 has included stripping/trenching/sampling; geophysical surveys; and follow-up, limited diamond drilling.

This gold-bearing vein in places contains abundant blebs and coarse needles (laths) of arsenopyrite. Subsequent examinations have shown that visible gold (spectacular in places) is present in both the flat-lying vein and in thin, cross-cutting quartz stringers within the highly altered (carbonatized) basaltic wall rocks. The higher-grade gold values appear to be associated with zones of abundant

arsenopyrite present in both the quartz veins and the adjacent wallrocks. Accessory minerals also present in the quartz veins are minor chalcopyrite, sphalerite and fuchsite.

Z-Gold Exploration has completed line cutting, VLF/Mag and geochemistry surveys. Several high priority targets have been generated and a 10,000 meter drill program is planned on the property.

Vauquelin Property

Z-Gold is also announcing a short drill program of 250 meters on the Vauquelin Property, located in the Vauquelin Township, in the Val-d'Or Mining Division, Province of Quebec. The Vauquelin property consists of 6 claims totaling 345.21 hectares.

Several metallic deposits discovered in Abitibi since the 1950's have been discovered by way of geophysical and geochemical techniques as well as by the usual geological prospection. Because of their limitations, these old techniques have only permitted to discover mineral deposits located near the surface. The Megatem system is a more advanced and more performing system that allows to detect anomalies located at depth, that were not detected by the old methods of detection. The Vauquelin property has been acquired in that sense, to cover a strong Megatem anomaly located in a favourable geological context.

The Megatem conductor surrounds a circular magnetic anomaly in contact with the Vauquelin-Pershing batholith and volcanic rocks of the Val-d'Or group. This circular magnetic anomaly could be the reflection of an ultramafic intrusion. A strong lineal regional structure, previously unknown, crosses the whole sequence. This structure is interpreted as being a major fault. The zone of interest is located at the north end of the tectonic zone of Cadillac. Based on the geophysics results obtained, the IP technique was used to test the property for disseminated gold sulphides. A target has been identified and is being drilled.

Z-Gold Exploration Inc. is a publicly listed company trading on the TSX Venture (ZGG).

This press release was prepared by Z-Gold Exploration Inc. Neither the TSX Venture Exchange Inc nor its Regulation Services Provider (as that term is defined in the Policies of the TSX Venture Exchange) has reviewed or accepts responsibility for the adequacy or accuracy of this release.

About Z-Gold Exploration Inc.

Z-Gold has as its flagship property the Abitibi Gold Property located in Munro Township in the famous Timmins mining camp. There are many surface gold showings that require investigation by ground geophysical surveys and followed up by a diamond drilling program. A recent airborne survey has successfully outlined many EM and magnetic structural features. A geophysical feature similar to the Croesus mine has been identified. The Abitibi Gold Property consists of 112 claims located approximately 86 kilometres east northeast of the city of Timmins in the Larder Lake Mining Division, Ontario.

This document may contain forward-looking statements relating to Z-Gold's operations or to the environment in which it operates. Such statements are based on operations, estimates, forecasts and projections. They are not guarantees of future performance and involve risks and uncertainties that are difficult to predict and may be beyond Z-Gold's control. A number of important factors could cause actual outcomes and results to differ materially from those expressed in forward-looking statements, including those set forth in other public filing. In addition, such statements relate to the date on which they are made. Consequently, undue reliance should not be placed on such forward-looking statements. Z-Gold disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, save and except as may be required by applicable securities laws.

For further information, contact:

Rodrigue Tremblay, President and CEO

Phone: (888) 764-5195

(819) 797-0596

Fax : (819) 797-6050

Web site: www.zgoldexploration.com

Email : z-gold@tlb.sympatico.ca