



## VIPER GOLD LTD

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### VIPER GOLD OPTIONS 100% INTEREST IN THE GRINDSTONE CREEK OCCURRENCE NEAR TIMMINS ONTARIO

**Toronto, Ontario, August 1, 2012 – Viper Gold Ltd.** ("Viper" or the "Company") (TSXV: VPR) announces that it has entered into an option agreement (the "Agreement") on July 31, 2012 with Kinross Gold Corporation ("Kinross") and Selkirk Metals Corp. ("Selkirk"), a wholly owned subsidiary of Imperial Metals Corporation on their Currie-Bowman Property, located 54 kilometres east of Timmins Ontario (the "Grindstone Creek Property"). Pursuant to the Agreement Viper can acquire 100% interest in the Grindstone Creek Property by earning 100% of the 60% interest currently held by Kinross and 100% of the 40% interest held by Selkirk, subject to the approval of the TSX Venture Exchange. The option requires expenditures totalling \$375,000 over 2 years, with the first \$125,000 committed to be expended during the first year of the agreement in addition to staged share payments totalling 667,000 common shares of Viper, paid to Kinross and Selkirk on a pro rata basis based on their respective interests at the start of the option period. Of the 667,000 common shares of Viper, 167,000 are payable within 10 days of completing a 30 day due diligence period. Upon exercise of the option, Kinross will retain a 1% NSR and Selkirk will retain a 0.67% NSR, 50% (or 0.835%) of which can be purchased by Viper for a total of \$835,000.

The Grindstone Creek Property consists of 134 units in 30 claims in Currie and Bowman Townships along an altered volcanic assemblage located to the south of the Destor-Porcupine Fault in the Abitibi Greenstone Belt. The Grindstone Creek Property hosts the Grindstone Creek Occurrence, a gold-silver-zinc occurrence with intersections of 2.08 grams per tonnes ("gpt") gold ("Au"), 19 gpt silver ("Ag"), 0.5% zinc ("Zn") over 18.9 metres including 3.38 gpt Au, 14 gpt Ag, 0.6% Zn over 8.0 metres in borehole CB-04; 3.95 gpt Au, 132 gpt Ag, 3.0% Zn over 2.1 metres and 2.6 gpt Au, 8.2 gpt Ag, 0.19% Zn over 5.05 metres in borehole CB-07 and 3.5 gpt Au over 2.25 metres in CUR32-2 (source: Ontario's Ministry of Northern Development, Mines and Forestry Assessment files, file # 42A07NE2015). Diamond drilling has identified Au and Ag mineralization over approximately a 200 metre strike length to a depth of 300 metres. Numerous targets remain to be tested along strike and down plunge of the historic diamond drill intersections.

The Grindstone Creek Property is located directly to the north of Viper's existing unpatented mining claims on its Currie-Bowman property, covering interpreted fault and fold features within volcanic units as defined by the regional geophysical surveys completed by the Ontario Government. Similar fault and fold features are known to host significant gold mineralization within the Abitibi Greenstone Belt.

Paul Davis, President and CEO of the Company stated "The Grindstone Creek Property is a high quality property in the world class Timmins gold mining district. The combined Grindstone Creek Property and Viper's unpatented mining claims on its Currie-Bowman Property provide a significant land position of greater than 8,000 hectares along an under-explored mineralized volcanic belt. The numerous gold showings associated with the interpreted structural features provide the Company with a property that has the potential to host a significant gold deposit."

#### Company Profile

Viper Gold Ltd. is an emerging Canadian based junior exploration company focused on the precious metals potential of the "Gold Corridor" in Northern Peru and the Abitibi Greenstone Belt of Ontario, Canada.

## **QP Statement**

The information in this release was prepared under the direction of Paul Davis, P.Geo. President and CEO of Viper, and a Qualified Person as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

## **Further Information**

For further information relating to the Company or this release please visit the Viper Gold website at [www.vipergoldltd.com](http://www.vipergoldltd.com) or contact Paul Davis at 416-915-4284.

*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.*

*Statements in this press release may contain forward-looking information, including expectations of the results of future exploration and the potential of the Kinross-Selkirk Property including with respect to the bulk tonnage potential on the property. The reader is cautioned that assumptions used in the preparations of such information, including: the ability to find suitable targets; the ability to negotiate and enforce land access agreements with local communities; the ability to obtain necessary government approvals for proposed exploration plans; the ability to control operating costs; commodity price risk management activity; the ability to make suitable acquisitions and dispositions; and the ability to access capital and credit facilities may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. These risks include, but are not limited to, the risks associated with the mining industry, commodity prices, exchange rate changes, income taxes and regulatory changes. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated with uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. There is the additional risk that the Company may incur expenses related to the effective termination of the option agreement referred to in this press release. The reader is cautioned not to place undue reliance on this forward-looking information.*