



Press Release

Caza Gold Announces US\$500,000 Secured Loan

Vancouver, Canada – May 13, 2016 – Caza Gold Corp. (the “**Company**”) (CZY: TSX-V and CZ6: FSE) is pleased to announce that it has entered into a loan agreement (the “**Loan Agreement**”) with Polygon Mining Opportunity Master Fund (“**Polygon**”) providing for the terms and conditions pursuant to which Polygon will loan the principal amount of US\$500,000 to the Company (the “**Loan**”), as evidenced by a promissory note. The Loan is for a term of 24 months and is payable on demand upon the Company consummating an equity or loan financing with net proceeds of at least US\$2,500,000. The Loan bears interest at the rate of 10% per annum payable quarterly beginning on June 30, 2016. Interest payments may, at the option of the Company, be added to the principal amount of the Loan. As security for the payment of the Company’s obligations and for the fulfilment and satisfaction of all covenants and agreements made under the Loan Agreement, the Company has, concurrently with the Loan Agreement, entered into a general security agreement with Polygon pursuant to which the Company granted Polygon a security interest in all personal property of the Company, including the issued and outstanding shares of the Company’s wholly-owned Nicaraguan subsidiary, Nicaza S.A, which holds certain mining properties located in Nicaragua, including the Los Andes project.

Polygon is a ‘Control Person’ and ‘related party’ of the Company (as defined by securities legislation) and currently owns 109,502,499 common shares of the Company (77.5% of its issued and outstanding share capital).

The proceeds of the Loan will be used to complete current work, and fund further exploration and development work on the Company’s Los Andes High-Sulfidation Gold Project in Nicaragua and for working capital.

The Company is also pleased to announce that it intends to enter into shares for debt settlement agreements with three of its directors, Brian Arkell, Philip Yee and Stewart Lockwood, to settle a total of up to Cdn\$66,330 in accrued directors’ fees by the issuance of common shares of the Company at a price per share equal to the market price as of the date of the settlement.

Related Party Transactions: The Loan Agreement is required to be filed with the TSX Venture Exchange and is a ‘related party’ transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. Based on written recommendations prepared by a special committee of the independent directors of the Company, the Board, with the non-independent directors refraining from voting, agreed to the terms of the Loan. There were no materially contrary views, or abstention by any directors other than as set out above and there were no material disagreements between the Board and the special committee. The Formal Valuation exemptions available to the Company include: s. 5.5(a) due to the fair market value of both the subject matter of the transaction as well as the consideration given by the Company to the related party not exceeding 25% of the market capitalization of the Company and s. 5.5(g), on the basis that: (i) the Company is in serious financial difficulty, (ii) the Loan is designed to



improve the financial position of the Company, (iii) the Board is comprised of three independent directors and (iv) at least two-thirds of the Company's independent directors, acting in good faith, have determined that items (i) and (ii) above apply, and that the terms of the Loan are reasonable in the circumstances for the Company. The Minority Approval Requirement exemptions available to the Company include s. 5.7(1)(a) and s. 5.7(1)(g) based on, respectively, the same underlying reasons. The closing of the Loan is expected to be completed less than 21 days after the date of this news release, as several material matters were uncertain and not ascertainable until at, or close to, the date of this release. These matters include the Loan amount, the terms of the Loan Agreement, the use of proceeds, additional matters tied to the execution of the Loan documents, as well as internal approvals of Polygon. Due to, in part, the foregoing, the Company was unable to issue this release prior to today's date with any certainty, and in the Company's opinion this shorter period was unavoidable and reasonable and necessary in the circumstances.

Caza Gold Corp. is a gold and copper exploration company focused on discovering new deposits in Nicaragua. The Company controls a large land position in the highly prospective but largely undeveloped gold belts of Nicaragua. Caza has developed a large portfolio of projects in Nicaragua, including the Los Andes gold-silver project and the Piedra Iman copper-gold project.

Caza controls over 425 square kilometers of prospective ground within the central Nicaragua Gold Belt. In addition to the Los Andes Gold Project, Caza is exploring the Piedra Iman porphyry in northern Nicaragua along with five high-sulfidation volcanic hosted Au-Ag targets located in west-central Nicaragua near the Pan-American Highway.

CAZA GOLD CORP.

Per:

/s/ Brian Arkell

Brian Arkell

President and CEO

For more information, please contact Philip Yee at Toll Free: 1-877-684-9700, tel: (604) 685-9750, fax: (604) 685-9744, email: philip@cazagold.com or visit our website, www.cazagold.com

"Neither 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 DISCLAIMER – FORWARD LOOKING STATEMENTS

This news release includes certain statements and information that may contain forward-looking information within the meaning of applicable Canadian securities laws or forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, the likelihood of



commercial mining and financing requirements and the ability to fund future exploration and development are forward-looking statements and contain forward-looking information. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “intends” or “anticipates”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would” or “occur”. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbour.