



NEWS RELEASE

May 17, 2016

TSX Venture: IGO

Independence Gold To Acquire the Rosebute Property, Yukon

Vancouver, BC – Independence Gold Corp. (TSX.V: IGO) ("Independence" or "the Company") is pleased to announce that it has executed a Letter of Intent ("LOI") with Taku Gold Corporation ("Taku") to acquire up to a 100% interest in the Rosebute property (the "Property") located in the White Gold District of the Yukon.

The Rosebute property comprises 694 contiguous claims (14,387 hectares) and contains two significant new gold discoveries known as the Norwest and Hudbay zones. The Property is located approximately 58 kilometres ("km") south of Dawson City, Yukon and approximately 29 km north of the Golden Saddle Deposit owned by Kinross Gold Corporation. The Property is contiguous to the west of the Company's Henderson project, and is situated in close proximity to the Northern Access road proposed by Kaminak Gold Corporation that will provide access to the multi-million ounce Coffee gold deposit.

Norwest Zone

The Norwest Zone is located on the northern portion of the Property and is defined by three individual gold-in-soil anomalies that together form a circular anomaly with a diameter of approximately 2 km. In detail, the three anomalies, individually, have varying trends and range from 380 metres ("m") to 1.0 km in length. Diamond drilling in 2012 tested these anomalies with four drill holes totaling 963 m. Key intercepts include 1.0 gram per tonne ("g/t") gold over 22.6 m in RO12-01, including a higher grade interval of 3.8 g/t gold over 2.0 m; 1.6 g/t gold over 1.0 m in RO12-02, and 0.9 g/t gold over 3.0 m in RO12-04 (Taku news release August 22, 2012).

Hudbay Zone

The Hudbay Zone is located 3.0 km southwest of the Norwest Zone and consists of at least three, north trending gold-in-soil anomalies which each measure 1.0 km to 1.6 km in length and vary from 150 m to 350 m in width with gold-in-soil values up to 0.95 g/t gold. All three north-trending soil anomalies are open along strike. The southern end of the Hudbay Zone is especially robust, hosting an area approximately 500 m by 350 m with soil sample values typically greater than 60 parts per billion (ppb) gold. This area was mechanically trenched and shown to host a 300 m long north-northeast trending zone which includes 6.2 g/t gold over 5.0 m (Trench 2), 1.2 g/t gold over 10.0 m (trench 5) and 1.5 g/t gold over 20.0 m (Trench 4) (Taku news release September 12, 2012).

Randy Turner, president and CEO of Independence Gold, commented, "The Rosebute property makes an excellent addition to our portfolio of drill ready exploration targets in the White Gold district. Our strong cash position will allow us to immediately begin evaluating this property in combination with continued exploration work at the Company's Denali and Sunset gold discoveries at the Boulevard project."

Pursuant to the LOI, the Company can acquire a 75% interest in the Property by making staged cash payments totaling \$295,000 (\$60,000 upon closing), the issuance of an aggregate of 1,000,000 million shares (200,000 upon closing) and work commitments of \$2,000,000 (\$300,000 in the first year) over a three year period. Upon completion of the 75% earn-in, Taku will have the right to elect to participate as a 25% interest joint venture partner, or elect to sell the remaining 25% to the Company for an additional cash payment of \$500,000 and a share issuance of 1,000,000 shares. If Taku elects to sell the remaining 25%, it will retain a 1% net smelter royalty ("NSR") on the Property, with the Company having the right to buyback 0.5% of the NSR for \$500,000. In addition, the Property is subject to a 2% underlying royalty, with the right to purchase 1.0% of the underlying royalty for \$2,000,000. The transaction is subject to completion of due diligence, final documentation and approval of the TSX.V.

Independence Gold Corp. (TSX.V:IGO) is a well-financed mineral exploration company listed on the TSX Venture Exchange. With a portfolio of projects in the Yukon and the 3Ts Project located in British Columbia. The Company's holdings range from early stage grassroots exploration to advanced-stage resource expansion. For additional information please visit the Company's website www.ingold.ca.

David Gale, P.Geo., the Company's Qualified Person as defined by National Instrument 43-101 for the White Gold District projects, has reviewed the technical information in this news release.

INDEPENDENCE GOLD CORP.

"Randy Turner"

Randy Turner, President & CEO

For further information please contact Investor Relations at 604-687-3959 or info@ingold.ca

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

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