

WINNEMUCCA, NEVADA--(Marketwired - Aug 30, 2016) - [Paramount Gold Nevada Corp.](#) (NYSE MKT:PZG) ("Paramount" or the "Company") today announced its plans to fast-track a Pre-Feasibility Study ("PFS") for its Grassy Mountain Gold Project located on private land in Oregon.

Glen Van Treek, Paramount's President and CEO, said that "the key to creating value for our shareholders in the short term is to complete a PFS in 2017 and conclude the permitting process. The PFS represents a major step towards commercial production. It will also enable us to complete the permitting process which is moving more quickly than anticipated."

A PFS is a highly detailed analysis of all the key parameters involved in constructing and operating a mine including projected capital and operating costs, production levels and the expected economic return under different scenarios. The PFS analysis will only use measured plus indicated (M&I) mineralized material as the basis for the mine design and economic analysis. Paramount expects a positive PFS report that will include proven and probable reserves.

A PFS represents the next step in the evolution of the Grassy Mountain Gold Project following the successful completion of a Preliminary Economic Assessment ("PEA") last year.

"We are extremely excited by the high quality team of professionals that we have assembled to fast-track this high grade asset towards production. We look forward to the prospect of substantially improving the already robust economics seen in the PEA including the potential of a significant reduction in estimated capital costs," Van Treek said.

In September 2016, the Company will initiate a drill program of approximately 15,000-20,000 feet to achieve the following objectives for the PFS:

- Expand, better define and increase the confidence level in the inventory of high-grade underground mineralized material;
- Acquire material for PFS-level metallurgical testing and subsequent design of the recovery process; and
- Obtain geotechnical data on rock quality for underground mine design and mining methodology.

The PFS at Grassy Mountain is expected to deliver several important milestones to the permitting process. Paramount plans to provide the Federal Bureau of Land Management ("BLM") with the mine Plan of Operation, including the location of infrastructure and mine facilities within both the privately and federally owned land, in late 2016. Furthermore, the Company will initiate an Environmental Impact Statement ("EIS") and commence the permitting process in early 2017.

To complete the PFS, Paramount has selected the following leading consulting firms:

- Enviroscientists of Reno, Nevada, staffed with experienced professionals with over 30 years of mine permitting experience, will undertake the permitting process using the Base Line data already acquired and accepted as complete by the Oregon regulatory authorities. They will also be responsible for coordination with the BLM for the preparation of the EIS.
- Mine Development Associates of Reno, Nevada will handle the creation of the updated resource model, reserve definition, economic analysis, mine planning and underground design. In addition, MDA will act as the lead firm coordinating the work of the other consultants and compiling the final PFS document. MDA is well recognized for the quality of its work and expertise in mine design and operation.
- Golder Associates, an established firm with global reach and a strong presence in Oregon, will handle all of the geotechnical work. They will be responsible for recommendations related to underground design, underground mining methods, infrastructure and facilities stability, and the location and design of the tailings impoundment.
- AUSENCO, a worldwide leading engineering and construction group in the mining and gas industry, will be in charge of the metallurgical testing program and process design as well as the design of all facilities.
- SFP Water of Boise, Idaho, will develop all hydrology models required for dewatering and environmental permitting.

The PEA contemplated a 10-year underground mining operation with low cash operating costs driven by a high average underground gold grade of 5.32 g/T gold. The PEA estimated average annual production of 53,000 ounces of gold and 82,000 of silver yielding robust economics at a \$1,300 per ounce gold price and silver at \$17.50 per ounce. The project contains a total measured plus indicated mineralized inventory of 1.7 million ounces of gold and 4.9 million ounces of silver. (For more details see our release of July 7, 2016).

Michael Gustin of MDA, a Resource Qualified Person, and Richard Delong of Enviroscientists Inc., an Environmental Qualified Person both under National Instrument 43-101, have reviewed and approved this release.

About Paramount Gold Nevada Corp.

Paramount Gold Nevada is a U.S. based precious metals exploration company. Paramount has an unusually high ratio of

ounces of gold in mineral inventory to shares outstanding, providing its shareholders with exceptional leverage to the gold price. For our mineral inventory, click [here](#).

Paramount owns a 100% interest in the Sleeper Gold Project located in Northern Nevada. The Sleeper Gold Project, which includes the former producing Sleeper mine, totals 2,322 unpatented mining claims (approximately 60 square miles or 15,500 hectares). Additionally, Paramount holds a 100% working interest in the Grassy Mountain Gold Project which consists of approximately 9,300 acres located on private and BLM land in Malheur County, Oregon. The Grassy Mountain project contains a gold-silver deposit (100% located on private land) for which a PEA has been prepared and key permitting milestones accomplished. For the PEA, click [here](#).

Paramount's strategy is to create shareholder value through exploring and developing its mineral properties and realizing value for its shareholders in three ways: by selling its assets to established producers; entering into joint ventures with producers for construction and operation; or constructing and operating mines for its own account.

Cautionary Note to U.S. Investors Concerning Estimates of Indicated and Inferred Resources

This news release uses the terms "measured and indicated resources" and "inferred resources". We advise U.S. investors that while these terms are defined in, and permitted by, Canadian regulations, these terms are not defined terms under SEC Industry Guide 7 and not normally permitted to be used in reports and registration statements filed with the SEC. "Inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or prefeasibility studies, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves", as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in this category will ever be converted into reserves. U.S. investors are cautioned not to assume that any part or all of an inferred resource exists or is economically or legally minable.

Safe Harbor for Forward-Looking Statements

This release and related documents may include "forward-looking statements" and "forward-looking information" (collectively, "forward-looking statements") pursuant to applicable United States and Canadian securities laws. Forward-looking statements are based on the reasonable assumptions, estimates, analyses and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Management believes that the assumptions and expectations reflected in such forward-looking statements are reasonable. Assumptions have been made regarding, among other things: estimates of the size and grade of resources and the economic projections contained in PEAs prepared by its consultants; obtaining regulatory and court approvals, and the timing therefor; Paramount's ability to carry on exploration and development activities, including construction; the timely receipt of required approvals; the price of silver, gold and other metals; prices for key mining supplies, including labor costs and consumables, remaining consistent with current expectations; production meeting expectations and being consistent with estimates and plant, equipment and processes operating as anticipated. Paramount's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and other applicable securities laws. Words such as "believes," "plans," "anticipates," "expects," "estimates" and similar expressions should also be considered to be forward-looking statements. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including, but not limited to: uncertainties involving interpretation of drilling results, environmental matters, lack of ability to obtain required permitting, equipment breakdown or disruptions, and the other factors described in Paramount's disclosures as filed with the SEC and the Ontario Securities Commission.

Except as required by applicable law, Paramount disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this document.

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