

Drill Hole GM16-02 intersects 43 meters of 47.51 g/T gold and 12.7 g/T silver including 1.5 meters of 1090 g/T gold on southwest edge of deposit

WINNEMUCCA, NEVADA--(Marketwired - Jan. 30, 2017) - [Paramount Gold Nevada Corp.](#) (NYSE MKT:PZG) ("Paramount") today announced that the first results from its current drill program at its Grassy Mountain Project are exceeding expectations in terms of grade and rock quality for mining purposes.

The results to date are confirming the high-grade core of the deposit which is surrounded by a larger envelope of lower grade gold mineralization. Paramount's plan is to construct an underground mine to exploit the high-grade core. The current 29-hole drill program is part of an ongoing Pre-Feasibility Study ("PFS") required to raise resources to proven and probable reserves and complete the mine permitting process.

As reported in November 2016, Paramount began a drill program using one reverse circulation rig and two core rigs. The program was designed in conjunction with PFS consultants Mine Development Associates ("MDA"), Golder Associates ("Golder") and AUSENCO to:

- Better define the high-grade core for underground mining and potentially expand its size and grade;
- Acquire material for PFS-level metallurgical testing to design the recovery process including studies to better define the crushing equipment and milling circuits necessary to optimize gold recoveries;
- Obtain geotechnical data on rock quality for underground mine design and mining methodology.

For resource confirmation and metallurgical drilling, the reverse circulation rig is being used to drill the upper portion of the holes while the two core rigs are being used to complete the lower portions of the holes in the targeted high-grade core. For geotechnical data, core rigs are being used for the entire hole employing a triple tube technique to preserve the in situ characteristics of the rock. Paramount believes that triple tube drilling and logging at the drill site provide a more accurate assessment of rock competence encountered in actual underground mining compared to the previous methodology of manipulating and transporting drill core prior to logging, which can generate additional fracturing.

Results for the first four holes completed to their targeted depths are as follows (see the map below for drill hole locations):

Hole-ID	Type	From (ft.)	To (ft.)	Width (ft.)	Width ⁽¹⁾ (m)	Au (g/T)	Ag (g/T)
GM16-02	RC	130	400	270	82.4	0.60	3.2
	Core	450	525	75	23.0	1.69	9.85
	Core	545	685	140	43.0	47.51 ⁽²⁾	12.68
GM16-03	Core	85	415	330	100.7	0.53	2.0
	Core	455	785	330	100.7	2.17	5.0
	Including	500	672	172	52.5	3.35	7.5
	Including	500	545	45	13.7	3.41	7.1
	Including	605	633	28	8.5	5.96	8.7
GM16-04	Core	130	681	551	167.9	1.12	5.1
	Including	520	601	81	24.7	2.48	7.3
GM16-14	Core	367	750	383	116.8	2.20	9.1
	Including	546	579	33	10.1	7.51	18.0
	Including	613	679	66	20.1	3.56	9.2

(1) These holes were oriented to intersect the target at true thickness.

(2) Intercept includes 5 ft. (1.5m) @ 1090 Au g/T

RC= Reverse Circulation sample; core= core samples

Average grades are calculated using uncapped lab assays

The following table provides the objective and observations for each of the reported holes:

ID	Purpose	Total depth (ft.)	Total depth (m)	Specific objective
GM16-02	Resource	742	226	Test continuity and true width of high grade zone interpreted in limited previous drilling
GM16-03	Metallurgic & Resource	785	239	Metallurgical drill hole to acquire several rock types and grade
GM16-04	Geotech & Resource	745	227	Geotechnical hole to evaluate rock quality & infill drilling
GM16-14	Geotech & Resource	750	229	Geotechnical hole to evaluate rock quality & infill drilling to limit

Paramount CEO Glen van Treek commented: "The results from the first four holes confirm our expectation of a possible improvement in the resource. We expect that the infill drilling will continue to find smaller but very high grade zones that can add meaningful ounces to the overall resource. Previous resource estimates may not have captured the impact of these very high grade occurrences. Further drill results are needed to come to a firm conclusion but we are excited by the assays we have received to date which lead us to believe that incremental improvements in quantity and overall grade may be achievable."

Paramount has paused the drilling due to current weather conditions at the site and expects to resume its drill program in February.

NI 43-101 Disclosure

Exploration activities at Grassy Mountain are being conducted by Calico Resources USA Corp. personnel under the supervision of Michael McGinnis (CPG 10914), Project Manager and a Qualified Person under National Instrument 43-101, who has reviewed and approved this release. An ongoing quality control/quality assurance protocol is being employed for the program including blank, duplicate and reference standards in every batch of assays.

About Paramount Gold Nevada Corp.

Paramount Gold Nevada is a U.S. based precious metals exploration company. Paramount has a 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 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 Preliminary Economic Assessment ("PEA") has been prepared and key permitting milestones accomplished. For the PEA, [click here](#). Additionally, 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).

Paramount's strategy is to create shareholder value through exploring and developing its mineral properties and to realize this 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: the completion of a PFS; the quantity and grade of resources included in resource estimates; the accuracy and achievability of projections included in PEAs; 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; work 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.

To view Figure 1 - Drill hole Location Map, please visit the following link:

http://media3.marketwire.com/docs/1084250_Figure_1.pdf

To view Figure 2 - Section containing GM16-02, please visit the following link:

http://media3.marketwire.com/docs/1084250_Figure_2.pdf

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