EVOLVING GOLD ACQUIRES 56 km^2 LITHIUM LAKES PROJECT NEAR NEMASKA LITHIUM'S WHABOUCHI DEPOSIT

June 16th, 2016, Vancouver, British Columbia: Evolving Gold Corp. (CSE: EVG) (FSE: EV7) (OTCB: EVOGF) (the "Company") announces that it has executed a Purchase and Sale Agreement ("Agreement") with an arm's length party to acquire 105 mineral claims in four blocks, in Quebec. The Lithium Lakes Property (the "Property") is located about 10 kilometres ("km") north of the "Route du Nord" and between 8 and 30 km from Nemaska Lithium's Whabouchi Project. The Lithium Lakes main claim block extends 15 km in a NE-SW direction and 6 km in a NW-SE direction. The Property has 8 high priority targets prospective for lithium-bearing pegmatite bodies, including two that are approximately 3.5 km long that were selected based on a geological interpretation of historical magnetic, spectrometric and geochemical surveys and their association with topographic features.

Evolving Gold's Chief Executive Officer, Mr. R. Bruce Duncan stated, "We look forward to beginning the initial exploration phase of the Lithium Lakes Project, which is in the same geological formation as Nemaska Lithium Inc.'s Whabouchi Deposit. Evolving Gold currently has approximately CAD $1,100,000 on hand, and continues to hold a promissory note due from GFG Resources on July 28th, 2016 for USD $600,000, thereby eliminating any need for financing at this time. The Company is currently developing plans for a field exploration program, which will be initiated as soon as possible.

According to a Canaccord Genuity report issued May 17th, 2016: "We forecast the lithium market to grow by 81% to 347kt lithium carbonate equivalent (LCE) by 2020, and by 259% to 687kt LCE by 2025, representing a Compound Annual Growth Rate of 14% across all demand sectors. We anticipate Li-ion battery-based electric vehicles (passenger vehicles & electric buses) to be a key driver of demand over the next decade, accounting for 38% of all lithium demand by 2025 (from ~6% in 2015). Similarly, we also anticipate significant demand for lithium from the grid storage sector, which we forecast will account for 13.6% of all demand by 2025."

Terms of the Agreement

Pursuant to the Agreement, the Company has agreed to issue to the Vendor a total of 300,000 common shares upon the approval of the transaction by the TSX Venture Exchange. The Company has also agreed to pay the Vendor CAD$40,000 with CAD$10,000 already paid in advance as a non-refundable deposit.

The Lithium Lakes Claims are subject to a one percent net smelter returns royalty (1% NSR) whereby EVG will have the right, at any time, to acquire one-half of the Royalty (0.5% NSR) by paying $500,000 to the royalty holder**.**

About the Lithium Lakes Property

The Lithium Lakes Property is located about 10 km north of the "Route du Nord" and between 8 and 30 km from Nemaska Lithium's Whabouchi Project. To view the Property location map, please click here http://www.evolvinggold.com/i/img/evg-figure1.jpg. The road originates from the town of Chibougamau, approximately 250 km to the SSE, and connects the village of Nemiscau and the Route de la Baie-James. The Lithium Lakes main claim block extends 15 km in a NE-SW direction and 6 km in a NW-SE direction. A network of Hydro-Québec access roads crosses the eastern part of the Property. Several prospective areas may require the construction of ATV trails for local ground access.

The Lithium Lakes Property is comprised of 4 blocks of claims, totalling 105 active claims located on public land. To view a map of the Lithium Lakes claim locations, please click here http://www.evolvinggold.com/i/img/evg-figure2.jpg. The Property has a total area of 5,596.5 ha or 55.965 km^2.

Geology

The Property geology is similar to that found at the Whabouchi Deposit, owned by Nemaska Lithium, which is located a few kilometres to the south-west. To view a map of the regional geology, please click here http://www.evolvinggold.com/i/img/evg-figure3.jpg. The main basement rocks are Archean gneiss, overlain by a volcano-sedimentary belt, metamorphosed into biotite-silimanite schists to the south and adjacent to a granodioritic porphyry to the north. Fragmented horizons of amphibolitized ultramafic and Archean granitic intrusions are also part of the Property. Pegmatite sills and dykes are thought to originate from the granitic intrusions.

About Nemaska Lithium's Whabouchi Project

The Whabouchi lithium and beryl deposit owned by Nemaska Lithium is located 8 km south-west of the western boundary of the Lithium Lakes Property. Nemaska Lithium's Whabouchi Updated Feasibility Study Shows a Pre-Tax NPV at 8% Discount Rate of $1.9 B (After-Tax $1.16 B) and a Pre-Tax IRR of 37.7% (After-Tax 30.3%). NI 43-101 resources were evaluated by SGS in 2014 and were reported as follows:

Table 1: Whabouchi, NI 43-101 Resource Estimate

Category	Tonnage	Li2O %
Measured	12,998,000	1.60
Indicated	14,993,000	1.54
Measured and Indicated	**27,991,000**	**1.57**
Inferred	4,686,000	1.51

Most of the historical work in the area surrounding the Whabouchi Deposit was performed beyond the boundaries of the Lithium Lakes Property, in the greenstone belt located south of the Property. The Property was subject to historical electromagnetic, magnetic, and spectrometric surveys, along with a geological reconnaissance survey and lake sediment elemental analysis.

Target Generation

The five different historical surveys were used to generate high probability targets for lithium exploration. The specific parameters observed at Nemaska Lithium's Whabouchi Deposit are similar to the geophysical and geochemical anomalies observed at various locations on the Lithium Lakes Property.

Magnetic Survey:

The 2008 magnetic survey was examined to find areas of low magnetic intensity, which could correspond to the location of granite and pegmatite due to their expected contrast with the surrounding paragneiss. Topographic highs are also indicators of rock units resistant to erosion, such as pegmatite and granite. Areas with low magnetism associated with an elevated topography were considered significant targets and 22 such anomalies were defined.

Spectrometric Survey:

The 2009 spectrometric survey was then analysed to find areas of high emission, which could indicate the presence of minerals that may be associated with pegmatite complexes and potential lithium mineralization. The high spectrometric emission areas that correlate well with the magnetic survey results indicate that there are 8 anomalies that meet the combined high topographic, low magnetic and high spectrometric criteria, and could potentially be mineralized pegmatites.

Lake Sediment Survey:

Interpretation of the regional lake bottom sediment analysis data enabled the definition of exploration targets on the Property. The elements identified in the lake sediment assays were considered anomalous when they exceeded twice the background value of the sediment population. The population was determined by selecting the lake sediment assays located in the gneiss geological formation. The background was calculated using the mean value for each element in that population. The source of the lake sediment anomalies could be mineralization proximal to the lakes, or could also be derived from transported glacial till. Most of the material in the lake sediments is derived from glacial till. Exploration targets were considered high priority if lake sediment anomalies were found down ice to the targets generated by the topographic, magnetic, and spectrometric analysis. All 8 of the high-priority targets defined following spectrometric analysis are associated with lake sediment anomalies, while 9 additional lake sediment anomalies are related to the targets defined by the magnetic survey alone.

RESULTS

The combination of topographic, magnetic, spectrometric and lake sediment analysis allowed the definition of 8 anomalous areas which are highly prospective for lithium mineralization hosted in pegmatite bodies. To view a map of the Whabouchi pegmatite associated lake sediment anomalies, please click here http://www.evolvinggold.com/i/img/evg-figure4.jpg. To view a map of the highly prospective targets on the Lithium Lakes Property, please click here http://www.evolvinggold.com/i/img/evg-figure5.jpg. Table 2, below, provides a summary of the data leading to the selection of the high priority Lithium Lakes Property targets. Table 3, below, provides a comparison of observed parameters seen at the Lithium Lakes targets and the Whabouchi deposit. Readers should be cautioned that the mineralization hosted on Nemaska Lithium's Whabouchi Project is not necessarily indicative of the mineralization hosted on the Company's Lithium Lakes Property.

Table 2 – Property Exploration Targets

Target	Magnetism	Spectrometry	Lake Sediment Anomalies	Length of the Anomaly (m)
Whabouchi Deposit	Close to low	N/A	S, As, Bi, Co, Hg, Li, Nb, Re, Sb, U, V, W, REE	2,000
T1	Low	High	S, Re, Cu, Ni	3,500
T2	Low	High	U, Re, REE, Cu, Zn	3,500
T3	Low	High	As, Co, V, Mo, Ag	1,000
T4	Low	High	Re, Pt	1,500
T5	Low	High	Re, Pt	1,500
T6	Low	High	REE, Re, Be, Th, Cu, Zn	1,500
T7	Low	High	REE, Be, Th	1,500
T8	Low	High	Re, REE, Cu, Zn	1,500

Table 3 – Similarities Between the Lithium Lakes Targets and the Whabouchi Deposit

Target	Geology	Lithium Host	Geochemical Anomalies	Length of the Pegmatite Complex(m)
Whabouchi Deposit	Paragneiss of the Champion Lake Formation	Complex Pegmatite	S, As, Bi, Co, Hg, Li, Nb, Re, Sb, U, V, W, REE	2,000
T1	Paragneiss of the Champion Lake Formation	Complex Pegmatite Revealed by Low Magnetism and High Spectrometry	**S**, **Re**, Cu, Ni	3,500
T2			**U**, **Re**, **REE**, Cu, Zn	3,500
T3			**As**, **Co**, **V**, Mo, Ag	1,000
T4			**Re**, Pt	1,500
T5			**Re**, Pt	1,500
T6			**REE**, **Re**, Be, Th, Cu, Zn	1,500
T7			**REE**, Be, Th	1,500
T8			**Re**, **REE**, Cu, Zn	1,500

Remi Charbonneau, Ph.D., P. Geo #290 (an Associate of Inlandsis Consultants s.e.n.c.) is an Independent Qualified Person under National Instrument 43-101, and has reviewed and approved the technical information provided in this news release.

On Behalf of the Board of Directors

EVOLVING GOLD CORP.

"R. Bruce Duncan"

President, CEO and Director

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