

Medgold Resources Corp. is pleased to advise that it has closed its previously announced non-brokered private placement financing with the issuance to Fortuna Silver Mines Inc. of 10.0 million units at \$0.15 per unit, for proceeds of \$1.5 million.

Each unit consists of one common share of Medgold and one warrant entitling Fortuna to purchase one additional common share of Medgold at \$0.15 for one year from closing.

The common shares and warrants issued are subject to a resale restriction until October 18, 2016. No finder's fees or commissions were paid in connection with this financing.

The proceeds of the placement will be used to fund project-generating exploration in Serbia, and for general working capital purposes.

Dan James, President of Medgold, said: "We are pleased to close our financing with Fortuna Silver Mines, and speaking on behalf of the Medgold team.

We're all looking forward to starting work with them in Serbia under our strategic alliance. Our early stage work has identified a number of key district-scale targets which are the focus of our first licence applications there.

We hope to have the first licences issued in the late summer or early fall of this year.

Our experienced team of geologists is planning a busy summer field season of reconnaissance and target generation work, and we'll be starting more detailed work on the targets we've already identified."

source: juniorminingnetwork.com