



TSX-V: JG

NEWS RELEASE

Japan Gold Corp. (formerly Sky Ridge Resources Ltd.) Closes C\$7 Million Financing, Acquires Southern Arc Minerals Japan KK, Will Commence Trading on TSX-V on September 19, 2016

September 16, 2016 – Vancouver, BC – Japan Gold Corp. (TSX-V: JG) (“Japan Gold” or “the Company”) (formerly Sky Ridge Resources Ltd., TSX-V: SYR.H) is pleased to announce that further to the announcement on July 6, 2016, the Company has acquired Southern Arc Minerals Japan KK (“SAMJ”) and launched the first foreign mineral exploration company to focus solely on Japan. SAMJ has filed 80 mineral prospecting rights license applications in Japan (the “Japan Licenses”) and has begun exploring for high-grade gold and porphyry copper-gold mineralization.

Upon completion of the acquisition and the C\$7 million financing, Sky Ridge consolidated its share capital on one-for-two basis (the “Consolidation”) and changed its name to Japan Gold Corp. Shares of Japan Gold will commence trading at the market open on September 19, 2016 under the symbol “JG”.

Highlights:

- Japan Gold is the first foreign mineral exploration company to focus solely on Japan
- Japan Gold holds 80 mineral prospecting license applications across eight distinct projects prospective for high-grade gold and porphyry copper-gold mineralization, including several historical high-grade gold mines
- Board of Directors with decades of technical and resource industry experience, including Mitsuhiro Yamada, who recently retired from a distinguished career as Executive Officer and General Manager of the Sumitomo Corporation Mineral Resources Division
- Executive team with a proven track record of identifying mineral deposits and advancing them to production
- Completed C\$7 million financing to undertake exploration and advance the properties

“Japan Gold Corp. has “first mover” advantage as the first foreign (international) mineral exploration company to focus solely on gold opportunities in Japan,” said John Proust, Chairman & CEO of Japan Gold. “We have been working in Japan since early 2013, following a change to Japanese mining laws in 2012 that allowed Japanese subsidiaries to hold mineral exploration rights and mining permits. We have been reviewing historical exploration and production data and confirming our research with field reconnaissance in order to pinpoint the most promising exploration targets.

“Japan Gold was the first foreign exploration company to file applications for prospecting rights licenses. We have assembled a portfolio of very promising projects, and have the capital required to undertake a substantial exploration program and rapidly advance the properties. We have also recruited a leadership team with decades of resource industry experience and the business and technical expertise required to build a leading mineral exploration company.

“The input from Mitsuhiro Yamada on Japan Gold’s inaugural Board of Directors will be particularly valuable,” continued Mr. Proust. “Mr. Yamada had a distinguished 41-year career with Sumitomo Corporation, ultimately achieving the position of Executive Officer and General Manager of Mineral Resources. His insight into the Japan mining industry will be invaluable as we move ahead.”

Financed for Exploration

Japan Gold issued shares for the acquisition of SAMJ. Southern Arc Minerals Inc. (TSX-V: SA) received 23,750,000 post-Consolidation common shares, and Saltpancove Consulting received 1,250,000 post-

Japan Gold Corp.

Suite 3123 – 595 Burrard Street, Vancouver, BC V7X 1J1 Canada

Phone: 604-609-6143

www.japangold.com

Consolidation shares. Japan Gold also issued 500,000 post-Consolidation shares to Fiore Management & Advisory Corp. with respect to the acquisition. Japan Gold has granted 4,625,000 post-Consolidation options to directors, officers and consultants of the Company exercisable at C\$0.40 with a ten year expiry.

In connection with the acquisition of SAMJ, Japan Gold completed a financing involving the issuance of 17,500,000 post-Consolidation common shares at a price of C\$0.40 per share, for gross proceeds of C\$7,000,000. Proceeds of the financing will be used primarily to advance exploration of the Japan Licenses and for general working capital.

The current share capital of Japan Gold consists of 55,297,679 common shares, 5,494,831 options and 150,000 warrants (expiring September 24, 2016), for 60,942,510 shares on a fully diluted basis.

About the Japan Licenses

The Tertiary volcanic arc terrains of Japan host 76 known past-producing gold mines and five one-million-plus-ounce gold deposits.¹ These include one of the world's highest-grade gold mines, the Hishikari Mine on Kyushu Island, which has been in production since 1985. The Hishikari Mine had produced 210.2 tons (more than 6 million ounces) of gold as of March 2014 and continues to produce more than 200,000 ounces of gold per year at a grade averaging 40 g/t gold.² Management considers Japan to be largely underexplored, despite a history of significant gold production and known mineral occurrences.

When Japan's mining laws were changed in 2012 to re-activate the mining industry, SAMJ moved quickly to review historical data and identify key exploration targets and was the first foreign exploration company to apply for prospecting licenses. Japan is considered one of the most stable and corruption-free jurisdictions in the world. The mining regulatory framework is well established and transparent, with easy access to government officials and a comprehensive support program to facilitate stakeholder consultation. SAMJ deliberately chose applications in sparsely populated areas with a history of mining, and has received strong local support to date.

Based on a desktop review of historical gold production and Japan's extensive geoscientific database, SAMJ pinpointed areas that are very compelling from a geological perspective. The company has lodged 80 prospecting rights license applications throughout Hokkaido and northern Honshu, for a combined area of 27,153 hectares over eight project areas (Figure 1). All 80 of the prospecting rights license applications have been accepted for further government review, reserving the land for SAMJ and allowing for low impact forms of exploration such as mapping, surface sampling and geophysics.

Four of the project areas, Ikutawara, Numanoue, Aibetsu and Buho, target high-grade epithermal gold deposits. The other four project areas, Ponkutosan, Minamikyabe, Kobui and Eboshi, target prospective epithermal gold deposits and areas of gold-bearing advanced argillic alteration lithocaps, which could indicate the presence of a porphyry mineral environment.

Ikutawara (38 contiguous applications) is SAMJ's most advanced project (Figure 1), with mapping/sampling and orientation ground magnetics completed in 2015. The Ikutawara applications host numerous historical gold workings including the Kitano-o mine, which has recorded production of 96,450 ounces of gold between 1924 and 1943 from sinterous and sub-sinter quartz veins.³ SAMJ has investigated in detail two of the many historical mine locations covered by its applications and expects to apply for drilling permits in early 2017. Additional regional exploration is underway, including detailed stream geochemical sampling and geochemical mapping. SAMJ is also planning an aeromagnetic survey at 100-metre line spacing to gain further information on geology, host structures and alteration.

The technical information in this news release has been reviewed by Japan Gold's President & COO, Dr. Mike Andrews, PhD, FAusIMM, who is a Qualified Person as defined by National Instrument 43-101.

¹ Konomai Mine: 2.1 Moz, Sado Mine: 2.2 Moz, Kushikino Mine: 1.6 Moz, Taio Mine: 1.0 Moz, Hishikari Mine: 7.6 Moz. Data collected from the Metal Mining Agency of Japan database.

² Metal Mining Agency of Japan database and Sumitomo Metal Mining Co., Ltd. website.

³ Metal Mining Agency of Japan database.

Japan Gold Board of Directors and Executive Team

The Japan Gold Board of Directors and executive team brings decades of technical and business experience to the company, with a proven track record of identifying mineral deposits and advancing them to production.

John Proust, CDir
Chairman & CEO

John Proust has successfully founded and managed a number of resource companies. Mr. Proust has served on the boards and held senior operating positions, and has directed and advised public and private companies regarding debt and equity financing, mergers and acquisitions and corporate restructuring since 1986. Mr. Proust is currently Chairman & CEO of Southern Arc Minerals, Chairman and a director of Canada Energy Partners, Chairman & CEO of CarbonOne Technologies, Interim President & CEO and a director of Outrider Energy, and a director of Q Investments. Mr. Proust has extensive experience in corporate governance, is a graduate of The Directors College, Michael G. De Groote School of Business at McMaster University and holds the designation of Chartered Director.

Dr. Michael Andrews, PhD, FAusIMM
President and COO, Director

Mike Andrews is a geologist with more than 30 years of research and mining industry experience in gold, copper, coal and iron exploration. He holds an honours degree in Geology from the University of Reading, and a doctorate in exploration geochemistry from the University of Wales. Dr. Andrews is currently President & COO and a director of Southern Arc Minerals and a director of Q Investments. He was a founding director of Kingsrose Mining and played an instrumental role in the discovery, exploration, feasibility and development of its Way Linggo Gold Mine in Indonesia. Dr. Andrews also held the positions of Executive Director and Chief Geologist of AuIron Energy Ltd., Director of Gold Operations for Meekatharra Minerals Ltd., and managed the Teck-MM Gold Indonesian Joint Venture, an exploration portfolio of thirteen gold and copper projects in Indonesia. He also held senior exploration positions with Ashton Mining Ltd, Aurora Gold Ltd and Muswellbrook Energy and Minerals.

John Carlile, BSc, MSc, FAusIMM
Executive Vice President, Director

John Carlile is a geologist with more than 35 years of experience in the resource industry. Mr. Carlile has held senior executive and director positions with both major and junior resource companies, including as President of Indonesian and Philippines subsidiaries of Newcrest Mining Limited. As a geologist, Mr. Carlile has a proven track record of mineral discovery and business building in Asia, most notably as Exploration Manager, Asia for Newcrest Mining Limited when it discovered its Gosowong mine. Mr. Carlile has served on the boards of several resource companies, and currently holds the position of director for Southern Arc Minerals, Equator Gold and Arc Exploration Limited. He holds a BSc in Geology from University of Reading, England, and an MSc in Mineral Exploration from the Royal School of Mines, Imperial College, University of London. Mr. Carlile is a Fellow of the AusIMM and a Fellow of the Geological Society of London.

Mitsuhiko Yamada, BA
Director

Mitsuhiko Yamada is a mining business professional with international experience overseeing all aspects of mining projects from exploration through to production. He earned his degree in International Economics at Keio University and spent his career with Sumitomo Corporation. Mr. Yamada worked around the globe for Sumitomo, managing various mining projects and overseeing joint venture relationships with some of the world's biggest mining companies, including Newmont, Phelps Dodge, Teck, Xstrata, Rio Tinto and Sherritt. Mr. Yamada held increasing senior roles with Sumitomo, ultimately achieving the position of Executive Officer and General Manager of Mineral Resources. Mr. Yamada retired from Sumitomo Corporation in 2012 and is currently a Lecturer of English at the Department of Industrial Engineering & Management at Kanagawa University.

Robert Gallagher, BAppSc
Director

Bob Gallagher has worked in the mining industry for more than 32 years and has extensive knowledge of the development and operation of large-scale mining projects. Mostly recently, he was President & CEO and a director of New Gold, an intermediate gold producer with projects on three continents, from 2008 until retiring in June

2016. Mr. Gallagher continues to serve as a director of New Gold. Prior to the merger of Peak Gold, Mettlica, and New Gold, Mr. Gallagher was the President & CEO of Peak Gold. Previously, he spent 15 years with Placer Dome Inc. and seven years with Newmont Mining Corporation, most recently as Vice President Operations of Newmont Asia Pacific. During his time at Newmont, Mr. Gallagher oversaw the development of the Batu Hijau Mine, the billion-ton, world-class copper-gold mine located in Indonesia.

Sally Eyre, PhD (Economic Geology)

Director

Sally Eyre is a mining finance professional with extensive experience in global resource capital markets and mining operations. During 2011 to 2014 she served as President & CEO of Copper North Mining and prior to Copper North Mining she served as President & CEO of Etruscan Resources Inc. (now Endeavour Mining Corp.), a gold company with producing assets in West Africa. She has served as Director of Business Development for Endeavour Financial Ltd. and has held executive positions with a number of Canadian resource companies. Dr. Eyre was appointed Senior Vice President, Corporate Development of Petro Rubiales Energy Corp. (now Pacific Rubiales Energy) and also served as Vice President, Corporate Affairs of UrAsia Energy Ltd. (now Uranium One). In 2003 she served as President & CEO of TLC Ventures Corp. (now Calibre Mining Corp.). Dr. Eyre has a PhD in Economic Geology from the Royal School of Mines, Imperial College, London. Dr. Eyre is a member of the Society of Economic Geologists (SEG) and a former Director of the SEG Canada Foundation.

David Farrell, BComm (Finance), LL.B

Director

David Farrell is President of Davisa Consulting, a private consulting firm working with junior to mid-tier global mining companies. He has over 20 years of corporate and mining experience, and has negotiated, structured and closed more than US\$25 billion worth of M&A and structured financing transactions for junior and mid-tier natural resource companies. Prior to founding Davisa, he was Managing Director of Mergers & Acquisitions at Endeavour Financial, working in Vancouver and London. Prior to Endeavour Financial, David was a lawyer at Stikeman Elliott, working in Vancouver, Budapest and London. David serves as a director of both Fortuna Silver (TSX: FVI, NYSE: FSU) where he chairs the compensation committee and is a member of the audit and corporate governance committees, and Northern Vertex Mining (TSX-V: NEE) where he sits on the audit and compensation committees. Mr. Farrell graduated from the University of British Columbia with a BComm (Honours, Finance) and an LL.B and is called to the bar in both British Columbia and England. David has also served for 12 years as a board and finance committee member of Yaletown House, a non-profit, critical-care seniors' residence in downtown Vancouver.

Dr. Kotaro Ohga, PhD

Chief Engineer

Kotaro Ohga held the position of Associate Professor at Hokkaido University in the Graduate School of Engineering. With a PhD in Mining Engineering, Dr. Ohga has extensive experience with permitting and drill programs in Japan. As Chief Engineer, Dr. Ohga is the main point of contact between Japan Gold and the Japanese Government, offering invaluable insight and expertise as Japan Gold advances its properties.

Andrew Rowe, BSc, MAusIMM

Country Manager

Andrew Rowe comes to Japan Gold through his previous position with Southern Arc Minerals. Mr. Rowe joined Southern Arc in 2006 as a Senior Geological Consultant and was soon promoted to Chief Geologist and then Executive Vice President, leading Southern Arc's exploration programs from grassroots exploration through to completion of the first resource estimate at the Company's West Lombok Project. Mr. Rowe planned and implemented large-scale exploration programs, managing both the technical and administrative aspects of the projects. Mr. Rowe briefly left Southern Arc in December 2014, and then rejoined the Company as a consultant in August 2015 to continue with Southern Arc's exploration projects in Japan. Mr. Rowe graduated with a Bachelor of Applied Science degree in Geology from the University of Technology, Sydney, Australia. He is a Member of the Australasian Institute of Mining and Metallurgy and a Fellow of the Society of Economic Geologists. Mr. Rowe has experience in mineral exploration and project management in Australia and various countries in Southeast Asia including Thailand, Indonesia, Mongolia, China and Laos. During this time he held exploration positions with Renison Goldfields, Normandy Anglo Asia, Phelps Dodge, Aurora Gold and Ivanhoe Mines. Immediately prior to joining Southern Arc he was the principal geologist for Pan Australian Resources Ltd (Laos)

and part of the team responsible for successfully bringing the Phu Kham Cu-Au porphyry deposit through to bankable feasibility.

Vincent Boon, CPA, CA

Chief Financial Officer & Corporate Secretary

Vince Boon is a chartered accountant with over ten years of professional accounting experience with private and public companies focusing on financial reporting, regulatory compliance, internal control and corporate finance activities. Mr. Boon's experience includes financial reporting for both Canadian and U.S. listed companies with international subsidiaries, strategic planning, tax planning, corporate governance, equity financings and due diligence for acquisitions. As an employee of J. Proust & Associates Inc., an organization providing public company management and venture capital to start-up and junior companies, Mr. Boon is also the CFO of Southern Arc Minerals and Canada Energy Partners, and the Controller of CarbonOne Technologies. Mr. Boon holds a Bachelor of Science degree from the University of British Columbia and is a Chartered Professional Accountant, CPA, CA.

On behalf of the Board of Japan Gold Corp.

“John Proust”

Chairman & CEO

About Japan Gold Corp.

Japan Gold Corp. is a Canadian mineral exploration company focused solely on gold and copper-gold exploration in Japan. The Company has applied for 80 prospecting rights licenses in northern Japan for a combined area of 27,153 hectares over eight separate projects. The applications cover areas with known gold occurrences and a history of mining, and are prospective for both high-grade epithermal gold mineralization and gold-bearing lithocaps, which could indicate the presence of porphyry mineralization. Japan Gold's leadership team has decades of resource industry and business experience, and the Company has recruited geologists and technical advisors with experience exploring and operating in Japan. Low-impact surface exploration is underway, with the expectation of applying for drilling permits in early 2017. More information is available at www.japangold.com or by email at info@japangold.com.

Japan Gold Contacts

John Proust

Chairman & CEO

Phone: 604-609-6143

Email: info@japangold.com

Cautionary Note

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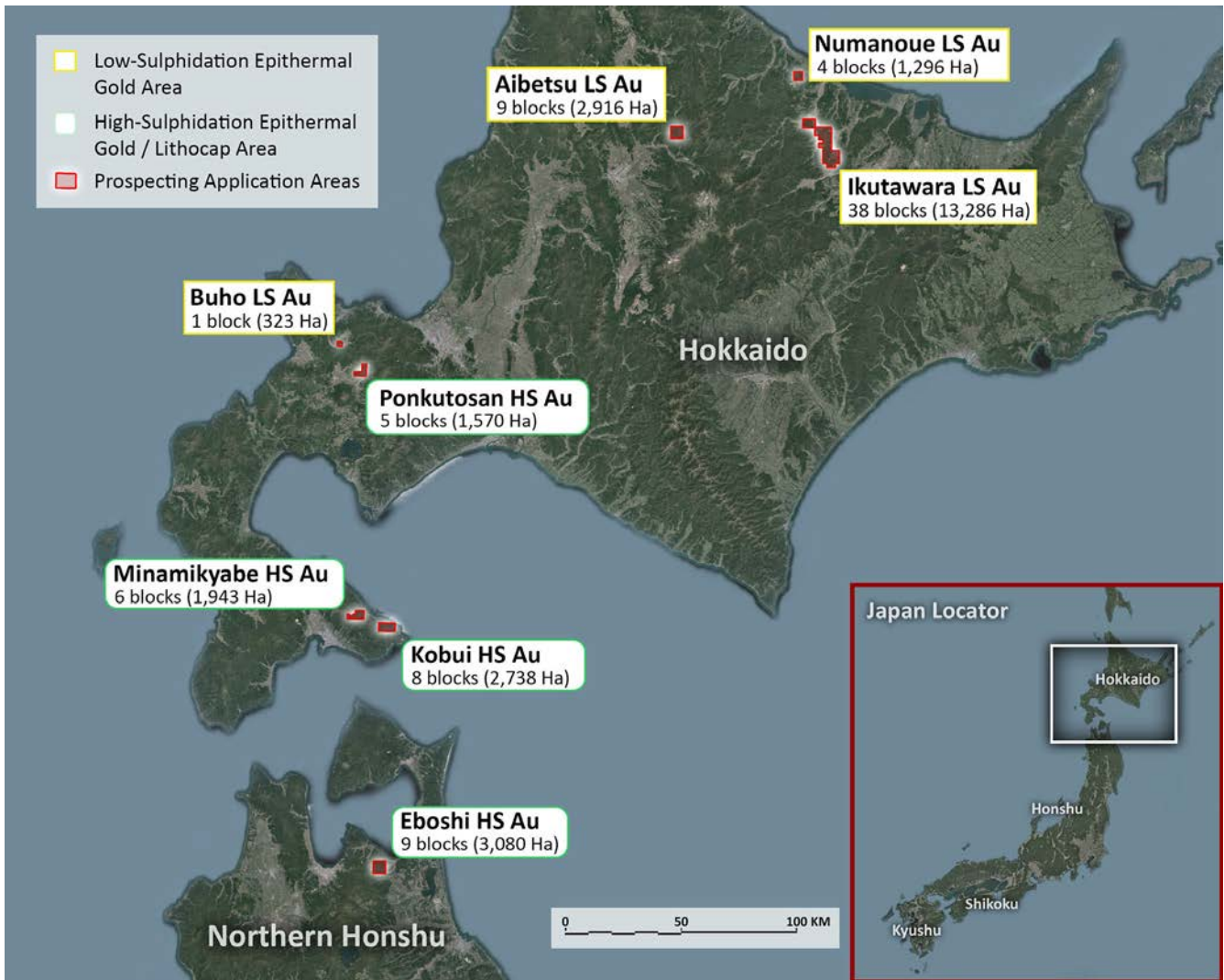


Figure 1. SAMJ Application Area Locations: Northern Honshu and Hokkaido