



Cecilia Due Diligence Work Reports 80% Gold Recovery from Bottle Roll Tests, and Acquisition of Historic Cambior Drilling Data

Vancouver, B.C. – October 03, 2013 - Precipitate Gold Corp. (the “Company” or “Precipitate”) (TSXV: PRG) is pleased to report results from ongoing due diligence work related to the Cecilia Project in Northeastern Sonora state, Mexico. Precipitate has the right to elect to proceed with an option to earn a 100% interest in the project (see the Company’s news releases dated February 18, 2013 and June 27, 2013). Due diligence work completed to date has included, but is not limited to: bottle roll test work, the acquisition and evaluation of previously unattainable historic drill core and reports from prior operators, review of the property’s concession and surface title rights, environmental/archeological evaluation, and surface and underground channel and grab sampling programs. The due diligence period expires October 24, 2013.

Highlight results from the Company’s due diligence efforts to date include:

- Cyanide bottle roll extraction test work reporting over 80% gold recovery
- Acquisition of previously unavailable historic 1995 Cambior exploration data and drill core
- Cambior drilling included DDH 95-08: 75.0 m assaying 0.74 g/t Au, including 30m of 1.14 g/t Au
- Individual channel samples assaying up to 10.0 g/t Au
- Identification of multiple anomalous underexplored target areas outside the main zone

Commenting on the Cecilia due diligence program, Precipitate’s President & CEO, Jeffrey Wilson stated “We are pleased with the initial results from our work at Cecilia. The data generated to this point will assist in determining whether or not we elect to proceed with the option. The findings support our initial interpretations that the project’s main Cerro Magallanes zone hosts impressive areas of low sulphidation epithermal gold mineralization, and that multiple anomalous areas outside that main zone remain largely untested and present highly prospective exploration targets. Positive results from the preliminary bottle roll test work indicates that the oxidized material appears amenable to heap leach extraction. Meanwhile, the acquisition of the previously unavailable Cambior data has provided valuable geological insight that might have otherwise cost the Company millions of dollars to generate. Though not all of that historic data contains significant values, it is beneficial to review and evaluate those results in tandem with our own findings in order to better understand the project.”

Precipitate acquired Cambior Inc.’s (“Cambior”) summary report documents and what remains of Cambior’s original drill core. Thirty-five core samples collected from representative sections of two Cambior drill holes were submitted for both fire assay and cyanide bottle roll extraction analyses. Cyanide extraction results indicated that, on average, over 80% of the gold was liberated, confirming that the samples tested are not refractory and the oxidized material should respond well to heap leach extraction methods.

The Company's field programs included (i) preliminary prospecting and silt sampling and (ii) selective resampling of Cambior's 1995 drill core and accessible underground mine workings at Cerro Magallanes. Past small scale underground gold-silver mining focused on steeply dipping, Northwest and Northeast trending structures and associated breccias of the main hill top zone, an area exceeding 800 m by 200 m. Importantly, gold mineralization has also been identified at lower elevation peripheral areas off the hill.

The historical Cerro Magallanes zone has more than 26 old mine workings (pits, adits & shafts), some of them of substantial length or with multiple subsurface levels and in varying conditions of accessibility. Two of the larger underground workings W16 and W26 were recently chip-channel sampled by Precipitate. Precipitate collected 34 channel samples from the 45 m long W26 crosscut which reported values ranging from 35 to >10,000 ppb gold with an average of 1,400 ppb (1.4 g/t) for the entire set. 18 channel samples were collected from W16 and returned an average of 1.64 g/t gold with results ranging from 94 ppb to 7,176 ppb (7.2 g/t) gold.

Most of Cambior's drill holes are located on the eastern slope of the Cerro Magallanes ridge, assessing only a portion of the main hill top zone. Holes were predominantly oriented to the northwest and thus tested the Northeast trending structures, leaving the second dominant Northwest trending mineralized structures largely untested. Drill holes 95-08 and 95-19, tested the southwest part of a large surface breccia zone where subsequent surface chip sampling in 2004 by Chesapeake Gold reported 101 m grading 0.96 g/t gold including 30.0 m grading 2.0 g/t gold. Hole 95-08 yielded a core length interval of 30.0m grading 1.4 g/t gold followed by 45 m grading 0.3 g/t gold, starting at four metres down hole. Hole 95-19 was drilled parallel to Hole 95-08 and located 35 m to the north, reported 20 m grading 0.39 g/t gold. Several other holes reported gold intercepts in the 0.1 to 0.4 g/t range over core intervals ranging from 2 to 60 metres, likely where Cambior tested strike or dip extensions of mineralization noted in old workings, while 10 of the 19 holes reported no significant intercepts or were not sampled.

Based on the combination of preliminary prospecting, anomalous silt-rock sample results and satellite Aster imagery, the highest priority 'off Cerro' areas are located southeast, west and to the north of the Cerro Magallanes ridge. These peripheral areas have not been explored by modern methods. Precipitate's initial priority would be to confirm many of the existing gold zones which may be related to the property's main structural trends, some that may be masked by shallow cover.

Michael Moore, VP Exploration of the Company and Qualified Person for purposes of National Instrument 43-101 has reviewed the technical information in this news release.

Certain information and data in this news release concerning the Cecilia property and past work done thereon and results therefrom is historical. The reliability of the historical data is not wholly known but is considered relevant by Company management. The historical data may be non-NI 43-101 compliant and should not necessarily be relied upon. Nonetheless, the Company's recent verification work on portions of historical data package has yielded comparable results. Precipitate's rock and silt samples were bagged, sealed and delivered directly to Acme Labs preparation facility in Caborca, Sonora Mexico where they were dried, crushed (or sieved in the case of silts) and pulped. Historical core samples were collected under the supervision of Rodolfo Saucedo Saldivar of Resource Geosciences de México, S.A. de C.V. The NQ diameter diamond core was descriptively logged, photographed, aligned, marked for sampling and then quartered longitudinally using a rock saw. One quarter of the core is stored in Hermosillo, Sonora in core boxes for verification and future reference. Sample pulps were forwarded to Acme labs facility in Vancouver BC for analyses. A 1.5 kilogram sub-split of the drill core samples was forwarded to Inspectorate in Reno Nevada USA. Both Inspectorate and Acme are wholly owned subsidiaries of Bureau Vertias Minerals and are ISO 9001 accredited facilities. Rock samples were crushed to with up to 80% passing 2mm and split using a riffle

splitter and an approximately 2000 gram sub-sample split was pulverized to minus 200 mesh (74µ). At Acme 0.5 gram sub-split from the resulting pulp was subjected to aqua regia digestion and multi-element ICP-MS analysis (Group 1DX) and a 30 gram sub-split was subjected to fire assay (Group 3B). At Inspectorate a 1000 gram sub split of the historical core samples was subjected to a 24 hour cyanide bottle roll gold extraction analyses (Au-1000-CN). All coarse rejects and pulps are currently stored at the Bureau Vertias Minerals facilities. Rock grab samples are selective by nature and are unlikely to represent average grades on the property. Reported drill core intervals are not true widths as the orientation of mineralization observed to date is not fully understood.

Additional information can be viewed at the Company's website www.precipitategold.com.

About Precipitate Gold:

Precipitate Gold Corp. is a mineral exploration company focused on exploring and advancing its mineral property interests in the Tiroo Gold Trend of the Dominican Republic and Sonora State, Mexico. The Company also maintains assets in northern British Columbia and southeast Yukon Territory and is actively evaluating additional high-impact property acquisitions with the potential to expand the Company's portfolio and increase shareholder value.

On Behalf of the Board of Directors of Precipitate Gold Corp.,

"Jeffrey Wilson"

President & CEO

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