

August 8, 2016

Goldcliff Partners in Advanced Stage Gold Asset, Restructures Shares, Eliminates Debt, and Arranges Financing

George W. Sanders, President of Goldcliff Resource Corporation (“Goldcliff” or the “Company”) is pleased to announce that the Company is taking immediate action to focus on development stage precious metals assets that fit the Phased Production business model. This activity includes the acquisition of a significant interest in an advanced stage gold development asset with near-term production potential. Further, Goldcliff is restructuring its share capital, eliminating debt and arranging an immediate financing.

The Phased Production business model is an industry proven strategy of undertaking mine development in phases involving the least amount of time and the lowest upfront capital. Subsequent expansion and investment are determined by successful cash flow. Several junior precious metals producers have successfully implemented this strategy to generate cash flow within reasonable timeframes while managing capital costs. In the longer-term Goldcliff seeks to offer shareholders and investors direct exposure to precious metals production through both development of the DirectRoyalty platform and successful phased production.

PINE GROVE JOINT VENTURE

Goldcliff has entered into a binding Letter of Intent with Lincoln Mining Corporation (“Lincoln”) whereby Goldcliff will earn a 40% joint venture interest in Lincoln’s Pine Grove Nevada project by spending \$1,400,000 (US) over three years, and contributing the Wilson patented claims to the Pine Grove holdings of Lincoln. The Pine Grove project consists of the Wilson patented claims (see Goldcliff’s news release dated June 7, 2016), the Wheeler patented claims, and the Cavanaugh patented claims, as well as 243 located claims. The Measured and Indicated Resource of 3,060,000 tonnes of 1.37 g/t Au at a 0.24 g/t cut-off occurs in two deposits, one on the Wilson claims and one on the Wheeler claims (43-101 Technical Report, Pine Grove Project by Teleso Nevada, Inc. dated February 4, 2015, and filed by Lincoln on SEDAR on February 16, 2015). Goldcliff will undertake to file a technical report updating the mineral resource estimate within 180 days of executing the Definitive Joint Venture Agreement with Lincoln. The Cavanaugh patented claims include water rights, and testing has indicated sufficient water for an open pit heap leach mining and processing operation.

Lincoln will serve as operator of the project, subject to the direction of a Management Committee comprised of one member each nominated by Lincoln and by Goldcliff and one independent member. All Management Committee recommended expenditures are subject to Goldcliff approval.

Royalties on the Pine Grove project include a 2.5 % Net Smelter Return (NSR) on the Wilson patented claims, a 7% NSR on the Wheeler patented claims, and a 1.5% NSR on the Cavanagh patented claims. The Lessor of the Wilson patented claims also holds a 5% NSR on the Lincoln located claims (excluding all patented claims) and Goldcliff has a three-year option to buy that royalty down to 3% by paying \$75,000 (US) per percentage point.

Included in Goldcliff's \$1,400,000 earn-in threshold are annual advance royalty payments of \$25,000 (US) on the Wilson patented claims, and \$30,000 (US) on the Wheeler patented claims. There are no additional duration, milestone, lump sum payments or work commitments as part of underlying land agreements.

Goldcliff and Lincoln plan immediate resumption of permitting requirements around baseline sampling and data gathering. The companies intend to drill test certain resource expansion targets on the Wilson patented claims this fall. A compelling exploration target developed by previous operators exists upslope from the Wheeler patented claims. The companies intend to immediately confirm that target with mapping and sampling prior to permitting drill testing.

RESTRUCTURING

To facilitate Goldcliff's new direction, downstream financing of the Pine Grove development and, if warranted, mine construction, the Board of Directors has approved consolidation of the Company's share capital on the basis of one new share for every ten old shares, subject to regulatory approval. The Company will also eliminate almost \$600,000 of Related Party debt through the combination of creditor write down and shares for debt transaction.

Following consolidation, the issued capital will be 9,850,050 (from the 98,500,508 shares currently outstanding). There will be no name change as part of the consolidation.

The Related Party accounts payable are derived primarily from several years' of unpaid invoices for geologic, geophysical and geochemical consulting conducted on the Company's Panorama Ridge and Tulameen projects. The creditors will write down 20% of the amounts owing and Goldcliff will issue 2,546,799 shares at a post consolidation price of \$0.19 to settle \$483,891.75 outstanding payables, subject to regulatory approval.

FINANCING

Goldcliff has arranged a Non-Brokered Private Placement of up to 5,500,000 post consolidated Units at a post consolidation price of \$0.19 per Unit, for gross proceeds of \$1,045,000. Each Unit will consist of one common share and one half of one common share purchase Warrant. Each whole Warrant will entitle the holder to purchase one additional common share at a price of \$0.25 per share for a period of two years from the date of closing. In addition to other exemptions from the prospectus requirement, the Private Placement will be open to existing shareholders of record as of July 29, 2016 pursuant to BC Instrument 45-534 "*Exemption from Prospectus Requirement for Certain Trades to Existing Security Holders*". Any Units purchased by way of the Private Placement will be subject to four months and a day resale restrictions. A Finders' Fee of 6% cash and 6% share purchase warrants (Broker Warrants), exercisable on the same terms as the Private Placement warrants, will be paid to any third party Finders. The Private Placement will not be

subject to a minimum subscription. The Private Placement and Finders' Fees are subject to regulatory approval.

Certain insiders will participate in the financing. George Sanders, President of Goldcliff will subscribe for a minimum of \$150,000 worth of Units.

If the Private Placement is fully subscribed, the restructured and financed Goldcliff will have 17,896,849 shares issued.

OTHER PRECIOUS METALS ASSETS

A strategic investor in the private Placement will assist Goldcliff to further developing DirectRoyalty.com, the online platform that will connect investors directly with precious metals producers for the purchase of royalties, metal income streams and advance sale arrangements.

The Company holds in good standing a 100% interest in the Panorama Ridge gold project located in the Hedley, B.C. gold district. Gold mineralization occurs in a skarn environment similar to the adjacent Nickel Plate mine which produced close to 2,500,000 ounces of gold. Goldcliff plans a preliminary metallurgical testing program.

The 100% owned Ainsworth silver property is an early stage exploration project near Kaslo, British Columbia. This project has yet to be drilled. Located on the land tenure is the No. One mine, the largest former producer in the district. The No. One produced 1,983,847 ounces of silver from 40,169 tons for an average recovered grade of 49.39 opt Ag. The deposit was mined on four levels to a vertical depth of 60 metres. The No. One mine area has not been drill tested to depth. Goldcliff plans a limited ground geophysical program over and around the No. One to identify possible drill targets both below the old workings and along strike.

Ed Rockel, P. Geo, a qualified person as defined by National Instrument 43-101 supervised the preparation and verification of the technical information contained in this release.

For further information, please contact George W. Sanders, President, at 250-764-8879, toll free at 1-866-769-4802 or email at info@directroyalty.com.

GOLDCLIFF RESOURCE CORPORATION

Per: **“George W. Sanders”**

George W. Sanders, President

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