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news release

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Radius Gold and Pan American Silver to explore Amalia Project, Mexico

Vancouver, Canada: Radius Gold Inc. (TSX-V: RDU) is pleased to announce it has entered into an agreement with Pan American Silver Corp. (“Pan American”) to drill and explore Radius’s high-grade gold-silver Amalia Project located in the State of Chihuahua, Mexico. Radius has recently received drill permission for the Amalia Project from the local authorities and expects to commence drilling funded by Pan American within the coming months.

Amalia Project

The 9450 hectare Amalia Project is located 25 km SW of the historic Guadalupe y Calvo mining district in Chihuahua. Radius geologists discovered high grade epithermal silver-gold mineralization in several veins, vein breccias and disseminated zones over 3.5km of strike length and a 600m vertical interval following the trace of a large regional fault zone. Several drill targets have been developed:

- 1) Campamento target is a 500m x 70m zone of intense silicification and brecciation with massive and stockwork veining. A chip channel (reported Sept 19, 2017) across the middle of Campamento graded 62m at 0.43 g/t Au and 98 g/t Ag from 30 continuous rock chip samples. In March 2018, Radius reported high grade zones at Campamento including a continuous rock chip channel assaying 4.5m at 10.3 g/t Au and 202 g/t Ag. The exposed Campamento system is Rhyolite hosted, high level banded chalcedonic silica veins and breccias. Radius and Pan American plan to initially test 100m to 250m below Campamento where mineralization is expected to transition to andesite hosted higher grade sulphide rich breccias as exposed along strike and deeper in the system at Guadalupe target.
- 2) Guadalupe target is a high grade andesite hosted structurally controlled breccia zone that outcrops 450m south along strike from Campamento and 250m lower in the geological section. Guadalupe sampling includes the previously published (Radius news Sept 19, 2017) continuous rock chip results: Guadalupe shaft - 7m at 3.62 g/t Au and 1048 g/t Ag, and Guadalupe tunnel - 4m at 3.92 g/t Au and 888 g/t Ag.
- 3) Dulces target is located 800m NE of Campamento, at similar elevation. The poorly exposed Dulces vein occurs within an extensive area of argillic altered andesite volcanics and related gold in soil anomaly. The main vein varies from 1 to 1.5m wide and with chip samples returning: 1m at 34 g/t Au and 13 g/t Ag, and 1.5m at 114.5 g/t Au and 57 g/t Ag (Radius news Sept 19, 2017).

Geologically similar gold-silver epithermal deposits of the Sierra Madre belt have mineralization defined over a vertical interval of 600 to 700m. The transition from upper rhyolite hosted mineralization into higher grade andesite host at depth is commonly observed. Radius and Pan American plan drilling to target high grade mineralization at depth below the Campamento silica zone and at the Guadalupe and Dulces targets.

The Agreement

Radius has granted to Pan American the option to earn up to an initial 65% interest in the Amalia Project by making cash payments to Radius totaling US\$1.5 million (of which US\$100,000 has been received) and expending US\$2 million on exploration over four years. Pan American may earn an additional 10% by advancing the property to preliminary feasibility. Initially Radius will be the project operator.

Radius Gold Inc.

Radius has a portfolio of projects located primarily in the United States and Mexico which it continues to advance, utilizing partnerships where appropriate in order to retain the Company's strong treasury. At the same time, management is seeking out additional investment and project acquisition opportunities across the globe.

Pan American Silver Corp.

Pan American is the world's second largest primary silver producer, with operating mines in Mexico, Peru, Argentina and Bolivia.

Technical Information

Bruce Smith, M.Sc. (Geology), a member of the Australian Institute of Geoscientists, is Radius's Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Mr. Smith participated in the reported programs and prepared and approved the technical information contained in this news release.

ON BEHALF OF THE BOARD

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Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements which include, without limitation, statements about the possible acquisition by Pan American of an interest in the Amalia Project; the exploration plans for the Amalia Project; the Company's business strategy, plans and outlook; the merit of the Company's investments and properties; timelines; the future financial performance of the Company; expenditures; approvals and other matters. Often, but not always, these forward looking statements can be identified by the use of words such as "estimate", "estimates", "estimated", "potential", "open", "future", "assumed", "projected", "used", "detailed", "has been", "gain", "upgraded", "offset", "limited", "contained", "reflecting", "containing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, the possible acquisition by Pan American of an interest in the Amalia Project; the plans for exploring the Amalia Project; changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: that Pan American will acquire an interest in the Amalia Project; that the exploration activities at the Amalia Project will proceed as planned; that the Company's activities will be in accordance with its public statements and stated goals; that all required approvals will be obtained; that there will be no material adverse change affecting the Company or its investments or properties; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.