



Drilling to Commence at Shorty Creek Freegold Closes Private Placement for \$1,350,000

August 12, 2015 (Vancouver, BC) – Freegold Ventures Limited (TSX:FVL Frankfurt: FR4N) (“Freegold”) is pleased to announce that it has received subscription agreements for the closing of a first tranche of a non-brokered private placement of 13,500,000 (“Units”), priced at \$0.10 per Unit for total proceeds of \$1,350,000. Each Unit consists of one common share (a “Share”) and one-half of one common share purchase warrant (a “Warrant”). Each whole Warrant entitles the holder to acquire an additional Share at a price of \$0.15 per Share for a period of 36 months from the date of closing. Each Warrant is subject to accelerated expiry provisions such that if at any time after the expiry of any resale restriction governing the subscribed Shares, the Corporation’s common shares trade on the TSX at or above a volume weighted average trading price of \$0.30 per common share for 10 consecutive trading days, the Company may give notice to the holders that each Warrant will expire 30 days from the date of providing such notice. All securities issued bear a legend restricting resale until December 13, 2015.

With the completion of the first tranche of the private placement Resource Capital Fund VI L.P. (RCF VI) has acquired an 11.98% ownership stake in Freegold. RCF VI is managed by Resource Capital Funds (“RCF”), a private equity firm established in 1998 with a mining sector specific investment mandate spanning all hard mineral commodities and geographic regions. Since inception, RCF has supported 137 mining companies, with projects located in 44 countries and across 29 commodities. RCF is currently investing its sixth fund with committed capital of \$2.04 billion. Further information about RCF can be found on its website (www.resourcecapitalfunds.com)

The use of proceeds will be largely directed to the completion of an approximately 3,000 metre drill program on Freegold’s Shorty Creek Project, located near Livengood, Alaska. The Shorty Creek project hosts two significant porphyry exploration targets.

Limited previous drilling in the area of the copper – gold porphyry target had returned significant intervals of gold mineralization. The area of drilling in 1989 and 1990 was restricted to a 500m by 200 metre area. A total of 2,094 metres of drilling were completed with a maximum hole depth of 152 metres. The presence of copper mineralization in conjunction with gold mineralization was noted at depth in most of the historic drill holes. Additional mapping has confirmed the presence of quartz porphyry in the creek 30 metres below the depth of previous drilling. Ground geophysics and soil sampling completed by Freegold in the vicinity of the drilling has now expanded the target area by another 500 metres to the southwest and 400 metres to the northeast. *(It should be noted that results above are historical in nature and do not meet current NI 43-101 standards. The Company has not verified them and they should not be relied upon).

Another significant target was also identified as a result of the ground geophysical and soil sampling program. 2.5 km to the northwest of the copper – gold target the presence of a strong chargeability anomaly coincident with strong copper values in soils (up to 669 ppm Cu) covering a 2,000 metre x 1,000 metre area was observed. Within the copper geochemical anomaly a strong molybdenum core is present (up to 235 ppm Mo), which covers a 1,000 metre by 800 metre area in the central portion of the chargeability anomaly. This represents another excellent drill target area.

Several other strong magnetic highs have also been identified as a result of a review of the airborne geophysical survey and will require additional ground geophysics, geochemistry and further geological mapping to delineate other potential drill targets within this highly prospective property. Drilling is expected to commence in the next two weeks.

Golden Summit Update

Freegold is continuing to work toward the completion of its Preliminary Economic Assessment (PEA) on its road accessible Golden Summit Project near Fairbanks, Alaska. The Golden Summit project hosts an indicated resource of 79,800,000 t grading 0.66 g/t for a total of 1,683,000 oz gold and an inferred resource of 248,060,000 t grading 0.61 g/t for a total of

4,841,000 oz gold using a 0.3 g/t cut-off. The indicated oxide resource using a 0.20 g/t cutoff is 25,026,200 t grading 0.55 g/t for a total of 439,000 oz gold and the inferred resource is 16,620,510 t grading 0.47 g/t for a total of 253,000 oz gold. The resource was prepared in compliance with NI 43-101. The resource estimate was completed by Qualified Person Gary Giroux of Giroux Consultants in June 2013. The Technical Report documenting this estimate can be found on the Company's website or on SEDAR under the Company's profile. The oxide cap is contained largely within the upper 200 feet (60 metres) of the resource. To date resource drilling has been confined to a 300 metre by 1.5 km area (approx. 110 acres) however the entire Golden Summit project area covers 13,000 acres area and hosts numerous other significant exploration targets with potential to host additional resources, all of which have an oxide cap in the upper 200 feet (60 metres).

The Qualified Person who has reviewed the technical disclosure contained in this release is Alvin Jackson, P Geo-- VP Exploration and Development for the Company.

The foregoing private placement is subject to regulatory approval.

The Company would like to thank all its Shareholders for their continued support.

About RCF

RCF has a strong team of technically diverse investment professionals, with wide ranging industry expertise and demonstrated history of investments in mining globally. RCF's track record is based on its ability to pick technically and commercially compelling assets and support management to achieve desired outcomes whilst remaining throughout a source of patient capital. RCF aims to partner with companies to build strong, successful and sustainable businesses and in doing so strives to earn superior returns for all shareholders.

About Freegold Ventures Limited

Freegold is a TSX listed company focused on exploration in Alaska and holds the Golden Summit Gold Project, near Fairbanks as well as a 100% lease interest on the Shorty Creek Copper –Gold- Molybdenum Project near Livengood.

For further information:

Kristina Walcott-President and CEO

Telephone: 1.604.662.7307

jkw@freegoldventures.com

Some statements in this news release contain forward-looking information, including without limitation statements as to planned expenditures and exploration programs. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include without limitation the completion of planned expenditures, the ability to complete exploration programs on schedule and the success of exploration programs