



**PROVIDENCE ANNOUNCES CLOSE OF FIRST TRANCHE OF FINANCING
READIES FOR DRILLING PROVIDENCE GOLD DEPOSIT**

December 12, 2018

Trading Symbol: PHD

Providence Gold Mines “the Company” is pleased to announce close of the first tranche of financing in the amount of \$726,795.

The Company has completed the sale of 6,056,627 units for gross proceeds of \$726,795. The proceeds will be used for the upcoming drill program on its Providence group of historical past producing gold mines located near Sonora California in the famous Motherlode gold belt, and for general working capital purposes.

Each unit consists of one common share and one transferable share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share for a period of 36 months at \$0.15 for year one, \$0.20 for year two, and \$0.25 for year three, commencing from the closing date of the offering.

The Company will pay finders' fees totaling (i) \$5,523 in cash, (ii) 173,840 finder's shares, (iii) 177,200 finder's warrants exercisable for a period of 36 months at \$0.15 per share for year one, \$0.20 for year two, and \$0.25 for year three, and (iv) 42,664 finder's warrants exercisable for a period of 24 months at \$0.15 per share.

All securities issued will be subject to a hold period of four months and one day from the closing date of the private placement, in accordance with applicable Canadian securities laws.

John Kowalchuk states, ***“We are very excited about this first phase of drilling. It will be the first time Providence group of gold mines has ever been drilled. During the past year we verified the geometry and potential mineralized zones by ground proofing, which included both underground mapping and sampling from the 600 hundred level to surface geological mapping, soil geochemical sampling and structural modeling. Our exploration effort to date, has verified the presence of a prolific high grade gold system , and we are very encouraged in what the upcoming drilling may potentially yield.”***

Qualified Person

John Kowalchuk, P.Ge, a geologist and qualified person (as defined under NI 43-101) has read and approved the technical information contained in this news release.

ON BEHALF OF THE BOARD

“Ronald Coombes”

Ronald Coombes, President & CEO

FOR FURTHER INFORMATION PLEASE CONTACT:

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