

EMGOLD MINING CORPORATION

Suite 1010 – 789 West Pender Street
Vancouver, B.C. V6H 1H2
www.emgold.com

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EMGOLD LEASES ITS BUCKSKIN RAWHIDE EAST PROPERTY, NEVADA TO RAWHIDE MINING LLC

Emgold Mining Corporation ("Emgold" or the "Company") is pleased to announce that it has leased its 100% owned Buckskin Rawhide East Property (the "Property") to Rawhide Mining LLC ("RMC"), a private mining company that owns and operates the adjacent Denton Rawhide Mine. RMC has agreed to conduct exploration activity on the Property with the goal of delineating gold and silver resources that, if exploration is successful, may ultimately be permitted, mined, and then processed using facilities at the Denton Rawhide Mine.

About the Lease Agreement

Emgold has agreed to lease the Property to RMC under the following general terms and conditions (the "Lease"):

1. The term of the Lease is 20 years.
2. Advance royalty payments will be \$10,000 per year, paid by RMC to Emgold, with the first payment due at signing and subsequent payments due on the anniversary of the Lease Agreement.
3. During the term of the Lease, RMC will make all underlying claim fees to keep the claims in good standing.
4. RMC will conduct a minimum of US\$250,000 in exploration activities by the end of Year 1.
5. RMC will conduct an additional minimum of US\$250,000 in exploration activities by the end of Year 3, for a total of US\$500,000 in exploration activities by the end of Year 3.
6. RMC will have the option of earning a 100% interest in the Property by bringing it into commercial production.
7. Upon bringing the property into commercial production, RMC will make "Bonus Payments" to Emgold. Bonus Payments will be US\$15 per ounce of gold when the price of gold ranges between US\$1,200 per ounce and US\$1,799 per ounce. If the price of gold exceeds US\$1,800 per ounce, the Bonus Payment will increase to US\$20 per ounce.
8. After meeting its exploration requirements, should RMC subsequently elect to drop the Property or decide not to advance it, the Property will be returned to Emgold. Should Emgold subsequently advance the Property into production, RMC shall then be entitled to the same type of Bonus Payments as contemplated in 7 above.

The effective date of the Lease is June 1, 2013. Further to the Company's news release dated June 17, 2013, RMC has completed initial exploration activities on the Property, with results pending.

David Watkinson, President and CEO of Emgold, stated "We are pleased to have RMC as both a partner and a shareholder to advance the Buckskin Rawhide East Property. While there are currently no NI 43-

101 resources delineated on the Property, Emgold management believes that there is potential for such resources to be delineated with additional exploration work. This deal with RMC ensures that, if such resources are successfully delineated, there is also potential that they may be permitted and fast-tracked into production using the adjacent facilities at Denton Rawhide Mine. This deal therefore will provide Emgold with an opportunity for cash flow through the Bonus Payment structure.”

About the Buckskin Rawhide East Property

The Property is located in the Rawhide Mining District, about 40 miles southeast of Fallon, Nevada. It consists of 52 unpatented mineral lode claims totaling approximately 835 acres. Gold and silver mineralization occurs throughout the Property, which was sampled and drilled historically by Kennecott Exploration Company ("Kennecott") and others. The Property is surrounded by RMC's operating Denton-Rawhide Mine and Regent Property.

Historically, Kennecott drilled over 80 reverse circulation holes on the Buckskin-Rawhide East Property. Those results indicated potential for delineation of both high grade mineralized gold/silver veins and bulk minable disseminated gold/silver zones. Emgold reviewed historic data, conducted geological mapping and field sampling, and subsequently discovered the Chicago Mountain/Chicago Gulch, Black Eagle, and Buckskin Mountain exploration targets. Information on the Property can be found at www.emgold.com.

About Rawhide Mining LLC and the Denton Rawhide Mine

The Denton-Rawhide Mine (the "Mine") was owned and operated by Kennecott Mineral Company from 1988 to 2010. In 2010 the Mine was acquired by RMC, which continued to produce gold from historic heap leach pads. In 2012, RMC recommenced production from the Mine. The Mine produced 1.6 million ounces of gold and 13.5 million ounces of silver from 1990 through 2012 (Source: Nevada Bureau of Mines and Geology Special Publication MI-2012).

It should be noted that proximity of the Property to other exploration or mining properties in the area does not mean a resource will be identified or delineated on the Property. However, the presence of similar geology and structures on the properties does increase the potential for exploration success.

The scientific or technical information contained in this news release has been reviewed and approved by Mr. Robert Pease, P.Geo., a Qualified Person as defined in National Instrument 43-101.

On behalf of the Board of Directors
David G. Watkinson, P.Eng.
President & CEO

For further information please contact:
Tel: (530) 271-0679
Email: info@emgold.com

This release was prepared by the Company's management. Neither TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For more information on the Company, investors should review the Company's filings that are available at www.sedar.com or the Company's website at www.emgold.com. This news release includes certain statements that are "forward-looking statements" within the meaning of applicable securities laws including statements regarding

exploration results, exploration potential, permitting, operations, cash flow, and other statements. Forward-looking statements are based on certain assumptions, including the assumption that RMC will observe its obligations under the lease agreement in good faith. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include the failure of Rawhide Mining LLC or Engold to obtain the required financing to advance the Property, failure to obtain the required exploration or operating permits, and failure to achieve exploration success. Other risk factors include changes in metal prices, the price of the Company's shares, the costs of labour, the cost of equipment, the cost of supplies, approvals by federal, state, and local agencies, permitting delays, legal challenges to permits, general economic, market or business conditions, and other factors beyond the control of the Company. The Company does not intend to update or revise any forward-looking information whether as to a result of new information, future events or otherwise, except as required by law.