



TSX-V: TLG

Creditors protection extended to July 7, 2010

May 17, 2010 - On April 9, 2010, Tagish Lake Gold Corp. (“**Tagish Lake**” or the “**Company**”) commenced proceedings (the “**CCAA Proceeding**”) in the Supreme Court of British Columbia (the “**Court**”) pursuant to the *Companies’ Creditors Arrangement Act* (Canada) and obtained the Initial Order for protection from its creditors until May 7, 2010. Pursuant to the Initial Order, Grant Thornton Limited was appointed as the Monitor for the Company.

Pursuant to further Orders of the Court made May 7, 2010, the creditor protection provided in the Initial Order was confirmed and extended to July 7, 2010 (the “**Extension**”), the time for holding the annual general meeting of shareholders of the Company was postponed until further Order of the Court and a claims process (the “**Claims Process**”) for the Company’s creditors was approved. In accordance with the Claims Process, all creditors of the Company must deliver their proofs of claim to the Monitor by 5:00 p.m. on June 11, 2010 (the “**Claims Bar Date**”). Subject to the provisions of the Claims Process, any claims against the Company which are not received by the Monitor on or before the Claims Bar Date will be forever released, barred and extinguished as against Tagish Lake.

The Company will use the Extension to proceed with the Claims Process, negotiate with its creditors and develop a Plan of Compromise and Arrangement (the “**Plan**”), subject to the approval of the Court and the Company’s creditors. Tagish Lake believes that the decision to seek creditor protection is in the best interests of the Company and its stakeholders as it allows Tagish Lake to develop a Restructuring Plan and ultimately move forward with the restructuring of its business.

Additional information filed by the Company or the Monitor relating to the CCAA Proceeding is available on the Monitor’s website at:

http://www.grantthornton.ca/services/reorg/bankruptcy_and_insolvency/creditor_updates/tagish

For further information, please contact:

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