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Gunpoint Buys El Escorpion Silver Project From Chesapeake Gold Corp.

Gunpoint Exploration Limited (TSX.V-GUN), (“Gunpoint”) is pleased to announce that it has entered into an agreement with Chesapeake Gold Corp. (“Chesapeake”) whereby Gunpoint will acquire a 100% interest in Chesapeake’s El Escorpion silver project (“Escorpion”) located in eastern Guatemala. Chesapeake’s Guatemalan subsidiary, Hunt Exploration S.A., has an option to acquire Escorpion by making payments to a private owner totalling US\$351,000 over five years. Escorpion is subject to a 1.0% net smelter return (“NSR”) royalty, which can be purchased for US\$585,000 at any time.

The Escorpion property is a 900 hectare concession located 85 kilometers by paved road southeast of Guatemala City. Escorpion is situated 7 kilometers southwest and along trend of Tahoe Resources Inc.’s world class Escobal deposit which has a NI 43-101 compliant indicated mineral resource of 367 million ounces of silver grading 422 g/t, plus 37 million ounces of silver grading 254 g/t in the inferred category. Mineralization at Escobal is associated with steeply dipping and northeast-southwest trending intermediate sulfidation epithermal silver rich quartz veins with significant values in gold, lead and zinc. The Escobal land package completely surrounds the Escorpion project.

The outcropping mineralization at Escorpion appears to have many similarities to that at Escobal and occurs in a fault controlled, intermediate sulfidation epithermal system characterized by several multistage, subparallel silver-lead-zinc quartz-carbonate veins and stockworks. To date, the northeast-southwest trending system has been traced discontinuously for over 1500 meters along strike and remains open to the northeast and southwest. The system is characterized by carbonate-minor quartz vein swarms in the southwest (Mina Blanca zone) and quartz stockworks and quartz veins in the northeast part of the concession (Escorpion –Los Pozos zones). The exposed vertical extent of the system is greater than 300 meters. The epithermal system is hosted in volcanoclastic sediments, porphyritic andesites and rhyodacitic rocks, the same rock types which host mineralization at Escobal.

The Mina Blanca zone has been traced along strike for 350 meters, up to 50 meters wide and with a topographic relief of 150 meters. This broad zone consists of numerous en echelon, oxidized multistage veins up to 7 meters wide. Selected channel samples taken across the veins from shallow workings and hand dug trenches returned:

5 meters of 78.0 g/t silver, 2.30% lead and 2.63% zinc
4 meters of 62.6 g/t silver, 0.71% lead and 0.42% zinc
3 meters of 53.7 g/t silver, 6.48% lead and 2.05% zinc
6 meters of 73.6 g/t silver, 3.81% lead and 0.70% zinc

A second subparallel vein swarm is located 200 meters to the south of the Mina Blanca zone. Channel sampling of individual veins has returned up to 4 meters of 41 g/t silver, 0.18% lead and 0.24% zinc.

The Escorpion and Los Pozos zones are located in erosional windows 400 meters apart in an area of extensive volcanic cover. The Escorpion zone hosts a drusy to massive quartz stockwork that has been mapped over an area 70 meters by 100 meters with channel samples up to 33 g/t silver, 0.2% lead and 0.2% zinc. The Los Pozos zone is situated topographically higher with the vein and surrounding stockwork hosted in argillized rhyodacite rocks. Samples from a quartz stockwork zone, up to 100 meters wide and 200 meters in length, returned anomalous values in silver, lead, zinc, bismuth, arsenic and antimony. Preliminary work suggests the Escorpion and Los Pozos zones represent the possible extension of the Mina Blanca zone along strike and higher up in the epithermal system.

At Escobal, high grade silver mineralization typically begins between fifty and several hundred meters below surface and underlies leached and oxidized veins which are anomalous in gold, silver and base metals. The high grade mineralization was not discovered until the property was drilled extensively starting in 2007.

Gunpoint has agreed to acquire a 100% interest in Escorpion by issuing and granting the following to Chesapeake.

- 500,000 common shares of Gunpoint
- 500,000 warrants exercisable at \$1.50 per share for a term of five years
- A 1.5% NSR royalty in the event Chesapeake purchases the existing 1.0% NSR
- 1.0 million common shares of Gunpoint in the event a NI 43-101 measured and indicated resource estimate of 1.0 million gold equivalent ounces is achieved on the Escorpion property.

The transaction is subject to the approval of the TSX Venture Exchange.

Gunpoint plans to follow-up Chesapeake's prospecting of the vein and altered outcrops at Escorpion. Detailed mapping, trenching and rock channel sampling along the fault controlled, altered corridor will delineate priority drill targets. Gunpoint is planning to drill test both the Mina Blanca and Escorpion - Los Pozos zones within 6-8 months.

Dr. E. Max Baker commented, *"Being on the doorstep of Tahoe's Escobal deposit, an advanced stage silver deposit with estimated production of over 20 million ounces of silver per year for over ten years, the Escorpion project represents a tremendous exploration opportunity for Gunpoint as it has three untested zones of outcropping epithermal silver mineralization ready for drill testing in 2012. While upgrading the existing resource at our Talapoosa gold project in Nevada continues to be a priority for Gunpoint, the Escorpion project will provide Gunpoint with an opportunity to rapidly advance exploration in one of the most prolific exploration districts for silver globally."*

Gunpoint is a gold exploration company with projects in the United States and Mexico. Gunpoint's flagship Talapoosa project in Nevada has a drill indicated NI 43-101 measured and indicated resource of 632,000 ounces of gold at 0.92 g/t plus an inferred gold resource of 326,000 ounces at .89 g/t. Talapoosa also contains a resource of 8.2 million ounces of silver at a grade of 12.2 g/t in the measured and indicated categories plus an inferred resource of 4.3 million ounces grading 11.6 g/t. Gunpoint currently has approximately 39.1 million shares issued and outstanding.

Chesapeake, which currently owns 82% of Gunpoint, has three representatives, including Mr. Randy Reifel on Gunpoint's board of directors. Chesapeake remains focused on its world class Metates project located in Durango State, Mexico. A pre-feasibility study is currently being advanced and expected to be released in Q3 2012. In addition, Chesapeake continues to systematically explore its regional projects near the Metates and Ranchito sites (see NR4-2012, dated March 6, 2012). Geophysical survey work has been contracted to commence in July. Drilling at one of the regional projects is planned for late third quarter. Currently Chesapeake has approximately \$40 million in working capital.

Mr. Alberto Galicia, P. Geo, Chesapeake's Project Manager and a Qualified Person as defined by NI 43-101 supervised the preparation of the technical information in this release. E. Max Baker, Ph.D., Member AusIMM, President of Gunpoint, has also reviewed this news release.

For more information on Gunpoint, please visit our website at www.gunpointexploration.com or contact investor relations at 604-408-8829.

GUNPOINT EXPLORATION LIMITED

"E. Max Baker"

E. Max Baker
President

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