Noricum Gold Limited / EPIC: NMG / Sector: Natural Resources

17 December 2015

Noricum Gold Limited ('Noricum Gold' or 'the Company')
Drilling Commences at Kvemo Bolnisi

Noricum Gold Limited, the European focused base and precious metals exploration and development company, is pleased to announce that it has commenced a 19 hole diamond drill programme at Kvemo Bolnisi, one of two priority targets at the 861 km^2 Bolnisi Project ('Bolnisi' or the 'Project') which is located in the Republic of Georgia.

Highlights

- Targeting outcropping shallow secondary quartzite high grade gold mineralisation
- The outcropping mineralised area has been identified as having the potential to be fast tracked into production – this campaign is focused on generating an initial JORC resource
- The presence of significant gold mineralisation at Kvemo Bolnisi already identified through previously announced high grade historic trench and diamond drill results including:
    - EKBDDH003 - 5.5m @ 5.80g/t Au from 0m
    - EKBDDH005 - 4m @ 6.26g/t Au from 0m
    - KBTR25 - 12m @ 7.79g/t Au from 0m
    - KBTR_010-1 - 12.11m @ 3.46g/t from 0m
- New drilling campaign will test continuity between historic diamond drilling and trenching around EKBDDH003 and EKBDDH005
- This high grade gold mineralisation is not fully closed off to the north east and this will also be an area of focus in the coming months
- Near term production potential is strengthened significantly through the presence of a 30 year mining licence, the current excess capacity at the local partner's mine processing operation and the excellent existing infrastructure in the area

Noricum CEO Greg Kuenzel said, "Both our initial targets, Kvemo Bolnisi and Tsitel Sopeli, have been prioritised due to the strong potential they demonstrate to deliver production in the near term, and this drill programme to delineate a JORC resource is a real step towards evaluating the commerciality of this exciting opportunity further. Noricum's re-assaying and resource development work has identified this area of shallow, high-grade gold mineralisation and we will now test the continuity between historic diamond drilling and trenching through a drill programme, which will provisionally consist of 19 holes. Considering that high-grade gold bearing secondary quartzites are a feedstock familiar to Noricum's partner, which potentially positions the Company to capitalise on the excess capacity available at our partner's operations, it makes sense to firstly focus here.

"The case to develop a mineable resource in this area quickly is made even stronger due to the presence of a 30-year mining licence and the excellent local infrastructure.

"This first phase drill programme will be followed up with grade control drilling early next year and then pit design and mine planning. A similar process will also commence at Tsitel Sopeli early in the new year."

Kvemo Bolnisi

Kvemo Bolnisi is located less than 7km from the currently operating Madneuli mine and processing plant, owned by the Company's local partner. Circa 47,000 metres of diamond drilling was completed during the 1970s and 80s to test gold and polymetallic sulphide mineralisation mostly at depth between 30 and 150 metres. A further 13,032 metres of drilling was completed in the last few years principally to test secondary quartzite gold – copper mineralisation at or near surface.

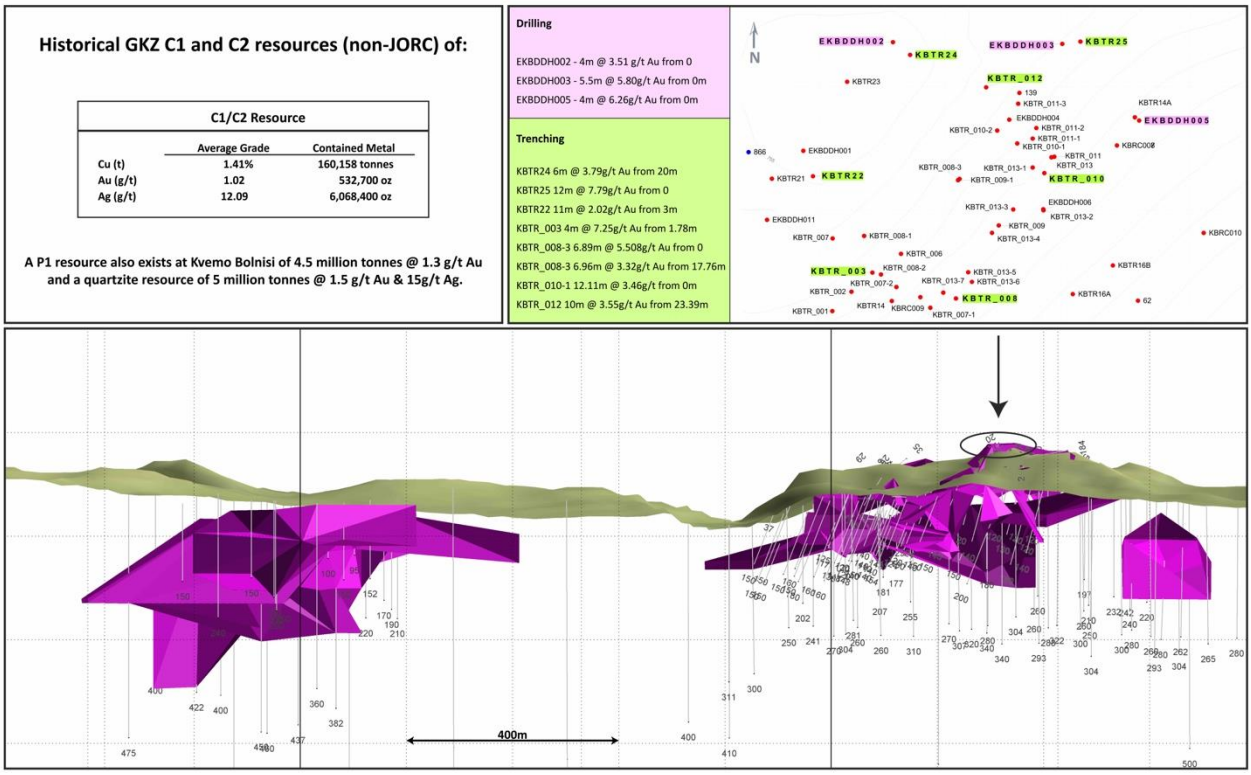

Image 1: Kvemo Bolnisi East & West Cross Section

The polymetallic sulphide mineralisation drilled at depth is located on the same NE-SW regional structural trend that hosts both the Madneuli mine and Tsitel Sopeli. More recently, work has focused on the outcropping secondary quartzite gold mineralisation, which has the potential to be developed into a starter pit. Drill holes, existing exploration trenches and some shallow exploratory adits in that area have now been surveyed. Available diamond drill core has been re-sampled as part of a verification process and sample splits sent to an independent overseas laboratory for assay checks.

The Kvemo Bolnisi mineralisation comprises the eastern mineralised block that makes up the bulk of the GKZ approved copper resource; the outcropping gold bearing secondary quartzites also at Kvemo Bolnisi East; the poorly defined Kvemo Bolnisi West polymetallic mineralisation; and a large area between the east and west blocks where little exploration has taken place. The whole of the target area requires more detailed ground IP-resistivity geophysical surveying to broadly define underground targets for follow up.

The outcropping secondary quartzite mineralisation has been successfully tested with both shallow diamond drilling and trenching. Some recent highlights can be seen below. This high grade gold mineralisation is not fully closed off to the north east and this will also be an area of focus in the coming months.

Significant gold mineralisation noted in recent Kvemo Bolnisi diamond drilling:

- EKBDDH002 - 4m @ 3.51 g/t Au from 0m
- EKBDDH003 - 5.5m @ 5.80g/t Au from 0m
- EKBDDH005 - 4m @ 6.26g/t Au from 0m

More recently, re-assay work identified a new copper discovery in an area previously only assayed for gold. Please see the announcement dated 19 November 2015. The results from this work included:

- 40m at 2.11% copper ('Cu') from 69m (including 5m at 9.95% Cu)
- 83m at 0.71% Cu from 23m (including 15m at 1.17% Cu)
- 7m at 4.02% Cu from 39m
- 13m at 1.52% Cu from 2m

Resource/Reserve Classification

The former Soviet system for classification of reserves and resources was developed in the 1960's and is still used today in Russia. It divides mineral concentrations into 7 categories:

1. Fully explored reserves or resources – A, B and C1
2. Evaluated reserves or resources – C2
3. Prognostic resources – P1, P2 and P3

In a similar fashion to the more commonly used international standards (JORC or 43-101), the Soviet system assigns reserves and resources to classes based on the degree of reliability based on the various stages of exploration. A, B, C1, C2 and P1 reserves and resources can be matched to the JORC and 43-101 categories.

A broad equivalence between the classifications may be presented as:

Russian	International Reporting Code, JORC, 43-101 etc
A,B	Proved reserve / Measured resource
C1	Proved or Probable reserve / Indicated resource
C2	Probable reserve / Indicated Resource / Inferred Resource
P1	Inferred Resource

Source: “The Russian Reserves & Resource Reporting System” Resources Computing International Ltd (21 August 2004)

Technical Glossary

“chalcopyrite”	A copper iron sulfide mineral that crystallizes in the tetragonal system. It has the chemical formula CuFeS2.
“dacite tuffs”	A lithified volcanic ash produced by explosive volcanic eruptions where the magma has a dacitic composition.
“JORC”	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
“massive sulphide ores”	Ore comprising mostly sulphide in a massive form, often containing base metal sulphides sometimes with precious metals.
“mineralisation"	The hydrothermal deposition of economically important metals in the formation of ore bodies or lodes.
“secondary quartzites”	Near surface, silicified rocks mostly tuffaceous, altered and often mineralised by hydrothermal processes near the sea floor.

Competent Person Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Jeremy Whybrow, who is a Member of the Australasian Institute of Mining and Metallurgy.

Jeremy Whybrow has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Jeremy Whybrow has reviewed this announcement and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

****ENDS****

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