

11 August 2016

Norikum Gold Limited ('Norikum Gold' or 'the Company')
**Significant Increase in Size of Gold & Copper Target in Georgia and Agreement for
Future Mining and Processing**

Norikum Gold Limited, the European focused base and precious metals resource development company, is pleased to announce significant new copper and gold intersections from ongoing drilling at the Kvemo Bolnisi Gold & Copper Project, one of 17 targets that have been identified by the Company across the 861 km² Bolnisi Project ('Bolnisi' or the 'Project') in the Republic of Georgia.

The Company is also pleased to announce that it has signed a Memorandum of Understanding ('MoU') with its local partner's production companies, JSC RMG Gold and JSC RMG Copper (together 'RMG'), outlining mining and processing arrangements for the future production of precious and base metal ores mined at Bolnisi.

Highlights:

Significant new copper and gold intersections at the Kvemo Bolnisi East Project

- Strong evidence of four distinct mineralisation/resource types that could prove viable for development as part of a combined exploitation programme:
 - Outcropping and near surface oxide gold mineralisation
 - High-grade copper mineralisation close to surface; that may be possible to process via leaching at low cost subject to metallurgical test work
 - Significant structurally controlled chalcocite and high grade copper mineralisation to depths of over 100m
 - Laterally and vertically broad sections of copper ('Cu') sulphide mineralisation that may represent bulk tonnage target with simple metallurgy
- Recent drilling results highlight the high grade Cu potential including:
 - **KED001: 33.00m at 1.04% Cu from surface**
 - **KED001: 23.25m at 2.82% Cu from 89.75m**
 - **KBRC042D 29.65m at 1.54% Cu from 23.00m**
 - **KBRC074D 15.00m at 0.72 g/t gold ('Au') from 5.00m**
 - **KBRC074D 28.00m at 0.53% Cu and 0.56 g/t Au from 43m**
 - **KBRC075D 13.00m at 0.46% Cu from 88m**
 - **KED002 14.00m at 0.28 g/t Au from surface**
 - **KED002: 35.00m at 0.37% Cu from 32m**

(Copper rich intervals calculated using 0.1% Cu Cut off with 3m internal dilution for copper and gold rich intervals calculated using 0.1ppm Au cut off. Link to full summary of intervals at end of section).

- The significant discovery has resulted in the Company refocusing its efforts on expanding the resource development programme to incorporate new styles of mineralisation with a view to developing a much larger deposit with potential to far exceed previous estimates

- Noricum has set the initial exploration target at between 50 and 70mt @ grades between 0.30% Cu and 1.00% Cu and 0.1 to 1 g/t Au for copper sulphide mineralisation and 0.5 to 5 g/t Au for oxide gold resources given the proximity to the Madnueli Deposit and the similarities in the geology observed there and at the Kvemo Bolnisi Project
- Up until this recent discovery, the Company was focused on bringing a small gold-bearing oxide target to production; however in light of the new discovery a staged production of gold and copper has been assessed as being much more value accretive, much more cost effective and will avoid compromising the now larger target
- The Company will therefore continue to drill and explore Kvemo Bolnisi East and surrounding area to further enhance its value

Production and Processing

- MoU signed with RMG, whereby RMG will mine and or process ore generated by Noricum Gold, subject to certain conditions, via existing processing infrastructure owned and operated by RMG
- Subject to final agreement with RMG, the targeted cost for contract mining and processing is less than \$600 per ounce assuming an average grade of 1 g/t Au for heap leachable gold-bearing ores
- These costs will reduce if the average grade increases above 1 g/t Au
- Low costs, along with access to existing processing facilities and equipment, significantly reduces capital expenditure needs and timeframes and make it possible to evaluate a range of resource types with different combinations of grade and tonnage that might otherwise be considered either too small or sub-economic

Noricum Gold's Executive Director Martyn Churchouse said, "The recent drill results, when viewed in conjunction with historic drill work and our drilling of the gold bearing oxides (previously referred to as secondary quartzite mineralisation), highlight that the opportunity at Kvemo Bolnisi could be very significant indeed.

"Considering that the new discoveries have combined widths of up to 100 metres and have demonstrated the strong potential to be increased further, our copper-gold target has grown by a significant factor. This newly discovered gold and copper mineralisation appears to all be open-pittable and our initial assessment indicates that both the gold and copper can be processed and recovered together in the future."

Noricum Gold's Managing Director Greg Kuenzel said "It is our job to maximise the value of this exciting area and to ensure operating costs are kept as low as possible. With this in mind, we have decided not to proceed with the mining of the small gold bearing oxide mineralisation at this stage, a decision which has been reinforced by advice received from both our resource consultant as well as the Georgian Resource Committee. We need to ensure that we fully understand the area before commencing mining and ensure that we maximise margins and minimise costs associated with production.

“The strategy has not changed, only the potential size of the opportunity which has forced a change in focus. We remain focused on delivering revenues as demonstrated by the MoU signed with our local partner whereby, subject to final sign-off, RMG will use its own existing infrastructure to contract mine and process ores produced by the Company. The gold-bearing oxide ores will be developed, mined and toll treated, but it is critical that we first understand the relationship between the different ore types, as well as the extent, grade and tonnage before commercial mining commences. This will allow us to potentially develop a much larger resource than was originally envisaged, and in the process generate significantly more value for our shareholders.”

Additional Information

Kvemo Bolnisi

The Kvemo Bolnisi Project is located 7km to the north-east of the Madnueli Mine operated by the Company’s partner RMG Copper. This mine has produced approximately 85mt of copper bearing and gold bearing ores, at a reported grade of approximately 1.0g/t Au and 1.0% Cu, and current mine life is estimated at 15 years. The Company recognises a number of geological similarities between Kvemo Bolnisi and Madnueli and for this reason, the Board has elected to expand the scope of the previous resource development programme to incorporate these new ore types with a view to advancing a much larger project. The Company wishes to emphasise that the gold-bearing oxide ores will be developed but that it is more important to fully understand and contextualise the extent, grade, tonnage and relationship between all of the ore types.

As a result of the new information, the Company, in consultation with its technical and resource advisers, has elected to expand the scope of the previous resource development programme which was focused solely on bringing the small gold bearing oxide resource and will adopt a more holistic approach to develop a larger resource inventory that considers a number of production scenarios. This would, subject to further evaluation, include mining of gold-bearing oxide ores and their treatment in the nearby heap leach owned and operated by the Company’s local partner, development of a new copper oxide heap leach operation on site at Kvemo Bolnisi East owned and operated by the Company, and the mining, haulage and processing of sulphide – gold ores in Noricum Gold’s partner’s flotation plant located close to Kvemo Bolnisi East.

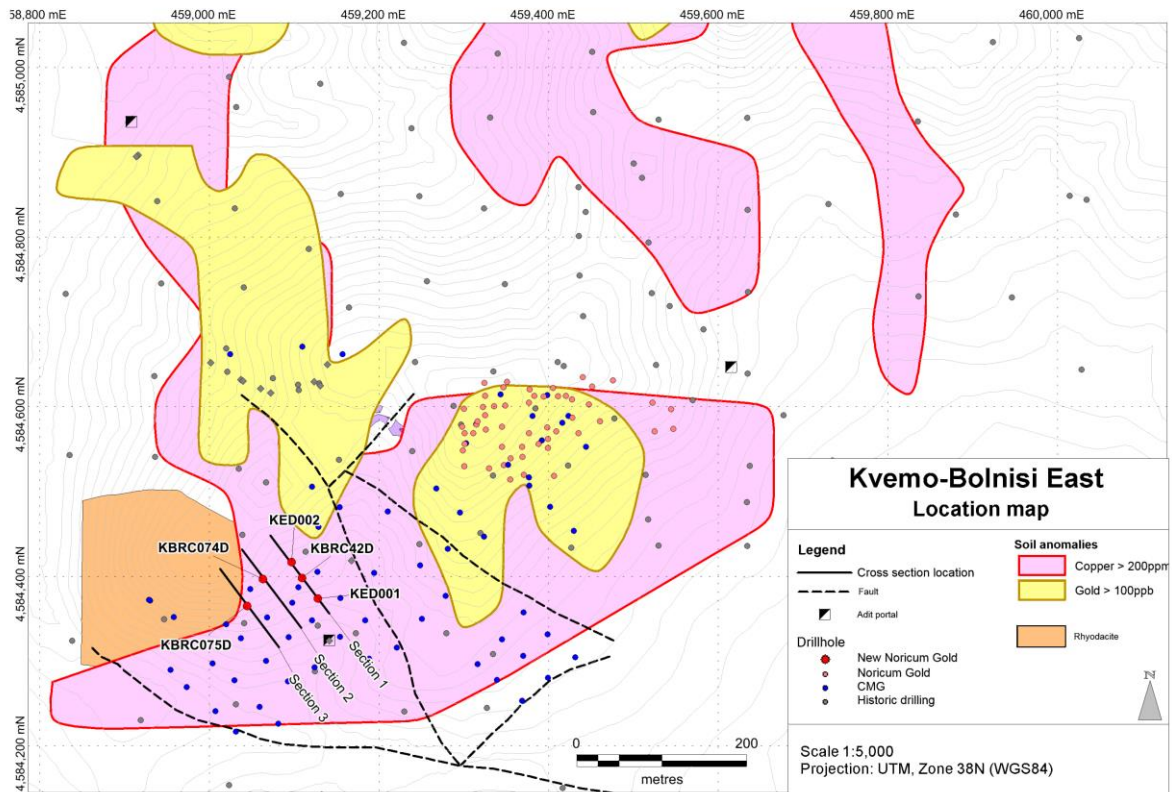


Image 1: Map showing location of new drilling and illustrating the relationship between the newly discovered zones

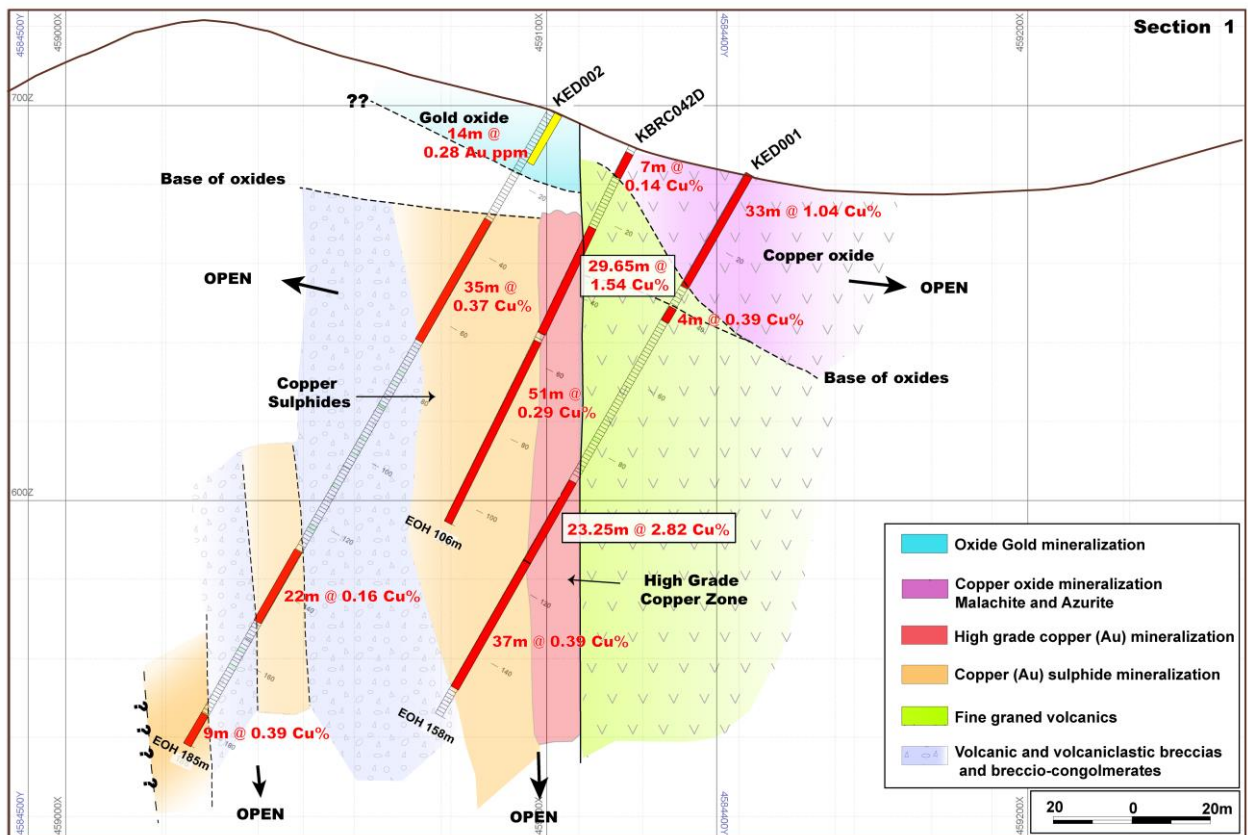


Image 2: Cross sections illustrating major intercepts – Section 1

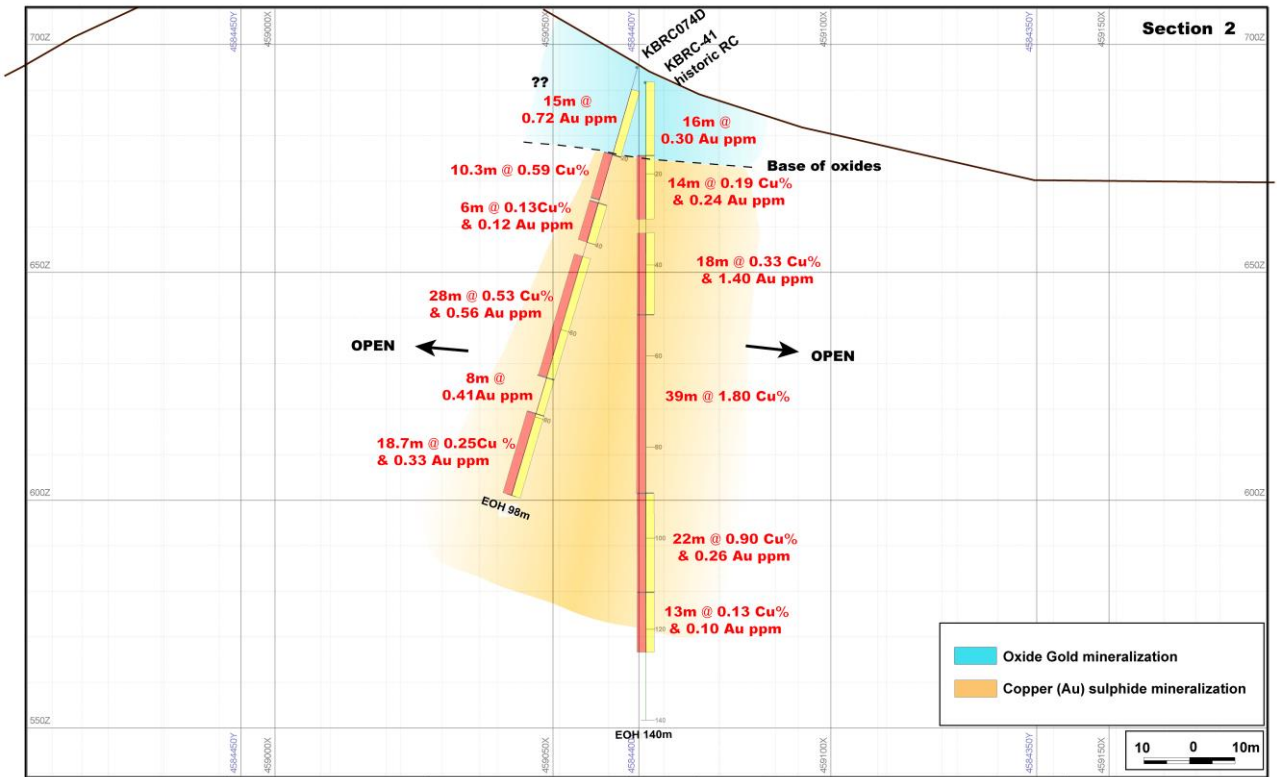


Image 3: Cross sections illustrating major intercepts – Section 2

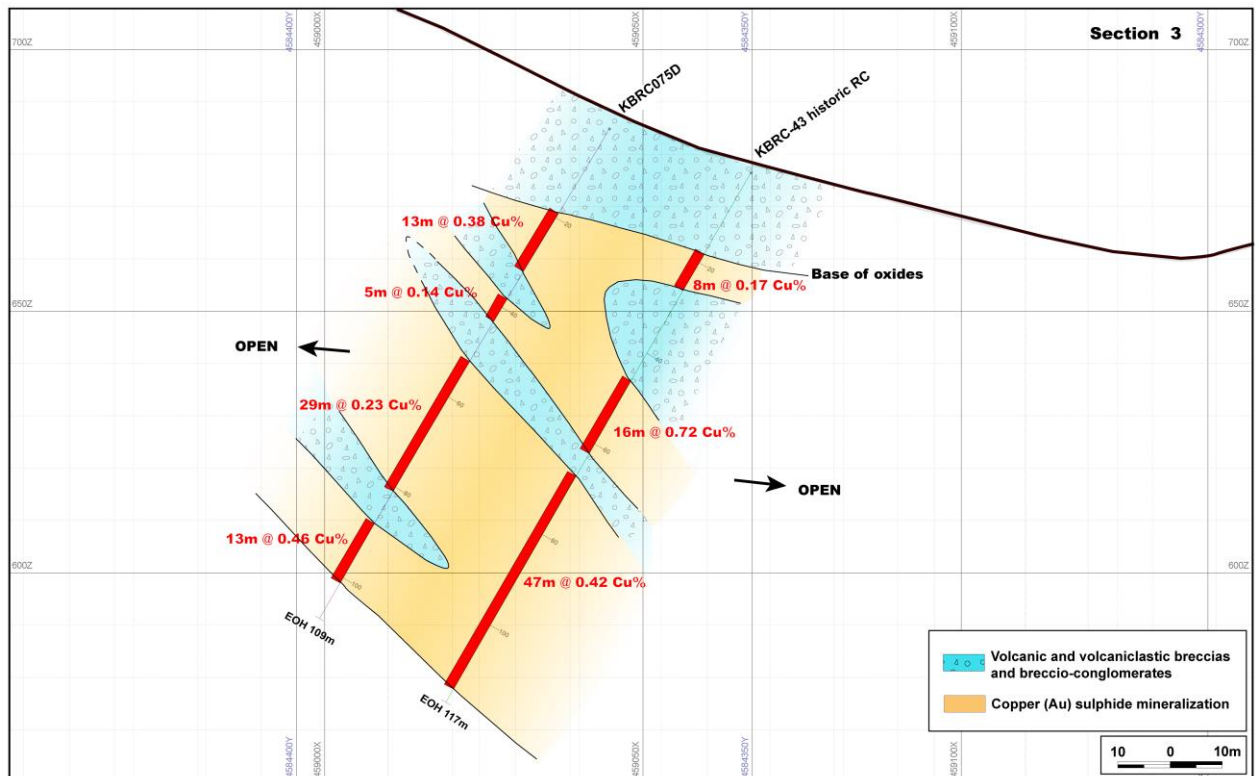


Image 4: Cross sections illustrating major intercepts – Section 3

To view the tables of intersections, please scroll down to the bottom of the document.

Memorandum of Understanding on Mining and Processing

JSC Georgian Copper & Gold ('GCG'), Noricum's 50% owned Georgian subsidiary, JSC RMG Gold and JSC RMG Copper have agreed in principle that, providing certain conditions are met, JSC RMG Gold and JSC RMG Copper (together 'RMG') will mine and or process ore generated by GCG through existing processing infrastructure owned and operated by RMG.

The general transport, storage and processing conditions that must be met are normal for the mining and ore processing chain, and relate to :

- mining plant and equipment capacity;
- efficient operation of the RMG processing plant and optimal recovery rates;
- satisfactory metallurgical test work prior to processing;
- haulage capacity of the RMG fleet, and the alternate of an independent mining and haulage contractor; and
- optional temporary stockpiling of ore within the footprint of the RMG processing plant.

RMG has provided GCG with unit costs for each aspect of mining, hauling and processing. These costs are specific to RMG operations but provide a guide to future anticipated costs to be incurred by GCG and, more importantly, allow GCG to undertake optimisation studies on various resources under review.

If GCG uses the services of RMG for mining, haulage and heap leach processing of gold-bearing ores, the targeted cost of contract mining and processing is less than \$600 per ounce assuming an average grade of 1 g/t Au for heap leachable gold-bearing ores. If the average grade of ore delivered to the plant increases above 1 g/t Au these costs will reduce.

These competitive costs, combined with access to processing capacity, limit Noricum's requirement for major capital expenditure and make it possible to evaluate a range of resource types with different combinations of grade and tonnage that might otherwise be considered either too small or sub-economic. This flexibility offers scope for the evaluation and development of Resources that might otherwise remain unexploited. The fact that the processing plants are fully operational also means that the lead-time to production and cash flow is only limited to the receipt of approvals required by each future mining operation, plus any pre-stripping and commissioning.

Noricum will establish a Development Committee with representatives from GCG and RMG to determine the optimum commissioning timetable, mining schedule, metallurgical test work programme, and subsequent mining engineering detail that will be adopted by GCG. This should also allow the parties to work towards a schedule that where possible makes sure that capacity particularly for ore processing is available.

****ENDS****

For further information please visit www.noricumgold.com or contact:

Greg Kuenzel	Noricum Gold Limited	Company	Tel: 020 7907 9327
Martyn Churchouse	Noricum Gold Limited		
Ewan Leggat	S. P. Angel Corporate Finance LLP	Nomad & Broker	Tel: 020 3470 0470
Laura Harrison	S.P. Angel Corporate Finance LLP		
Damon Heath	Shard Capital Partners LLP	Joint Broker	Tel: 0207 186 9950
Erik Woolgar	Shard Capital Partners LLP		
Elisabeth Cowell	St Brides Partners Ltd	PR	Tel: 020 7236 1177
Frank Buhagiar	St Brides Partners Ltd		

Competent Person Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by James Royall, who is a Member of the Australian Institute of Geoscientists.

James Royall 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'. James Royall 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.

Collar Table

Collar ID	Direction	System	Start (m)	End (m)	Depth (m)	Azimuth	Dip	EOH	Grade	Depth
KBRC0	38N	WGS	4591	4584	689	298.6	-	106	HO	DD
KBRC0	38N	WGS	4590	4584	695	298.6	-	98	HO	DD
KBRC0	38N	WGS	4590	4584	685	298.6	-	109	HO	DD
KED00	38N	WGS	4591	4584	682	298.6	-	158	HO	DD
KED00	38N	WGS	4590	4584	698	299.6	-	185	HO	DD

Summary of all intersections

The intersections were calculated using a cut off of 0.1% Copper and a maximum of 3m internal waste.

KBRC04					
From	To(m)	Interv	Cu_	Au_pp	Comment
2.00	9.00	7.00	0.14	-0.10	Oxides
23.00	52.65	29.65	1.54	0.11	Black Oxides and
55.00	106.00	51.00	0.29	0.12	Polymict Breccio Conglomerate with silica sulphidecement.

END OF HOLE

KBRC07					
From	To(m)	Interv	Cu_	Au_pp	Comment
5.00	20.00	15.00	-0.10	0.72	Oxidised polymict breccio conglomerate. With silica cement and boxworks
20.00	30.30	10.30	0.59	-0.10	Polymict breccia conglomerate silica cement containing
34.00	40.00	6.00	0.13	0.12	Faulted breccio conglomerate and rhyodacite with pyrite and
43.00	71.00	28.00	0.53	0.56	Coarse polymict breccio conglomerate containing sulphides with covellite
71.00	79.00	8.00	-0.10	0.41	Coarse polymict breccio conglomerate with silica sulphide cement
79.30	98.00	18.70	0.25	0.33	Coarse polymict breccio conglomerate with silica sulphide cement. Hole ends in
<i>END OF HOLE</i>					

KBRC07					
From	To(m)	Interv	Cu_	Au_pp	Comment
19.00	32.00	13.00	0.38	-0.10	Rhyodacite breccia with silica argillic alteration and disseminated and vein sulphides zones of chalcocite.
38.00	43.00	5.00	0.14	-0.10	Rhyodacite breccia with silica argillic alteration with disseminated and vein
52.00	81.00	29.00	0.23	-0.10	Rhyodacite breccia with silica argillic alteration with disseminated and vein
88.00	101.00	13.00	0.46	-0.10	Rhyodacite breccia with silica argillic alteration with disseminated and vein
<i>END OF HOLE</i>					

KED001					
From	To(m)	Interv	Cu_	Au_pp	Comment
0.00	33.00	33.00	1.04	-0.10	Abundant malachite and azurite in microfractured and locally
39.00	43.00	4.00	0.39	-0.10	Fresh fine tuffs with microfracturing containing chalcopyrite and pyrite
89.75	113.00	23.25	2.82	0.17	Brecciated, silicified volcanics with
113.00	150.00	37.00	0.39	0.09	Polymict breccio conglomerate
<i>END OF HOLE</i>					

KED00					
From	To(m)	Interv	Cu_	Au_pp	Comment
0.00	14.00	14.00	-0.10	0.28	Oxidised volcanic breccia with some boxworks
32.00	67.00	35.00	0.37	-0.10	Volcanic breccia and volcaniclastic breccias and tuffs with
127.00	149.00	22.00	0.16	-0.10	Polymict breccio conglomerate with silica and pyrite cement
176.00	185.00	9.00	0.39	-0.10	Volcanic breccia with vein and disseminated sulphides. Hole ends in 0.72 Cu %
<i>END OF HOLE</i>					