

Georgian Mining Corporation ('GEO' or the 'Company')

Drilling Update from Kvemo Bolnisi Gold Zone 2, and Increased Potential at Gold Zone 3

Georgian Mining Corporation ('GEO' or the 'Company'), the gold-copper exploration and development company, announces an update to mineralisation adjacent to the Gold Zone 2 ('GZ2') resource, and extending the previously announced Gold Zone 3 ('GZ3') discovery at Kvemo Bolnisi East ('KBE'), together with an update to the interpretation of the Kvemo Bolnisi West ('KBW') mineralised zone, in the Republic of Georgia. Kvemo Bolnisi ('KB') is located in an established epithermal gold-copper region along the prolific Tethyan metallogenic belt.

Highlights

- Drilling at KBE has focused on exploring the periphery of the GZ2 Mineral Resource and stepping out 80m west from the discovered mineralisation at GZ3, 150m west of and adjacent to GZ2.
- The results of these step-out holes at GZ3 that intersected high-grade polymetallic gold mineralisation include TGD106: 36.0m @1.28 g/t Au from 188m, ending in 1.23 g/t. Updated interpretations indicate significant mineralisation is open at depth.
- Further near-surface gold oxide mineralisation was intersected on the periphery of GZ2, significantly extending the interpolated mineralisation, including: TGD100: 12.0 m @ 0.99 g/t Au from surface.
- The GZ3 discovery may represent yet another epithermal centre in the KB camp with a discrete feeder breccia pipe at depth. The next phase of drilling will investigate the relationship between the GZ3 mineralisation and the established resources at the GZ2 system at KBE.
- KBW is located 600m west of GZ3 and represents a silver-rich epithermal system surrounding another separate breccia pipe, with a peak surface sampling assay of 888 g/t Ag. Historical drilling intersected polymetallic gold mineralisation at the same depths as GZ3, but this is yet to be fully drill tested by GEO.

Mike Struthers, Chief Executive Officer, said, *"Drill results continue to expand the footprint and validate the new geological model we have put in place for Kvemo Bolnisi, specifically the presence of a large scale epithermal gold-copper mineralisation system with multiple mineralising centres. Mineralisation remains open in various directions, and it will be very interesting to see how the scale of this system expands with further drilling, including the potential link across to Kvemo Bolnisi West."*

FURTHER INFORMATION

Gold Zone 3 Drilling

GZ3 was discovered in Q3 2017 and represents a zone of polymetallic gold mineralisation adjacent to GZ2, below 50m of unconsolidated alluvial sediments. Following the initial drilling, two deep step-out holes were completed 80m south and west from the known mineralisation. Both holes successfully

intercepted significant gold mineralisation leaving the system open to the south, east and west. The identification of this additional epithermal system provides scope for further growth of the Kverno Bolnisi resource.

Peak grades from GZ3 include individual drill samples from hole TGD093 of 35.00 g/t Au (1.2 m sample), 12.95 g/t Au (1.0 m sample) and 11.55 g/t Au (1.0 m sample) which confirm the presence of a high-grade epithermal gold system adjacent to the current Kverno Bolnisi deposit footprint.

Table 1 presents selected drill hole results from GZ3, whilst Table 3 below details all of the GZ3 drilling results to date. Drill hole TGD106 intersected 36.0m @ 1.28 g/t Au, ending in 1.23 g/t Au (1.0 m sample). Interpretations indicate significant mineralisation is open at depth.

Table 1 Selected drill results from Gold Zone 3

Hole ID	From (m)	To (m)	Interval (m)	Cu Grade (% Cu)	Au Grade (g/t Au)
TGD093	44	45	1		12.95
	67	68.2	1.2		35.0
	117.2	192.5	75.3		0.46
	205	261	56		1.03
Inc	235	236	1		11.55
TGD105	98.0	122.0	24.0	-	0.51
	98.0	103.0	5.0	0.11	1.79
	210.8	218.0	7.2	-	0.35
	248.0	256.3	8.3	-	0.15
	292.0	300.0	8.0	0.13	0.31
TGD106	128.0	130.6	2.6	-	0.14
	175.0	177.2	2.2	-	0.20
	188.0	224.0	36.0	-	1.28
Inc	219.0	220.0	1.0	-	9.37
Inc	223.0	<u>224.0</u>	1.0	-	1.23
TGD107	no significant intercepts				
TGD108	158.0	202.0	44.0	-	0.26

This gold mineralisation represents primary gold associated with sulphides (pyrite, sphalerite and galena), which differs from the gold oxide mineralisation reported in Gold Zones 1 & 2 at Kverno Bolnisi. The mineralisation style fits into the carbonate base metal, low-sulphidation epithermal model (Dr. Greg Corbett, 2017, "Epithermal gold-silver and porphyry copper-gold exploration – Short course manual." www.corbettgeology.com) where primary hypogene gold grades are an order of magnitude higher than those observed in the underlying sulphides at Kverno Bolnisi. To date the oxide-enriched equivalent of this mineralisation has not been intersected in drilling and represents a clear target for the Company.

Figure 1 is a plan view showing the locations of GZ2 and GZ3, together with interpreted structures and the GZ3 drilling. Figure 2 is a north-south vertical section through GZ3 showing some of the latest drilling results and the current interpretation. Mineralisation is open to the south, east and west and potentially connected to the KB West mineralised system 700m away through a large structural feature, possibly part of a caldera.

Figure 1 Map showing potential structure connecting GZ2 and GZ3

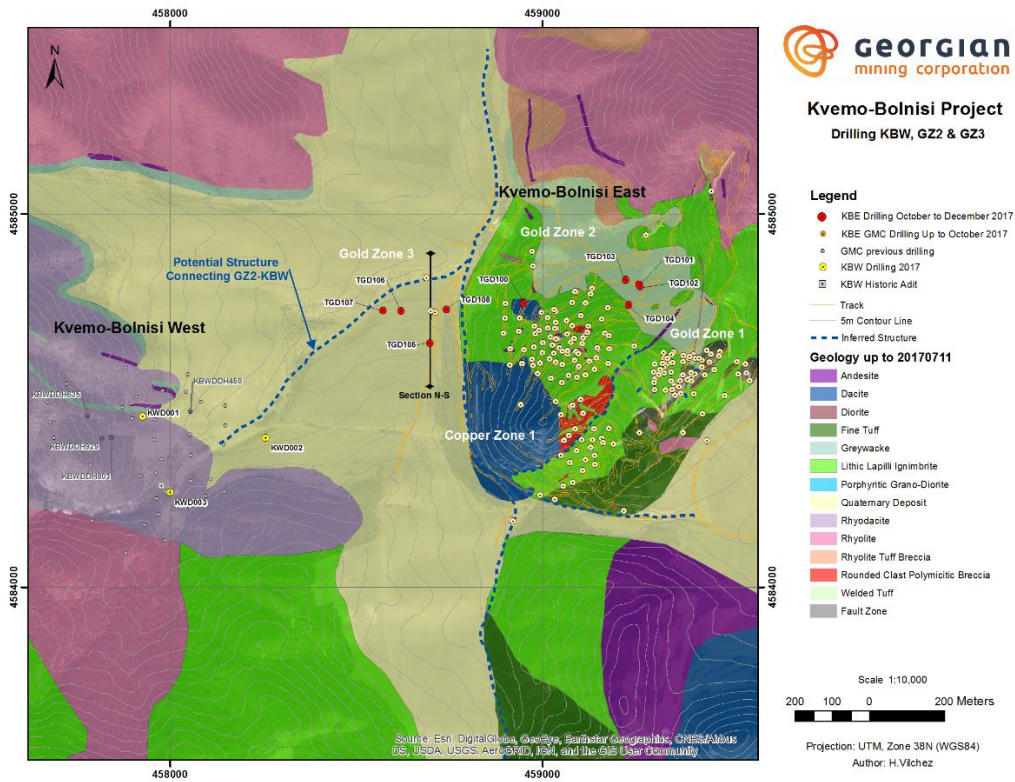
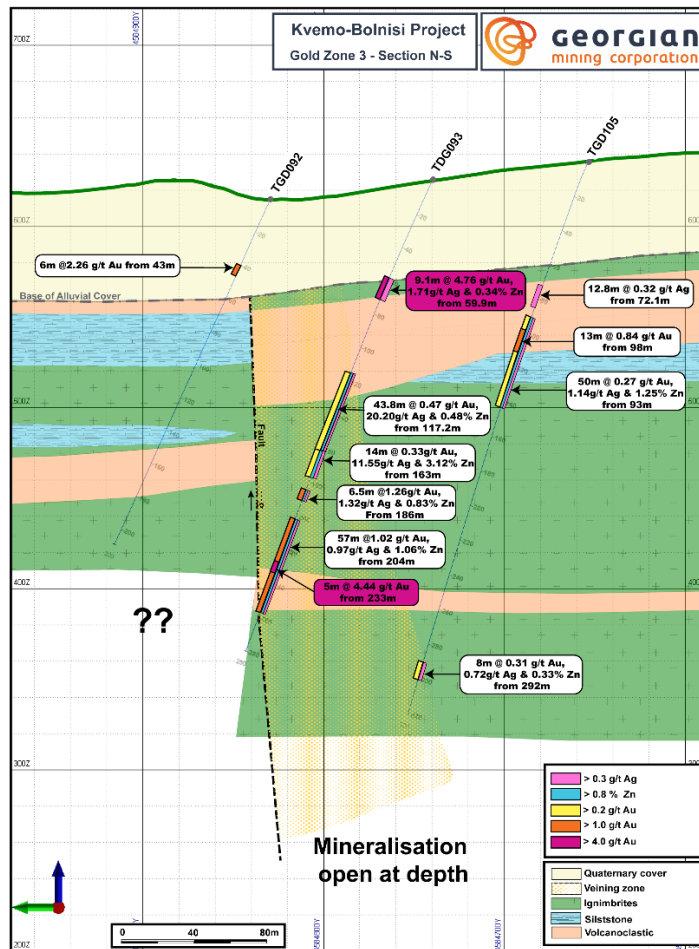


Figure 2 Gold Zone 3 Vertical North-South Section



The gold mineralisation is beneath approximately 50m of alluvial cover which masked any geophysical or geochemical response. Further drill programmes will be implemented to follow up on the positive results and test the extension of the system in an aim to connect the mineralisation to the established resources at KB.

Gold Zone 2 Drilling

Five further inclined holes were drilled to test vectors on mineralisation within GZ2 and to extend the mineralisation northwards, together with some drilling for metallurgical testwork (Table 2). Positive results from the peripheral holes will be used in planning the next phases of drilling to increase the size of the known mineralisation at GZ2.

Table 2 Selected drill results in the gold oxide zone of GZ2 and periphery

Hole ID	From (m)	To (m)	Interval (m)	Grade (% Cu)	Grade (g/t Au)
TGD097	Metallurgical Test Work				
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TGD099	Metallurgical Test Work				
TGD100	0.0	12.0	12.0	0.27	0.99
	16.0	18.0	2.0	-	0.23
	33.0	48.0	15.0	0.15	0.10
TGD101	No Significant Intercepts				
TGD102	34.0	42.0	8.0	0.12	0.10
TGD103	66.0	72.0	6.0	-	0.35
TGD104	21.1	34.0	12.9	-	0.24
	47.5	52.0	4.5	-	0.14
	59.0	70.0	11.0	-	0.20

Gold Zone 3 Drill Results

Table 3 details the results of all GZ3 drilling by GEO to date.

Table 3 Complete drill results for GZ3

Hole ID	From (m)	To (m)	Interval (m)	Grade (% Cu)	Grade (g/t Au)
TGD087	153.8	184.0	30.20	-	0.42
TGD092	43.0	49.0	6	-	2.26
TGD093	44	45	1.0	-	12.95
	59.9	69.0	9.1	-	4.76
Inc	67.0	68.2	1.2	-	35.0
	117.2	192.0	75.3	-	0.46
Inc	163.0	177.0	14.0	-	0.33
	186.0	192.5	6.5	-	1.26
Inc	205.0	261.0	56.0	-	1.03
	233.0	238.0	5.0	-	4.44

Hole ID	From (m)	To (m)	Interval (m)	Grade (% Cu)	Grade (g/t Au)
	235	236	1.0		11.55
TGD105 Inc	98.0	122.0	24.0	-	0.51
	98.0	103.0	5.0	-	1.79
	210.8	218.0	7.2	-	0.35
	248.0	256.3	8.3	-	0.15
	292.0	300.0	8.0	0.13	0.31
TGD106 Inc Inc	128.0	130.6	2.6	-	0.14
	175.0	177.2	2.2	-	0.20
	188.0	224.0	36.0	-	1.28
	219.0	220.0	1.0	-	9.37
	223.0	224.0	1.0	-	1.23
TGD107	no significant intercepts				
TGD108	158.0	202.0	44.0	-	0.26

Kvemo Bolnisi West (KBW)

GEO surface mapping has identified another feeder breccia pipe at KBW and grab sampling surrounding the pipe has returned high grades up to 888 g/t Ag. Assays from historical drilling are not considered reliable (no core or pulps exist) but are used to guide future exploration (Table 4). However, drill testing of the structure by GEO has intersected significant silver-gold mineralisation (Table 5).

The identification of the additional epithermal mineralisation centre will provide scope for growth of the Kvemo Bolnisi resources, with historical polymetallic gold mineralisation at KBW occurring at the same depth intersected at GZ3 by GEO.

Table 4 Historic drill results in the polymetallic gold-silver zone of KBW

Hole ID	From (m)	To (m)	Interval (m)	Grade (g/t Ag)	Grade (g/t Au)
KBWDDH450	75.0	128.0	53.0	56.18	0.26
	136.2	159.0	22.8	30.29	0.65
	193.0	223.9	30.9	10.78	1.60
KBWDDH635	107.0	130.0	23.0	97.02	0.90
	206.6	357.3	150.7	14.85	0.43
KBWDDH801	166.0	201.0	35.0	223.29	0.14
KBWDDH929	297.0	392.0	95.0	79.24	0.23

Table 5 GEO drill results in the polymetallic gold-silver zone of KBW

Hole ID	From (m)	To (m)	Interval (m)	Grade (g/t Ag)	Grade (g/t Au)
KWD001	92.0	100.0	8.0	2.74	0.65
	152.0	159.0	7.0	1.76	0.63
KWD002	no significant intercepts				
KWD003	7.5	67.0	59.5	87.97	0.10

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, a Consultant to the Company and a Member of the Australian Institute of Geoscientists.

Mr Royall has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which the company 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' and as a Qualified Person as defined in the *Note for Mining and Oil & Gas Companies* which form part of the AIM Rules for Companies. Mr 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.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

****ENDS****

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About Georgian Mining Corporation

Georgian Mining Corporation has 50% ownership and operational control of the Bolnisi Copper and Gold Project in Georgia, situated on the prolific Tethyan Belt, a well-known geological region and host to many high-grade copper-gold deposits and producing mines. The Bolnisi licence covers an area of over 860 sq km and has a 30-year mining licence with a variety of targets and projects ranging from greenfield exploration / target definition phase through intermediate target-testing phases to more advanced projects including Kvemo Bolnisi East which will advance to Feasibility Study in 2018. These projects are proximal to several advanced projects and existing mining operations owned by the Company's joint venture partner, and their sister production company. Georgia has an established mining code and is a jurisdiction open to direct foreign investment.
