

6 June 2017

**Georgian Mining Corporation**  
**Further Drill Results from Kvemo Bolnisi East's Gold Zone 2 Target**

Georgian Mining Corporation ('GEO') is pleased to announce the final set of drill results from Gold Zone 2 at its Kvemo Bolnisi Copper and Gold Project in Georgia ('KB'). GEO has completed an initial 64-hole diamond drill program, and will now model the assay results to establish an initial JORC Mineral Resource for Gold Zone 2 as part of the initial 3-5 Mt JORC compliant resource of combined copper-gold sulphide and gold oxide mineralisation that GEO expects to delineate near term. Establishing a Gold Zone 2 resource is phase 2 of a three-stage program targeting a >50Mt Resource at KB and the many high grade intersections within the Gold Zone 2 drill program support GEO's belief that the three target zones of KB form part of one large epithermal copper/gold unit.

**Highlights:**

- Gold oxide mineralisation intersected from surface to depths of up to 60m included peak individual gold assays of 30.6g/t, 21.4g/t, 20.6g/t, 14.4g/t, 10.2g/t, 7.63g/t and 5.94g/t Au
- Gold oxide zone remains open in all directions and the discovery of gold-pyrite sulphide mineralisation below the oxide cover indicates bulk tonnage potential. Selected results include:
  - TGD-046: 30m @ 1.0g/t Au from 0.0m
  - TGD-048: 25m @ 2.09g/t Au from 1.0m
  - TGD-051: 16m @ 1.60g/t Au from 0.0m
  - TGD-052: 16m @ 1.43g/t Au from 0.0m
  - TGD-054: 28m @ 1.95g/t Au from 43.0m
  - TGD-056; 22m@1.22g/t Au from 85m
  - TGD-057: 9m@4.78g/t Au from 13m
  - TGD-060: 25m @ 2.55g/t Au from 5.0m
  - TGD-061: 21m @ 1.1g/t Au from 0.0m
- These results confirm both significant upside potential and already meet the grade requirement at the heap leach processing plants of GEO's JV partner
- Drilling also reconfirms the presence of copper sulphide mineralisation immediately beneath the gold oxide zone with notable widths and grade

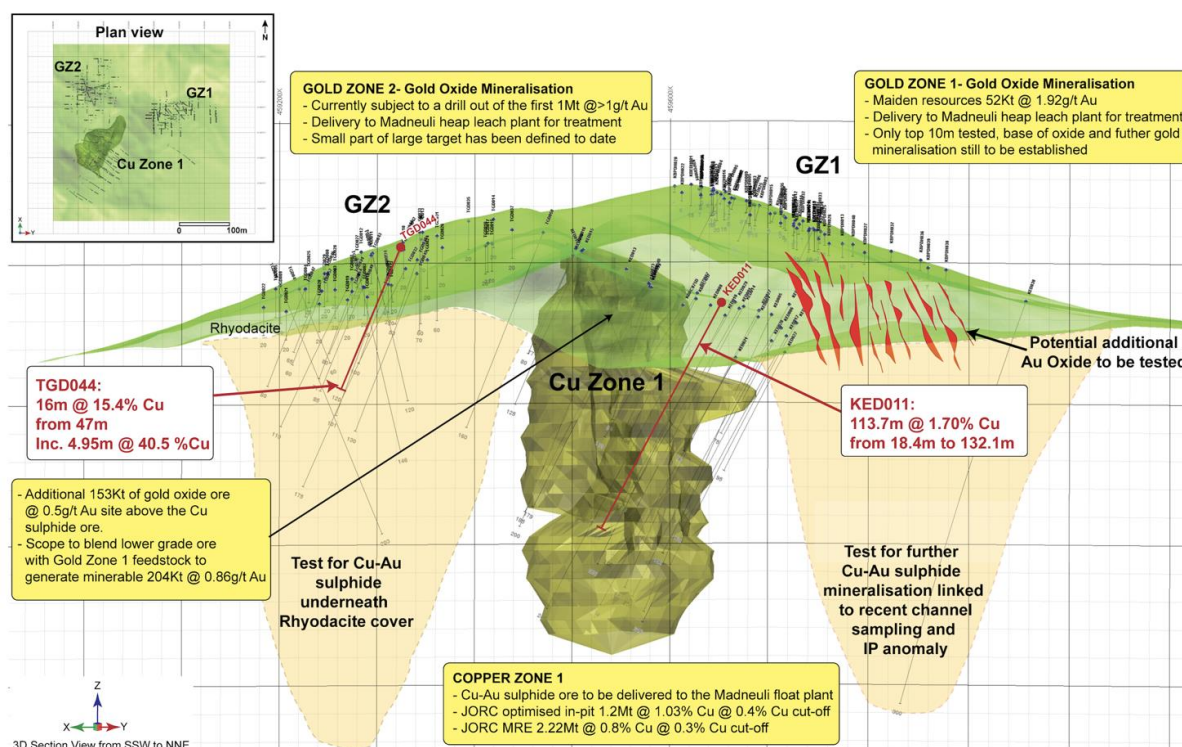
GEO Managing Director Greg Kuenzel said, "We are on track to prove up a major resource at KB and these latest drill results re-affirm our confidence that we may delineate a large copper/gold epithermal deposit. Our key objectives for 2017 are to report a 3-5 Mt copper and gold resource and to commence low cost production to be processed at our JV partner's neighbouring operations. We

are currently on course to meet both objectives. We recently raised £5.5m via an oversubscribed placing so we are funded for additional drilling and target follow-up work and we expect to be very active throughout 2017 as we deliver on our core objectives.”

### Further Information

GEO has identified three core target areas, Copper Zone 1, Gold Zone 1 and Gold Zone 2, with drilling focused on all three targets. Results to date have persuaded GEO that these three zones are part of one large epithermal copper/gold unit. Current drill programs are intended to develop resources at each of the three target zones, in line with the strategy to deliver a >50Mt copper-gold sulphide and gold oxide JORC compliant resource.

The initial 20 vertical holes of the 64-hole program were scout drilling to a depth of only 20 metres. The remaining 44 inclined holes were of varying length as determined by the base of oxidation. These results confirm the presence of gold oxide mineralisation occurring from surface to depths ranging from 20m to greater than 60 metres.



**Image 1: 3D Section of KB Project**

The recent program has also revealed much thicker packages of gold mineralisation comprising a number of horizons with varying Au grades, which provide scope for the construction of a large bulk tonnage Resource. GEO’s external Resource Consultant is testing a range of cut-off grades to undertake optimisation studies to determine the viability of a larger lower grade bulk tonnage mining as other higher cut-off grade alternatives.

The initial gold oxide resource drilling is now complete and GEO has commenced an excavation and channel sample program to delineate targets capable of extending the gold oxide mineralisation well beyond the parameters of the initial drill program. Further updates will be provided in due course.

The drill results also again confirm that high-grade copper sulphide mineralisation occurs at the base of the oxide zone. The extension of gold grades through the oxide package provides an opportunity to strip Au oxide mineralisation to expose underlying copper sulphides which should generate cash flow from the oxides during this pre-stripping process. The Gold Zone 2 Au oxide drill program did not specifically target the underlying copper mineralisation which requires a more focused program, scheduled to commence shortly. However, where gold oxide drilling intersected copper sulphide, the hole was extended to test the depth extent of near-surface copper-gold sulphide mineralisation. Two drill holes in particular returned encouraging grades that demonstrate the likelihood of further copper-gold sulphide potential at depth which supports our objective of building a >50Mt gold oxide and copper sulphide Resource.

The notable copper intersections included the following:

- TGD-053: 45m @ 1.11% Cu & 0.65g/t Au from 75m  
6.0m @ 0.32% Cu from 120m  
1.0m @ 3.89% Cu from 138m
- TGD-062: 28.15m @ 1.0% Cu & 0.16g/t Au from 88m

In tandem with the Company's significant resource development strategy, GEO is working to establish proof-of-concept copper and gold production in 2017. GEO plans to use its neighbour's processing operations to de-risk the project providing cash flow to fund further exploration while strengthening the relationship with our JV partner. The majority of the intercepts highlighted in this announcement contain gold grades expected to meet the grade required by the heap leach processing plants of GEO's partner. As both grade and resource requirements have now been met, discussions are now underway to finalise tolling arrangements.

**Table 1: Gold Intersections for KB Gold Zone 2 Drill Program**

ID	From (m)	To (m)	Interval (m)	Au gt	Cu %
TGD046	0	30	30	0.98	0.13
TGD046	30	40	10	-	0.19
TGD046	53	65	12	-	0.38
TGD047	3.30	65	61.7	-	0.70
TGD048	1	26	25	2.09	-
TGD048	28.85	47	18.15	0.1	0.4

TGD049	No intersections of note				
TGD050	No intersections of note				
TGD051	0	22	22	1.16	0.11
TGD051	25	70	45	0.45	-
TGD052	0	16	16	1.43	-
TGD052	18	26	8	0.13	0.55
TGD053	3	21	18	0.75	-
TGD053	28	33	5	0.39	0.11
TGD053	43	51	8	0.83	0.16
TGD053	55	62	7	0.37	-
TGD053	75	120	45	0.65	1.11
TGD053	120	126	6	-	0.32
TGD053	138	139	1	-	3.89
TGD054	3	22	19	0.48	-
TGD054	25	30	5	0.64	-
TGD054	43	71	28	1.95	-
TGD055	37	38	1	5.91	-
TGD056	0	11	11	1.18	-
TGD056	46	55	9	0.55	0.12
TGD056	60.7	69	8.3	0.95	-
TGD056	76	81	5	0.43	0.15
TGD056	85	107	22	1.22	0.17
TGD057	5	9	4	1.44	1.44
TGD057	13	22	9	4.78	0.11
TGD058	3	11	8	0.21	0.12
TGD058	15	34	19	-	0.28
TGD058	43	48	5	-	0.37
TGD058	51	57	6	-	0.42
TGD059	101	105	4	0.5	0.49
TGD060	5	30	25	2.55	-
TGD060	32	36	4	0.13	-
TGD060	38	56	18	0.63	0.13
TGD061	0	21	21	1.1	-
TGD061	33	38	5	0.2	0.2
TGD061	44	52	8	0.45	-
TGD061	54	59	5	0.15	-
TGD061	67	75	8	0.39	0.74
TGD061	76	79	3	0.65	0.13
TGD062	0	4	4	0.32	-

TGD062	8	14	6	0.11	0.24
TGD062	49	52	3	-	0.35
TGD062	61	73	12	0.41	-
TGD062	88	116.15	28.15	0.16	1
TGD063	1	4	3	0.54	-

### 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.

### 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' 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. 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.

**\*\*ENDS\*\***

For further information please visit [www.georgianmining.com](http://www.georgianmining.com) or contact:

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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 two advanced exploration projects; Kverno Bolnisi and Tsitsel Sopeli. These projects are nearby existing mining operations owned by the

Company's supportive joint venture partner. Georgia has an established mining code and is a jurisdiction open to direct foreign investment.

The Company is developing the project in three phases:

- Phase 1: H1 2017 target to delineate a minimum of 1-2 Mt to support initial spare capacity (now achieved and exceeded)
- Phase 2: 2017 target to delineate a 3-5 Mt resource of combined copper-gold sulphide and gold oxide mineralisation (on target)
- Phase 3: Long term target - to delineate a resource of 50Mt+