

22 November 2017

**Georgian Mining Corporation
Operations Update**

Georgian Mining Corporation ('GEO' or the 'Company') is pleased to provide an update on the exploration and mineral resource development programmes underway across multiple targets within its 860 sq km licence on the Tethyan Belt in Georgia, including the Kvemo Bolnisi East Project ('KB' or the 'KB Project').

Kvemo Bolnisi East Project targeting a 50MT+ copper – gold resource

- New discovery 150m to the west of the GZ2 Mineral Resource, now called Gold Zone 3 ('GZ3') indicates scope for significant growth in tonnage – previously announced diluted intercept of 0.65g/t Au over 143.8m from 117.20m (TGD093) including:
 - 1.2m @35g/t Au from 67.0m
 - 75.3m@ 0.46g/t Au from 117.2m
 - 56.0m @1.03g/t Au from 205.0m
- Core logging indicates that two additional holes drilled at GZ3 have intersected the same mineralisation style extending the strike length in the process – assays underway
- Geochemical multi element data between GZ2 and GZ3 drill holes indicate that the two zones may be connected at depth
- New linear gold in soil anomaly and drill target that may increase the KB gold Resource highlighted by gold in soil geochemical surveys to the south of the KB Mineral Resource
 - KB has a current JORC Resource of 3.154Mt @ 0.82% Cu & 0.14g/t Au and a gold oxide resource of 2.29Mt @ 0.85g/t Au
- Updated Mineral Resource on gold and copper based on the latest round of drilling which focused on the immediate environs around the GZ2 mineralisation expected from external resource consultants within weeks
- Metallurgical test work continues on gold oxide ores from the KB Project
- Negotiations continue in relation to the Company's proposed KB gold oxide production and processing agreement and updates will be provided in due course.

Additional targets offer scope to expand the resource beyond the 50MT exploration target for KB

- IP geophysical surveys at Tamarisi and Dambludka projects continue to generate new drill targets
- Mapping and soil geochemistry work continues at Dambludka, a base and precious metal project covering a 2km by 1km area in preparation for a drill programme scheduled to commence early in the new year
- Historic gold analyses in adit samples at Dambludka are recorded at grades as high as 775g/t Au

Georgian Mining Corp Managing Director Greg Kuenzel said, “Whether drilling or geochemical surveying, the results of our work at KB continue to be consistent with our geological model: that KB hosts large scale epithermal gold-copper mineralisation. Our three-phase strategy to prove up our model is well advanced. Having already hit our Phase 2 target of 3-5Mt, we expect to increase this further in the coming weeks with an updated Mineral Resource on both gold and copper at KB. We continue to identify additional targets within KB and at other prospects across the licence, which strengthens our belief that there remains tremendous scope for us to deliver more than 50Mt of copper-gold resources as we look to build another significant copper gold operation on the prolific Tethyan Belt.”

Gold Zone 3 Growth

The initial step-out exploration at KB led to the discovery of Gold Zone 2 (‘GZ2’). The recently announced GZ3 discovery resulted from a further successful step-out to the west of GZ2.

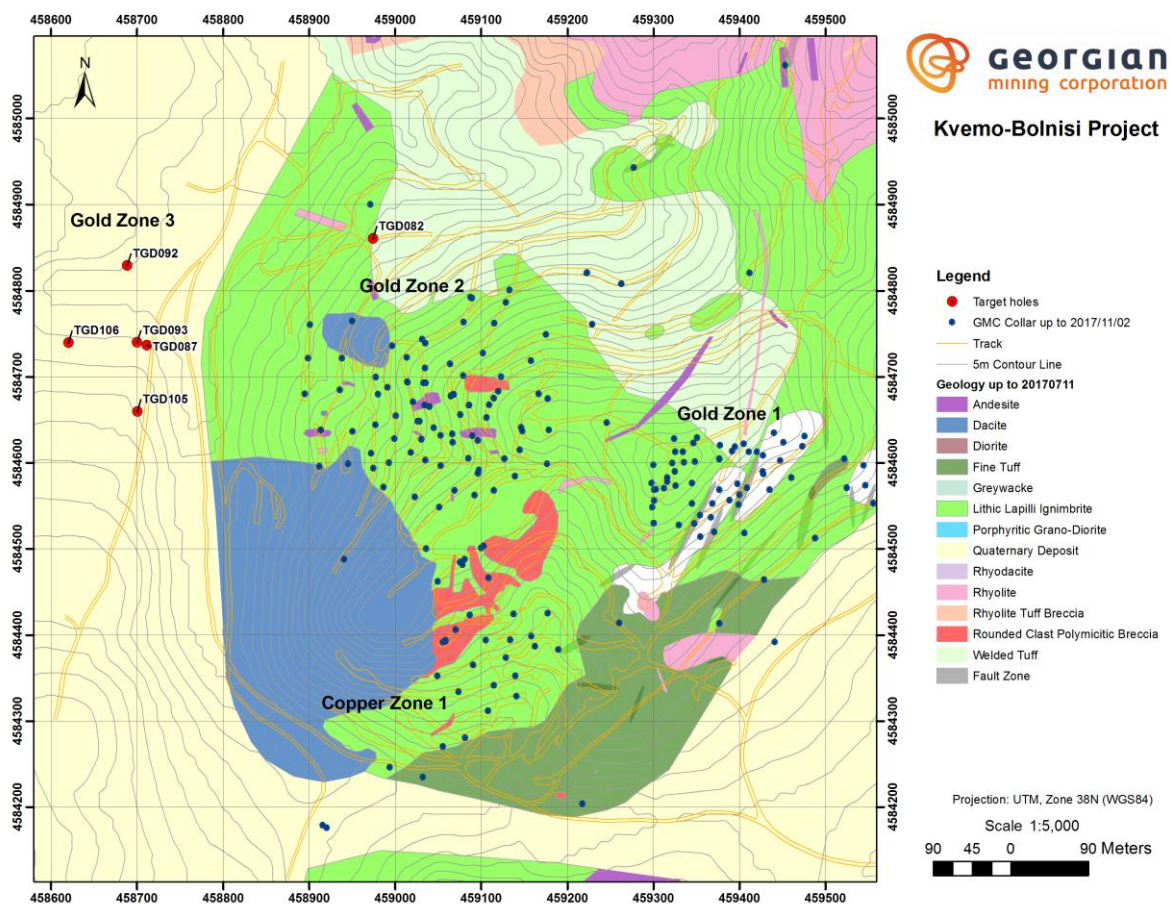


Image 1: Plan showing location of Gold Zone 3

Detailed assessment of the mineralisation in drill core suggests a different mineralisation style to that found at GZ1 and GZ2 based on a review of the lithology, grade distribution and elemental associations.

The style of mineralisation is similar to a nearby Resource characterised by a gold – zinc association, interpreted to be part of a carbonate base metal low sulphidation epithermal deposit model. This new mineralisation style provides scope for the building of large tonnage. In effect, the KB exploration and drilling programme is potentially moving from a stage of incremental growth to one of exponential growth in line with the documented exploration and development strategy.

Two drill holes have been analysed and reported to date, TGD087 and TGD093 with encouraging results being achieved particularly in TGD093, where, accepting no limitation on internal waste in line with the bulk tonnage objective, mineralisation included an intercept at 117.2m returning a gold grade of 0.64g/t Au over 143.8m.

Two further holes, TGD105 and TGD106 have recently been completed and the core will be dispatched for analysis. Initial core logging indicates these holes, drilled to step-out from TGD093 have intersected the same mineralisation style.

Analysis of multi element geochemistry from the analysed holes at GZ3 with similar data for GZ2 further to the east indicates that the new mineralisation system extends eastwards over a minimum strike length of 250m. There is no drilling between these holes at GZ2 and GZ3 and this represents an obvious target for follow up.

A new drillhole, KWD003 intersected an epithermal quartz breccia returning an intercept of 59.5m at 88g/t Ag from 7.5m, approximately 700m to the southwest of GZ3. Whilst this intercept is not gold-rich, it is indicative of the continued exponential growth potential of the epithermal system. The area between these drill holes has not been previously tested and represents another obvious drill target.

New Extension to KB Gold Mineralisation

A soil geochemical survey has been successfully completed over the KB SW target, which forms the southern extension of the KB Mineral Resource. The survey identified a NE-SW oriented linear gold in soil anomaly that appears to be part of an arcuate regional feature that includes both the KB Mineral Resource and a large linear gold target situated to the immediate west. Again, KB SW represents an obvious drill target offering scope to further expand the KB Au oxide Mineral Resource.

Metallurgical Test Work

Further metallurgical test work including additional bottle rolls and column leach tests are continuing under the supervision of external metallurgical consultant Wardell Armstrong International.

Resource Estimation Update

A Mineral Resource estimation update is underway with the Company's external Resource consultant. The Company expects to provide shareholders with an update in due course.

Dambludka Soil Survey Defines Larger Target

Two soil geochemical surveys have been successfully completed at Dambludka. The initial survey was confined to an area that overlies high-grade historical gold channel sample results from old drives and adits. Historical gold analyses in the channel samples are recorded at grades as high as 775g/t Au.

Adit 24 records 11 samples with channel grades exceeding 5g/t Au over a maximum channel width of 1.2m with peak grades of 16.2 and 14.8g/t Au. Adit 11a reported 5 samples exceeding 100g/t Au with peak grades of 775g/t Au, 679g/t Au and 249g/t Au over a maximum channel width of 1m and Adit 11 records 7 samples returning grades of greater than 70g/t Au over channel widths of 0.5m with peak grades of 260g/t Au, 534g/t Au and 214g/t Au. The accuracy of these historical results will need to be validated with our own sampling to verify the grades. The initial overlying soil survey reported gold grades ranging from 0.38 to 1.01g/t Au. A follow up survey was completed to test the north, east and west extension of mineralisation returning typical gold in soil grades of between 0.1ppm Au and 1.ppm Au.

The results supported by the unusually high gold channel sample analyses are sufficiently anomalous to warrant a drill programme. An initial 8-hole programme has been planned to test the soil anomalies and underlying channel sample gold veins.

A 10km² area has been identified as being anomalous and a forestry permit has been applied for in order to support access road and drill pad construction. Drilling is expected to commence in Q1 2018.

IP Geophysical Survey Update

IP geophysical surveys have been conducted over a number of targets within the Licence. The objectives are twofold, firstly to test for extensions to known mineralisation and secondly to provide additional data for subsequent interpretation during the latter part of Q4 to generate additional drill targets for Q1 2018.

Tamarisi Survey

The Tamarisi Project is located to the east of Tsel Sopeli in the southern half of the Licence. Exploration was conducted by two Soviet expeditions in the late 60's and mid-70's and the most recent work was completed in 1998. The scope of work conducted is similar to the situation originally found by the Company at Kvemo Bolnisi and therefore potentially offers an opportunity to find new mineralisation by employing modern exploration techniques. Historic copper, lead and zinc analysis of drillholes that extended to 400m depth returned anomalous intercepts for base metals but failed to demonstrate any continuity of mineralisation compounded by the vertical inclination of drillholes. It was also reported that core recoveries were frequently less than 50 per cent and the report also comments that areas of mineralisation in the core were washed out during drilling. In 1998, 14 new holes were drilled and the report states that "In virtually all cases analysed, gold was found with grades up to 13.6g/t Au over 10m and to a depth of 350m".

Soviet reports estimated that mineralisation occurred over a 2km² area.

Other historic drill intercepts included DDH259 returning 4.2g/t Au over 10m from 202m, DDH612 returning 7.85g/t Au and 1.95% Cu over 5m from 384m, DDH614 returning 0.52g/t Au over 21m from 64.5m and, Trench 01B returning 1.07g/t Au over 11m.

GEO has completed a 3 line IP (4.8km) geophysical survey over the target area and generated both chargeability and resistivity anomalies. The Company's external geophysical consultant has been provided with the raw data for interpretation.

The results of the interpretation and possible additional IP survey lines will determine what follow up will be required.

Dambludka Survey

A survey at Dambludka is scheduled to commence in the next few days and will provide supplementary information to the recently completed soil geochemical survey and ahead of the planned drilling programme.

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****

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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. Georgia has an established mining code and is a jurisdiction open to direct foreign investment.

GCG 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 (achieved)
- Phase 3: Long term target - to delineate a resource of 50Mt+