Falcon Gold Announces Commencement of Work Under Trelawney Option Agreement and Provides Clarification of Finders Fee for Templer Gold Corp. Acquisition

14.05.2012 | Marketwired

SUDBURY, ONTARIO -- (Marketwire - May 14, 2012) - Falcon Gold Corp. (TSX VENTURE:FG), ("Falcon" or the "Company") is pleased to announce the commencement of work on the Burton Gold Property in connection with Phase 1 of the Option Agreement with Trelawney Mining and Exploration Inc. (TSX VENTURE:TRR) ("Trelawney") previously announced on February 22, 2012, and to provide clarification regarding the finder's fee with respect to the acquisition of Templer Gold Corp. ("Templer") as originally announced on February 29, 2012.

Commencement of Work on Burton Property

Falcon Gold has begun line cutting which will be followed-up with an I.P. survey and a soil sampling survey over the entire property. It is anticipated that these surveys will take approximately two to three months to complete and will be followed by diamond drilling of selected targets identified. Upon the completion of the diamond drilling program, Falcon Gold will have fulfilled its Phase 1 responsibilities under the Burton Gold Property option agreement with Trelawney.

About The Burton Property

The Burton Gold Property is located in the Swayze Greenstone Belt, Northeastern Ontario, approximately 150 kilometres (km) south of Timmins and 180 km north of Sudbury. The property is well-positioned in a very actively explored geological belt and is approximately 38 kms northwest of Trelawney's Cote Lake Deposit which has an indicated resource of 35 million tonnes averaging 0.82 g/t for contained gold of 0.93 million ounces and an inferred resource of 204 million tonnes averaging 0.91 g/t for 5.94 million ounces of contained gold1 and The Property is also located approximately 10 km northwest of the past producing Jerome Gold Mine which produced 56,878 ounces gold from 1941 to 1943 (303,966 tonnes @ 6.72 g/t)2.

Historical diamond drill intercepts at the Burton Property include 9.34 grams per ton ("g/t") over an intersection length of 7.75 metres ("m") at the Shaft Zone and 12.47 g/t over an intersection length of 3.13 metres at the East Zone. Diamond drilling completed by Falcon Gold during 2011 included 3.74 g/t Au over an intersection length of 9.96 m (including 10.98 g/t Au over 2.17 m) and 3.25 g/t Au over an intersection length of 10.35 m (including 5.65 g/t Au over 2.85 m) at the Shaft Zone (Press Releases of July 27/2011 and September 12/2011.)

The Burton Gold Property is road accessible and consists of 6 patented mining claims and 16 unpatented mining claims encompassing 22 claim units (356 hectares) located in Esther Township, Porcupine Mining Division, Ontario.

1 Data from Trelawney Mining and Exploration Inc. press release dated February 24, 2012
2 Data from Ontario Ministry of Northern Development and Mines, 1988

Qualified Person and NI 43-101 Disclosure

Jamie Lavigne, P.Geo. VP Exploration and Director for Falcon Gold is the Qualified Person, as defined in National Instrument 43-101, who has reviewed and approved this press release and is responsible for the technical information reported herein.

Finders Fee for Templer Gold Corp.

The Company will pay a finder's fee with respect to the acquisition of the shares of Templer. The finder's fee is payable to an individual, complies with the policies of the TSXV, and will be satisfied by the Company issuing 379,239 common shares to the individual at the date of closing of the transaction.

About Falcon Gold Corp.

Falcon Gold Corp. is a Canadian mineral exploration company focused on generating, acquiring, and exploring mining opportunities in the Americas.

On Behalf of the Board of Directors FALCON GOLD CORP.

Edward Stringer President
CEO and Director

This news release may contain forward looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, native issues, etc. Forward looking statements address future events and conditions and therefor, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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