

Laurentian Goldfields Ltd. to Purchase the Madsen Gold Mine in Prolific Red Lake Gold Camp

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Announces Proposed New Board of Directors

VANCOUVER, Dec 19, 2013 - [Laurentian Goldfields Ltd.](#) ("Laurentian" or the "Company") (TSX VENTURE:LGF) is pleased to announce it has entered into a Definitive Agreement to acquire a 100% interest in the Madsen Gold Project ("Madsen") from [Claude Resources Inc.](#) ("Claude"). The Madsen property comprises in excess of 4,000 hectares in the prolific Red Lake gold camp of Northwestern Ontario, and hosts two former gold producers including the Madsen Gold Mine which had previous gold production of 2.4 million ounces.

Darin Labrenz President & CEO of Laurentian stated that: "Laurentian is delighted to announce the acquisition of the high grade Madsen Gold Project. The transaction will transform Laurentian into a leading Red Lake gold exploration company, focused on applying contemporary science to increase the existing high grade gold resource while simultaneously assessing a low-capital production opportunity under the direction and expertise of an experienced, proven leadership team."

Consideration payable by Laurentian consists of an initial cash payment of C\$3.75 million plus both additional share consideration and deferred cash payments. Closing of the Madsen transaction is expected in February 2014 and is subject to receipt of all required shareholder, regulatory and third party consents, satisfaction of customary closing conditions and the completion by Laurentian of a financing to raise minimum gross proceeds of C\$7.5 million.

Macquarie Capital Markets Canada Ltd. is acting as financial advisor to Laurentian with regard to the acquisition and financing.

Strategic Rationale

- Indicated mineral resource of 928,000 oz gold in 3.24 million tonnes grading 8.93g/t Au and an Inferred mineral resource of 297,000 oz gold in 0.79 million tonnes grading 11.74 g/t Au*
- Establishes leading Red Lake focused gold explorer with third largest land position and second largest historical production in one the most prolific gold camps
- Potential near-term low-capital production opportunity facilitated by fully permitted 500 tonne per day mill, 1,275 metre shaft, mining and tailings management infrastructure
- Singular focus on Madsen Mine Trend and application of modern exploration to numerous highly prospective exploration targets and former producers along a 12 km corridor, including
 - Fork Zone - drill intersections up to 10.3 metres grading 17.32 g/t Au
 - Russett South - located 1,000 metres up-dip from 8 Zone, drill intercepts to 2.0 metres grading 29.08 g/t Au
 - Treasure Box - 2.2 kilometres north of the 8 Zone along the ultramafic contact, over 200 intercepts ranging from 2.0 g/t Au to 156 g/t Au
 - Buffalo - 6.4 kilometres northeast of Madsen Gold Mine workings, intercepts including 16.0 metres grading 7.6 g/t Au
- New management and Board with deep Red Lake knowledge, and proven technical and capital markets expertise

Terms of Transaction - Madsen Gold Project

Consideration to Claude incorporates both cash payments and share consideration consisting of:

- Cash consideration of C\$3.75 million at closing;
- Cash consideration of C\$2.5 million payable 3 months following closing;
- Cash or share consideration (at Laurentian's option) of C\$2.5 million payable 6 months following closing; and
- Share consideration at closing representing 19.9% of Laurentian's shares outstanding following completion of the acquisition and an initial C\$7.5 million financing.

The Madsen Gold Project

Laurentian is acquiring a 100% interest in the Madsen Gold Project which includes two former gold producers (Madsen, Starrett-Olsen). The property consists of 237 patented and leased mining claims covering an area of 4,193 hectares and includes accompanying surface rights. The Madsen Gold Mine operated continuously from 1938 to 1974, and 1997 to 1999. Total recorded production is 7,872,679 metric tonnes at an average grade of 9.7 g/t Au producing 2,452,388 ounces of gold.

In 2009, SRK Consulting Inc. was contracted by Claude to calculate a mineral resource for the Madsen Gold Mine. SRK compiled a geological database consisting of 13,617 historic surface and underground core holes, 647 stope boreholes, and 6 underground core drill holes completed by Claude. Using this database SRK estimated an Indicated and Inferred mineral resource for four mineralized zones accessible from the underground mine workings. The mineral resource statement for the Madsen Gold Mine is listed in Table 1 (see Claude press release December 7th, 2009).

Table 1: Consolidated Mineral Resource Statement* for Madsen Gold Project, Ontario

Resource Class	Zone	Tonnes	Grade (g/tonne)	Grade (oz/ton)	Contained Gold (oz)
Indicated	Austin	1,677,000	7.92	0.23	427,000
	South Austin	850,000	9.32	0.27	254,000
	McVeigh	374,000	9.59	0.28	115,000
	Zone 8	335,000	12.21	0.36	132,000
	Total	3,236,000	8.93	0.26	928,000
Inferred	Austin	108,000	6.30	0.18	22,000
	South Austin	259,000	8.45	0.25	70,000
	McVeigh	104,000	6.11	0.18	20,000
	Zone 8	317,000	18.14	0.53	185,000
	Total	788,000	11.74	0.34	297,000

* Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Reported at a cut-off grade of 5.0 g/t gold based on US\$1,000 per troy ounce gold and gold metallurgical recoveries of 94 percent.

Existing mine and mill infrastructure on the property includes a 1,275 metre shaft, recently de-watered to below the 16 level (approximately 775 metres below surface), a 500 tonne per day mill and CIP gold recovery circuit installed at site in the late 1990's, and tailings storage facility, all of which are fully permitted and currently on care and maintenance. The existing permitted infrastructure provides considerable development flexibility, allowing for shortened timelines and the opportunity to leverage on exploration success.

The second former gold producer on the Madsen property is the historic Starrett-Olsen Mine. A 450 metre shaft was sunk in 1945 and mining operations were carried out from 1945 to 1956. A total of 823,544 metric tonnes were mined at an average recovered grade of 6.17 g/t Au to produce 163,990 ounces of gold. The Starratt-Olsen Mine does not have a current mineral resource. Only limited modern day exploration has been conducted near the mine workings.

Exploration Upside

In addition to the historic production and the mineral resource, the Madsen Gold Project has enormous upside exploration potential. A new understanding of controls on high-grade mineralization in the Red Lake camp has resulted in multiple recent discoveries. Opportunity exists to apply contemporary science to the Madsen Mine Trend, where substantive production ceased in 1974. Since the cessation of mining at Madsen, a new understanding of the role of ultramafic rocks has led to multiple high grade discoveries in the camp, including high grade zones at the Campbell and Red Lake mines. At Madsen, numerous high-grade discoveries have been made recently, and many of these high-grade discoveries have only been partially advanced. Additional satellite mineral resources may be defined in the near term with additional geological

studies and drilling. Some examples of exploration targets discovered post mine closure include:

Fork Zone: Recent discovery along the Madsen Mine Trend, located midway between the Madsen and Starratt-Olsen deposits. Surface drilling has intersected mineralization for approximately 700 metres along strike, defining multiple mineralized structures within a mineralized corridor some 50 to 100 metres wide, with drill intersections up to 10.3 metres grading 17.32 g/t Au. Mineralization is open along strike and no mineral resource is defined. McVeigh

Russett South: Represents a possible near-surface, up-dip expression of the 8 Zone. Multiple drill holes have intersected mineralization with intercepts up to 2.0 metres grading 29.08 g/t Au. Russett South is open in all directions. The 8 Zone resource is approximately 1,000 metres vertically below and the down-dip extension has seen minimal drill testing.

Treasure Box: The Treasure Box is a recent discovery located 2.2 km north of the 8 Zone and situated along the same geological contact that hosts the 8 Zone resource. The 800 metre by 200 metre zone was tested by surface drilling returning over 200 drill intercepts grading from 2.0 g/t Au to 155.9 g/t Au. Mineralization has been tested to 270 metre depth and is open. No mineral resource is defined.

Buffalo: The Buffalo showing is 6.4 km northeast of the Madsen Mine workings and located along the Madsen Mine Trend. In the 1980's a 60 metre decline ramp was established and both surface and underground drill holes were completed to test a 500 metre by 200 metre zone of continuous mineralization. The Buffalo zone is open to the east, west and at depth. Drill intercepts include 16.0 metres grading 7.6 g/t Au and 26.7 metres grading 3.2 g/t Au. There is no mineral resource calculated for Buffalo. Location mega

A near term focus of Laurentian will be to advance many of these exploration targets and potentially define mineral resources. Laurentian will also focus its exploration efforts on developing additional targets along the 12 km-long Madsen Mine Trend and the 10 km-long '8 Zone' corridor.

Proposed Board of Directors

Laurentian will transform its Board at closing by seeking shareholder approval to add the following experienced mining professionals as a result of this transformational acquisition:

Mark O'Dea

Dr. O'Dea is the Founder and Chair of [Pilot Gold Inc.](#) and Executive Chair of [True Gold Mining Inc.](#) with a track record of creating strong, well-financed companies built on high-quality projects and run by technical leaders. As President, Chief Executive Officer and Director of [Fronteer Gold Inc.](#) (2001 to 2011), Dr. O'Dea grew the company from a \$2 million start-up into a well-funded, high-profile, development-focused gold company acquired in 2011 by [Newmont Mining Corp.](#) for \$2.3 billion. Over the past decade, Dr. O'Dea has raised more than \$750 million through equity financings, equity investments and asset divestitures.

Graeme Currie

Mr. Currie most recently served as Director, Investment Banking at CanaccordGenuity Limited where he concentrated specifically on the junior mining sector. He retired from Canaccord in August 2012. Prior to his role in Investment Banking he was with Canaccord as a Senior Mining Analyst who focused, for over 22 years, on the junior mining sector. Mr. Currie has over three decades of industry experience directed specifically on junior exploration and development companies worldwide, and has extensive knowledge of the capital markets as it relates to the mineral exploration and mining industry.

Troy Fierro

Mr. Fierro is a successful mining engineer with over 28 years of industry experience. He has previously held executive positions with [Fronteer Gold Inc.](#), [Metallica Resources Inc.](#), and Coeur d'Alene Mines, where he has overseen the development, construction or management of mines in Nevada, Mexico, Argentina, Chile, and Alaska. At Fronteer, Mr. Fierro acted as COO, and at Metallica, he was Vice President Operations where he played the lead role in the construction of the Cerro San Pedro Mine in Mexico. Mr. Fierro was also a director of Grayd Resources and is currently a Board Member with Timberline Resources. Mr. Fierro graduated with a Bachelor of Science - Mine Engineering from South Dakota School of Mines where he serves on the Advisory Board.

Lenard Boggio

Mr. Boggio was a Partner with PricewaterhouseCoopers LLP ("PwC") and its predecessor firm Coopers & Lybrand from 1988 until his retirement from PwC in May 2012. During that time, he was Leader of the B.C. Mining Group of PwC, a senior member of PwC's Global Mining Industry Practice and an audit practitioner for publicly listed Canadian, U.S. and U.K. mineral resource and energy clients. The scope of his clients' activities included exploration, development and production stage operations in the Americas, Africa, Europe and Asia. Mr. Boggio holds a B.A. and B.Comm. from the University of Windsor, Ontario and is a member of the Institute of Chartered Accountants of British Columbia.

Quality Assurance and NI 43-101 Compliance

The mineral resource estimate reported herein for the Madsen Gold Project is set out in the NI 43-101 technical report "Mineral Resource Estimation Madsen Gold Project Red Lake, Ontario" with an effective date of December 7, 2009, prepared under the supervision of Glen Cole, P. Geo, SRK Consulting Inc., an independent Qualified Person, based on information provided by [Claude Resources Inc.](#), is available on SEDAR under the profile of Claude Resources. Claude Resources mineral resource statement has been publicly reported in Claude's press release dated December 7th, 2009.

The aforementioned technical report and other exploration reports were reviewed on behalf of the Company by Darren O'Brien, P.Geo., a consultant to the Company and a "Qualified Person" under NI 43-101. The scientific and technical information in this news release has been approved by Mr. O'Brien.

To the best of the Company's knowledge, information and belief, there is no new material, scientific or technical information that would make the disclosure of the mineral resources inaccurate or misleading.

ON BEHALF OF THE BOARD OF DIRECTORS,

Darin Labrenz, P.Geo.
President and CEO

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Cautionary Statement on Forward-Looking Information

This press release contains certain forward-looking statements. All statements, other than statements of historical facts, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the price of gold and other commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits. Many of these uncertainties and contingencies can affect the Company's actual performance and could cause actual performance to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

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