

Ninth Consecutive Quarter of Production Over 53,000 Ounces

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct 14, 2015) - Newmarket Gold ("Newmarket" or the "Company") (TSX:NMI)(OTCQX:NMKTF) today announced production results for three and nine months ended September 30, 2015. All dollar amounts are in US dollars unless otherwise noted.

Third Quarter 2015 Highlights

- **Strong Consolidated Gold Production:** Q3 2015 gold production of 53,817 ounces, comprised of a record 32,793 ounces from Fosterville Gold Mine, 12,672 ounces from Cosmo Gold Mine and 8,352 ounces from Stawell Gold Mine, compared to consolidated 55,909 ounces in Q3 2014. Q3 2015 consolidated production represents the ninth consecutive quarter of production over 53,000 ounces.
- **Increasing Grades and Strong Recovery:** Average consolidated mill grade of 3.32 g/t, up 5.7% compared to 3.14 g/t in Q3 2014. Consolidated mill recovery of 86.5% included strong recovery of 89.7% at Fosterville Gold Mine and 92.2% at Cosmo Gold mine.
- **Fosterville Sets Records:** During Q3 2015 Fosterville Gold Mine achieved record production of 32,793 ounces, record mill grade of 6.42 g/t and record recovery of 89.7%. Mill grade at Fosterville for the month of September was 7.34 g/t. Current mining results from the high grade Eagle Fault area at Fosterville display good mining grade correlation to recent exploration drilling which continues to show continuity of increasing grade down plunge.
- **Reaffirm Full Year 2015 Guidance:** Well positioned to achieve the top end of 2015 production guidance of 205,000 to 220,000 ounces. Year-to-date consolidated production of 169,491 ounces, up 3.7% year-over-year.
- **Cash and Working Capital:** At September 30, 2015, preliminary cash balance was approximately US\$37.1 million, which reflected one-time transaction costs associated with the merger with Crocodile Gold, increased growth exploration spending in Q3 2015 and the translation impact of a weakening Australian dollar. Preliminary unaudited working capital was approximately US\$22.5 million.

Douglas Forster, President & Chief Executive Officer of Newmarket Gold stated: "With year-to-date production of 169,491 ounces, Newmarket is tracking ahead of consolidated production in the first nine months of last year and we remain well positioned to achieve the top end of our full year guidance range of 205,000 to 220,000 ounces in 2015. We are extremely pleased with operating results from our flagship Fosterville mine as Q3 2015 set new records across the operation. During the quarter, Fosterville delivered double-digit growth producing a record 32,793 ounces, up 11% from Q2 2015 and 16% year-over-year, which also comprised 61% of total Company third quarter production. Fosterville achieved a 28% increase in average mill grade year-over-year to a record 6.42 g/t in Q3 2015 while also driving record recovery of 89.7%. Our top priority is to ensure we maintain our track record of excellent operational execution to continue to generate consistent and sustainable results. In the third quarter, Cosmo achieved solid mill recovery of 92.2% on lower grades, but faced challenges with the mining contractor resulting in lower than expected mined tonnes and production of 12,672 ounces. The strong performance of our Fosterville operation enabled us to deliver a ninth consecutive quarter of consolidated production above 53,000 ounces, while mining activities slowed at Cosmo allowing for a restructuring of the mine plan and to address contractor issues. For the balance of 2015 at Cosmo, we continue to monitor mining contractor performance closely however, we are confident that the restructured mine plans will drive improved results for the fourth quarter of 2015. At Stawell, operational execution remains key as the current focus on mining lower grade material contributed 8,352 ounces in the third quarter."

"Based on consolidated production results to end of September, we have focused on deploying our capital on those targets in our project pipeline that can have a significant positive impact on ongoing operations. To date, we have spent approximately US\$7.0 million on exploration activities which has resulted in three discoveries including the Eagle Fault discovery at Fosterville, Western Lode at Cosmo and Aurora B at Stawell. With the continued success of our growth projects, Newmarket will commit additional capital in the fourth quarter of 2015 to advance our recent discoveries."

Third Quarter and Year-to-Date 2015 Consolidated Operating Results

	Q3 2015	Q3 2014	Q2 2015	YTD 2015	YTD 2014	
Ore Milled (tonnes)	565,254	631,716	588,381	1,739,355	1,961,642	
Grade (g/t Au)	3.32	3.14	3.31	3.40	3.04	
Recovery (%)	86.5	% 86.0	% 88.0	% 87.1	% 84.2	%
Total Production (oz)	53,817	55,909	55,998	169,491	163,516	

Third Quarter 2015 Operational Highlights

	Q3 2015	Q3 2014	Q2 2015
Fosterville Gold Mine			
Ore Milled (tonnes)	175,687	200,708	173,323

Grade (g/t Au)	6.42	5.02	5.92	
Recovery (%)	89.7	% 86.8	% 89.0	%
Gold Production (oz)	32,793	28,313	29,648	
Cosmo Gold Mine				
Ore Milled (tonnes)	161,351	198,168	193,084	
Grade (g/t Au)	2.65	3.03	2.97	
Recovery (%)	92.2	% 92.8	% 92.7	%
Gold Production (oz)	12,672	17,942	17,073	
Stawell Gold Mines				
Ore Milled (tonnes)	228,216	232,840	221,974	
Grade (g/t Au)	1.42	1.62	1.57	
Recovery (%)	80.0	% 79.5	% 83.1	%
Gold Production (oz)	8,352	9,654	9,277	
Total Production (oz)	53,817	55,909	55,998	

Third Quarter 2015 Mine Operating Highlights

Fosterville Gold Mine

Fosterville achieved a new quarterly record with gold production of 32,793 ounces in Q3 2015, up 11% from 29,648 ounces in Q2 2015 and 16% increase from 28,313 ounces in Q3 2014.

Mine production continued to deliver strong results during the quarter, producing 174,368 tonnes at an average grade of 6.65 g/t compared to 178,186 tonnes at 5.59 g/t in Q2 2015 and 192,633 tonnes at 5.21 g/t in Q3 2014. Sequentially, mined tonnes decreased slightly while average grade increased 19% mainly due to high-grade stope production on the 4340 and 4320 levels in Lower Phoenix where both higher grade west and east-dipping lenses were extracted. Mined tonnes in Q3 2015 decreased 9% compared to Q3 2014 due to a lower contribution from the Harrier zone and a proportionately larger contribution from Central and Phoenix lodes, including the higher grade Lower Phoenix area which includes the Eagle Fault. Mine development advanced at an average monthly rate of 638 m for a total of 1,915 m, slightly below Q2 2015 and in line with Q3 2014.

During Q3 2015, the mill processed 175,687 tonnes at an average grade of 6.42 g/t compared to 173,323 tonnes at 5.92 g/t in Q2 2015 and 200,708 tonnes at 5.02 g/t in Q3 2014. Mill throughput was driven by availability of mine tonnes and a small decrease in the stockpile compared to a small increase in the previous quarter. Recovery for the quarter was 89.7% which marked a new quarterly record exceeding a previous recovery high of 89.2% achieved in Q1 2015. This improved performance was driven by both the higher feed grade and the ongoing focus on optimization and improvement of metallurgical recovery throughout the processing plant.

Cosmo Gold Mine

Cosmo gold production in Q3 2015 decreased 26% to 12,672 ounces of gold compared to the same period in the prior year due to challenges faced with the mining contractor resulting in lower than expected mined tonnes and corresponding ounces.

Mined tonnes in Q3 2015 decreased 19% to 164,488 at an average grade of 2.66 g/t compared to 202,290 tonnes at an average grade of 3.03 g/t in Q3 2014. Challenges with equipment availability, and changes in contractor manpower were the main contributors to the significant drop in Q3 2015 performance compared to the same period in the prior year. Rescheduling of some stoping activities negatively impacted grade with ounces lost expected to be recovered once stoping commences in these developed areas.

Looking ahead, operational challenges with the mining contractor have been addressed and contractor performance continues to be monitored closely. With the restructured mine plan in place, production is expected to drive improved results in Q4 2015. Recent drilling success at the Sliver Lode at Cosmo including 14.79 g/t Au over 11.4 m (Estimated true width 11.4 m) and 14.07 g/t Au over 6.0 m (Estimated true width 5.83 m) and proximity of the Sliver Lode to current underground development highlights the potential of additional tonnes to be included in the near term mine plan.

Development advanced well during the third quarter, with 1,245 m achieved in Q3 2015 compared to 1,077 m in Q3 2014. Capital development was 387 m and operational development was 858 m in Q3 2015.

Union Reef mill processed 161,351 tonnes at an average grade of 2.65 g/t in Q3 2015 compared to 198,169 tonnes at 3.03 g/t in Q3 2014. Mill throughput was driven by availability of mined tonnes. The mill achieved recovery of 92.2% for Q3 2015, compared to the 92.8% recovery achieved in Q3 2014. Mill recovery for the year-to-date averaged 92.2% for 2015, tracking well above the average recovery of 88.0% for the year-to-date 2014.

Even with full year 2015 Cosmo production tracking below site guidance, due to the strong performance of Fosterville consolidated guidance remains unchanged at the upper end of 205,000 to 220,000 ounces for 2015.

Stawell Gold Mine

Stawell Q3 2015 production of 8,352 ounces of gold, decreased 13% compared to the same period in the prior year. Lower production is attributed to a 0.34 g/t decrease in underground ore grade to 2.05 g/t due to a shift in contribution to lower grade North Magdala stocks. Stawell continued its program of combining underground ore and surface oxide for mill feed.

Mine access development continued into the Federal Albion in preparation for future mine production. This was undertaken in addition to access development for the continuation of Aurora B discovery exploration drilling planned for late 2015. A total of 845 m was advanced.

Low grade oxide stock piles continued to supplement underground ore contribution resulting in total mill feed of 228,216 tonnes at 1.42g/t and recovery of 80%. Mill utilization remained strong at 96%.

Cash Balance and Working Capital Position

At September 30, 2015, preliminary cash balance was approximately US\$37.1 million, which reflects one-time transaction costs associated with the merger with Crocodile Gold, increased growth exploration spending in Q3 2015 and the translation impact of a weakening Australian dollar. Preliminary unaudited working capital was approximately US\$22.5 million.

Full financial results for the three and nine months ended September 30, 2015 will be released Thursday, November 5, 2015.

Qualified Person

Mark Edwards, MAusIMM (CP), MAIG, General Manager, Exploration, Newmarket Gold, is a "qualified person" as such term is defined in National Instrument 43-101 and has reviewed and approved the technical information and data included in this press release.

Third Quarter 2015 Financial Earnings Results and Conference Call Details

Full financial results and associated operating and all-in sustaining cash cost details for the three and six months ended September 30, 2015 will be released Thursday, November 5, 2015 before the opening of the stock markets.

Douglas Forster, President and Chief Executive Officer, and Robert Dufour, Chief Financial Officer, will also host a conference call to discuss the results on Thursday, November 5, 2015, at 10:00 a.m. (EDT).

Participants may listen to the call by dialing toll free 1-800-319-4610 or 1-416-915-3239 at approximately 9:50 a.m. (EDT) and ask to join the Newmarket Gold conference call. International or local callers should dial 1-416-915-3239 at approximately 9:50 a.m. (EDT) and ask to join the Newmarket Gold conference call.

The call will also be webcast live at <http://services.choruscall.ca/links/newmarketgold20151105.html> and at www.newmarketgoldinc.com in the Events and Webcast section under the Investor Relations tab.

The live audio webcast will be archived and made available for replay at www.newmarketgoldinc.com.

Presentation slides which accompany the conference call will be made available in the Investors section of the Newmarket Gold website, under Presentations, prior to the conference call.

ON BEHALF OF THE BOARD

"Douglas Forster"

Douglas Forster, M.Sc., P.Geo.

President & Chief Executive Officer

Newmarket Gold is a Canadian-listed gold mining and exploration company with three 100% owned operating mines across Australia. The Company is focused on creating substantial shareholder value by maintaining a strong foundation of quality gold production, over 200,000 ounces annually, generating free cash flow and maintaining a large resource base as it executes a clearly defined gold asset consolidation strategy. The Company is focused on sustainable operating performance, a disciplined approach to growth, and building gold reserves and resources while maintaining the high standards that the Newmarket Gold core values represent.

Non-IFRS Disclosure

The Company believes that investors use certain non-IFRS measures as indicators to assess gold mining companies, specifically Operating Cash Costs per Ounce and All-In Sustaining Cash Costs per Ounce. In the gold mining industry, these are common performance measures but do not have any standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

(1) Operating Cash Costs per Ounce of Gold are calculated by deducting silver sales revenue as a by-product from operating expenses per the consolidated statement of operations, then dividing by the gold ounces sold during the applicable period. Operating expenses include mine site operating costs such as mining, processing and administration as well as royalties, however excludes depletion and depreciation, share-based payments and rehabilitation costs.

(2) All-In Sustaining Cash Costs per Ounce of Gold ("AISC") is a performance measure that reflects all of the expenditures that are required to produce an ounce of gold from current operations. While there is no standardized meaning of the measure across the industry, the Company's definition conforms to the AISC definition as set out by the World Gold Council in its guidance dated June 27, 2013. The World Gold Council is a non-regulatory, non-profit organization established in 1987 whose members include global senior mining companies. The Company believes that this measure will be useful to external users in assessing operating performance and the ability to generate free cash flow from current operations. The Company defines AISC as the sum of operating cash costs (per above), sustaining capital (capital required to maintain current operations at existing levels), capital lease repayments, corporate general and administrative expenses, in-mine exploration expenses and rehabilitation accretion and amortization related to current operations. AISC excludes capital expenditures for significant improvements at existing operations deemed to be expansionary in nature, exploration and evaluation related to growth projects, rehabilitation accretion and amortization not related to current operations, financing costs, debt repayments, share-based compensation not related to operations, and taxes.

Cautionary Note Regarding Forward Looking Information

Certain information set forth in this news release contains "forward-looking statements", and "forward-looking information under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include the Company's expectations about its business and operations, and are based on the Company's current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "will", "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These statements are not guarantees of future performance or outcomes and undue reliance should not be placed on them. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are included in this press release or incorporated by reference herein, except in accordance with applicable securities laws.

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