

VANCOUVER, Oct. 4, 2016 /CNW/ - [NewCastle Gold Ltd.](#) (NCA:TSX-V, the "Company" or "NewCastle") is pleased to report assay results from the final three drill holes on the South Domes target of the current drill program at the Castle Mountain gold project (the "Project") located in San Bernardino County, California.

Drilling of core hole CMM-111 was designed to test the gold mineralization previously reported in hole CMM-079 (1.09 grams per tonne gold over 213.7 metres - see press release dated August 16, 2016). CMM-111 intersected the mineralization approximately 100 metres down dip below CMM-079, and along the block limit between the Indicated and Inferred categories but within the current 2015 pit shell of the South Domes area. The zone is wide open both to the south and down-dip.

Assay highlights on cross-section 10600N across the southern portion of the South Domes target area, and two additional core holes across the northern end over the 621 Target located on section 11050N, or 450 metres further north, include:

- 1.73 grams per tonne gold ("g/t Au") over 135.9 metres, in hole CMM-111
 - including 3.32 g/t Au over 30.0 metres
- 1.41 g/t Au over 25.5 metres, in hole CMM-083

Gerald Panneton, President and CEO commented, "The South Domes area is increasingly becoming an important target for resource additions as we are extending mineralization to the south and at depth, and with higher gold grades in comparison to our average mineral resource grade of 0.6 g/t Au. Hole CMM-111 demonstrates the potential to enhance the Measured and Indicated portions of the current mineral resource with gold grades well above 1.5 g/t. Again, angled drilling continues to support the geological model of sub-vertical controls on mineralization which, with improved grade, and potentially a lower strip ratio, should continue to improve the economics of the project."

For a drill hole location map of recent drill holes, please [click here](#)

For drill hole cross-section A-A' of recent drill holes, please [click here](#)

For drill hole cross-section B-B' of recent drill holes, please [click here](#)

The current phase 1 drill program (the "Program") is now drawing to a close with a total of 19,000 metres and 50 holes completed to date.

Widespread epithermal gold mineralization is present at South Domes where it is hosted within a complex, shallow-dipping, sequence of rhyolite flows and tuffaceous units cut by steep northeast trending/southeast dipping fault structures with associated zones of silicification and hydrothermal brecciation, commonly along the margins of quartz porphyry intrusives. The South Domes target remains open along strike to the north and south and at depth.

Table 1: Summary of Significant Core Hole Intercepts at South Domes

Hole_ID	Section	From (metres)	To (metres)	Interval (metres)	Au (g/t)
CMM-082	11000N	199.3	200.9	1.5	0.21
CMM-083	11050N	69.6	81.5	11.9	0.23
and		106.4	110.3	4.0	0.52
and		133.2	140.8	7.6	0.46
and		148.4	173.9	25.5	1.41
and		180.0	184.6	4.6	0.31
and		196.7	199.8	3.0	0.47
and		246.0	249.0	3.0	0.22
and		328.0	333.8	5.8	0.32
CMM-111	10600N	159.7	176.9	17.2	0.83
and		229.5	365.5	135.9	1.73
including		291.8	321.9	30.0	3.32
including		306.6	318.8	12.2	5.38
and including		341.4	352.0	10.7	6.42
including		347.5	352.0	4.6	12.22
and		389.8	399.0	9.1	0.40
and		410.9	421.8	11.0	0.64
and		431.7	439.4	7.6	1.43
and		448.4	451.4	3.0	0.51
and		477.9	503.8	25.9	0.32

All new exploration holes were drilled at 090, 270 and 290 degrees azimuth, with dips of either -60 to -85 degrees, and to an average depth of 435 to 640 metres. True widths of the intercepted intervals cannot be determined from the available geological information.

All drill samples are submitted to ALS Minerals in Reno, Nevada for splitting and then crushing until 70% of the sample is finer than a nominal two millimeter in size. A 250 gram ("g") sub-sample is taken from the crushed material and pulverized until 85% passes a 200 mesh (75 µm) screen (ALS Method PREP-31). A 30 g portion of pulverized material (pulp) is then sampled and subjected to fire assay ("FA") with atomic absorption ("AA") finish (ALS Method AuAA-23). Any gold assays greater than 10 g/t Au are re-analyzed where a 30 g portion is taken from the pulp and assayed by FA with a gravimetric finish (ALS Method Au 30g FA – GRAV). All samples that yield greater than 0.2 ppm assay are also analyzed for gold cyanide solubility (ALS Method AuAA-13). The Company employs an industry-standard QA/QC program consisting of standard pulps, coarse blanks and rig duplicates.

About NewCastle

NewCastle has a 100% interest in the Castle Mountain property in San Bernardino County, California. The Castle Mountain heap leach gold mine produced over one million ounces of gold from 1992 to 2004. The Mine and Reclamation Plan, under which the mine operated, was authorized by the County of San Bernardino as the Lead Agency and remains in effect. Water for the drill programs was accessed from existing patented wells on the Project.

An updated NI 43-101 resource for the project was announced December 2, 2015 which includes Measured Mineral Resources of 17.4 million tonnes grading 0.86 g/t gold containing 0.48 million gold ounces, Indicated Mineral Resources of 202.5 million tonnes grading 0.57 g/t gold containing 3.71 million gold ounces along with Inferred Mineral Resources of 40.8 million tonnes grading 0.58 g/t gold and containing 0.76 million gold ounces. The Project hosts a disseminated low sulphidation epithermal

system. Gold is primarily hosted by late-stage rhyolite volcanic units within zones of silicification and brecciation associated with northeast-southwest trending/southeast dipping fault structures which are interpreted to have developed within a collapsed caldera environment. Eleven gold domains are represented by both steep and shallow-dipping orientations.

Ian R. Cunningham-Dunlop, P. Eng., the Company's Vice President Exploration, is the designated Qualified Person for this news release within the meaning of NI 43-101. He has reviewed and verified that the technical information contained in this release is accurate and has approved of the written disclosure of the same.

Neither the 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 news release.

Forward-Looking Statements

This news release contains "forward-looking statements" and "forward-looking information" (collectively, "forward-looking information") within the meaning of applicable Canadian securities legislation. Forward-looking information includes information that relates to, among other things, statements with respect to the completion of the proposed drill program at Castle Mountain, the mineral resource expansion at Castle Mountain and the identification of future expansion targets at Castle Mountain. Forward-looking information is not, and cannot be, a guarantee of future results or events.

Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that we identified and were applied by us in drawing conclusions or making forecasts or projections set out in the forward looking information include, but are not limited to that the Company is able to procure personnel, equipment and supplies required for its exploration and development activities in sufficient quantities and on a timely basis and that actual results will be consistent with management's expectations.

The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, the risks discussed under the heading "Risks" in general to the business of NewCastle in documents filed (or to be filed) with Canadian regulatory authorities. Should one or more risk, uncertainty, contingency or other factor materialize or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information. Accordingly, the reader should not place undue reliance on forward-looking information. NewCastle does not assume any obligation to update or revise any forward-looking information after the date of this news release or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

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