

# Gowest Gold Ltd. Announces First Closing of Private Placement

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## **Sufficient Funds to Advance Bradshaw Gold Deposit to Planned Underground Development Milestone**

[Gowest Gold Ltd.](#) (the "Corporation" or "Gowest") (TSX VENTURE:GWA)(OTCBB:GWSAF) is pleased to announce that it has completed the first closing of its previously announced non-brokered private placement for aggregate gross proceeds of \$921,000 (the "Offering"). At the closing, the Corporation issued a total of 11,512,500 units ("Units"), at a price of \$0.08 per Unit, with each Unit being comprised of one common share of the Corporation and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable to acquire one common share of the Corporation at a price of \$0.11 for a period of two years following the closing date.

As part of the closing, Fortune Future Holdings Limited ("Fortune") purchased 6,250,000 Units representing an investment in the Corporation of \$500,000. Fortune has agreed to purchase a further 36,250,000 Units, at a price of \$0.08 per Unit, for additional gross proceeds to the Corporation of \$2,900,000 (the "Second Closing"). If the Second Closing is completed, Fortune will hold an aggregate of 42,500,000 common shares of the Corporation, representing approximately 20.2% of the issued and outstanding common shares or approximately 33.6% of the issued and outstanding common shares assuming the exercise of its 42,500,000 Warrants. On completion of the Second Closing, Fortune will have the right to appoint two directors to the board of directors of the Corporation (subject to TSX Venture Exchange approval) and a pre-emptive right for a period of two years to participate in future offerings to maintain its pro rata interest in the Corporation.

Fortune is an investment company based in Chifeng City, Inner Mongolia, China which is focused on investment in companies engaged in the exploration for, mining of and sale of mineral resources. In addition to its primary office in Chifeng City, Fortune has branches in Hong Kong and Beijing and is involved with various mining projects throughout China, Mongolia, Nigeria and Algeria. Fortune is incorporated under the laws of the British Virgin Islands. The Corporation and Fortune are "arm's length" parties.

With respect to Fortune's participation in the Offering, Greg Romain, the Chief Executive Officer of the Corporation commented: "On behalf of management and the Board of Directors of Gowest, we would like to welcome Fortune as a significant stakeholder of the Corporation. We expect Fortune to be an important partner of Gowest as we continue our efforts to develop the Bradshaw Gold Deposit and build the next new mine in the Timmins Gold camp."

Given that Fortune will hold greater than 20% of the outstanding common shares of the Corporation following the completion of the Second Closing (including the exercise of Warrants acquired by Fortune), the Second Closing will require shareholder approval pursuant to: (i) the applicable policies of the TSX Venture Exchange, as Fortune will be deemed to be a new "Control Person" of the Corporation; and (ii) the shareholder rights plan of the Corporation. The Corporation intends to call a special meeting of shareholders of the Corporation as soon as possible for the purpose of obtaining the requisite shareholder approvals for the Second Closing.

The directors of the Corporation have unanimously approved the terms of the Fortune private placement.

## **Use of Proceeds**

The proceeds of the Offering will be used for the development of the Bradshaw Gold Deposit, including: the completion of a pre-feasibility study; advanced exploration activities; and the acquisition of required permits and approvals, including a closure permit. Proceeds of the Offering will also be used for working capital and general corporate purposes. Assuming the completion of the Second Closing, the Corporation anticipates that it will have sufficient funds to advance the Bradshaw project to underground development. The Corporation's current plan, subject to successful financing and the receipt of necessary permits and approvals, is to begin underground development in 2015.

All of the securities issuable in connection with the Offering will be subject to a hold period expiring four months and one day after date of issuance.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This release does not constitute an offer for sale of securities in the United States.

Subscriptions by insiders of the Corporation accounted for approximately \$151,000 of the gross proceeds of the Offering. Participation by the insiders in the Offering is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101") by virtue of the exemptions contained in Sections 5.5(b) and 5.7(1)(b) of MI 61-101.

Completion of the Second Closing remains subject to receipt of TSX Venture Exchange approval.

***NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OF THIS RELEASE.***

### **About Gowest**

[Gowest](#) is a Canadian gold exploration and development company focused on the delineation and development of its 100% owned Bradshaw Gold Deposit (Bradshaw), on the Frankfield Property, part of the Corporation's North Timmins Gold Project (NTGP). Gowest is exploring additional gold targets on its 109-square-kilometre NTGP land package and continues to evaluate the area, which is part of the prolific Timmins, Ontario gold camp. The latest updated resource estimate for Bradshaw included approximately 945,600 ounces of gold ("Au") in the Indicated category (6.0 million tonnes at a grade of 4.9 grams per tonne ["g/t"] Au) and 536,800 ounces of gold in the Inferred category (3.7 million tonnes at a grade of 4.2 g/t Au). As was used in the Corporation's Preliminary Economic Assessment, the current estimate is based on a 3.0 g/t Au cut-off and a conservative gold price of US\$1,200/oz. This resource estimate has been completed by Neil N. Gow, P. Geo., an independent Qualified Person, and reported in accordance with the requirement of National Instrument 43-101 - Standards of Disclosure for Mineral Projects and CIM Standards on Mineral Resources and Reserves.

### **Forward-looking statements**

*This news release contains certain "forward looking statements" including with respect to a future closing of the private placement, development plans and activities (including the anticipated timing thereof) in respect of the Bradshaw project, the Corporation's relationship with Fortune and the use of proceeds of the private placement and the Corporation's development plans for the Bradshaw deposit. Such forward-looking statements involve risks and uncertainties. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: the reliance of the Corporation on a limited number of properties (and, in particular, the Corporation's Bradshaw deposit); the inherent speculative nature and hazards associated with exploration, development and production activities; assumptions regarding the need for further financing and related to the cost, timing or availability of such financing; the hazards and risks normally encountered in mineral exploration and development and limitations of insurance coverage; uncertainties related to the Corporation's resource estimates, which are based on detailed estimates and assumptions; risks that the Corporation's title to its material mineral properties could be challenged; the assumption of the Corporation that it will be able to obtain permits and other authorizations it requires on a timely basis; uncertainties related to actual capital costs, sustaining capital costs, engineering and construction schedules, operating costs and expenditures, production schedules and economic returns; risks associated with the Corporation being subject to environmental laws and government regulation; and the lack of mineral production or earnings history of the Corporation. Any forward-looking statement speaks only as of the date of this news release and, except as may be required by applicable securities laws, the Corporation disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.*

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