

TORONTO, ONTARIO--(Marketwired - Mar 30, 2015) - [Commonwealth Silver and Gold Mining Inc.](#) ("Commonwealth Silver" or the "Company") is pleased to announce that the Company has entered into a definitive agreement (the "Arrangement Agreement") with [Marlin Gold Mining Ltd.](#) ("Marlin") pursuant to which Marlin has agreed to acquire, in an all cash transaction, all of the issued and outstanding common shares ("Commonwealth Shares") of Commonwealth Silver, through a wholly owned subsidiary, by way of a statutory Plan of Arrangement (the "Arrangement") under the *Canada Business Corporations Act*. Commonwealth Silver is the current owner of the Commonwealth Silver and Gold Project (the "Commonwealth Project") in Cochise County, Arizona, USA. Total consideration for the acquisition of Commonwealth Silver is approximately \$11.25 million, including approximately \$7.4 million payable to Commonwealth Silver shareholders representing \$0.12 per Commonwealth Share, payment of liabilities of \$1.3 million and the assumption of a \$2.55 million loan plus accrued and capitalized interest owing to affiliates of Wexford Capital LP ("Wexford") (the "Wexford Loan"). Raymond James Ltd. ("Raymond James") acted as the sole financial advisor to Commonwealth Silver and Dundee Securities Ltd. acted as the sole financial advisor to Marlin with respect to the acquisition of Commonwealth Silver.

Michael Farrant, President and Chief Executive Officer of Commonwealth Silver commented, "The last three years have been extremely challenging ones in the mining industry. I am very proud of our team's efforts throughout this period which advanced the Commonwealth Project to be recognized as a best in class asset having tremendous potential. I am very pleased that Marlin has recognized that potential. I would also like to thank our Board for their support and dedication, Dennis Peterson, our legal counsel for his efforts and Raymond James for their assistance in advising the Company. While this is not the outcome we had hoped for given the extent of our efforts and the quality of our asset, it is the reality of today's environment and represents the best possible outcome for Commonwealth's stakeholders in the current environment. For our shareholders, it represents a risk-free liquidity event and for the underlying property owners and people of Pearce, Arizona it represents an outcome that gives the Commonwealth Project an excellent chance of becoming an operating mine by placing it into the hands of a capable operating team in a company expected to have the financial resources to develop the Project through operating cash flow and the financial backing of Wexford. I wish Marlin every success in achieving their goal of becoming a mid-tier precious metals producer, with the Commonwealth Project being a key component of that success."

The Arrangement Agreement includes customary representations, warranties and covenants of each of Marlin and Commonwealth Silver, including a covenant by Commonwealth Silver that it will not solicit or initiate discussions concerning any other acquisition proposals. The board of directors of Commonwealth Silver, after receiving financial and legal advice, has determined that the Arrangement is fair and is in the best interests of the Company.

A special meeting of Commonwealth Silver shareholders to consider the Arrangement (the "Meeting") will be called by the Company. The Arrangement requires approval by holders of 66 2/3% of the Commonwealth Shares, voting as a single class, represented in person or by proxy and entitled to vote at the Meeting and approval by holders of 66 2/3% of the Commonwealth Shares and outstanding Commonwealth Warrants to purchase Commonwealth Shares (together, the "Commonwealth Securities"), voting as a single class on the basis of one vote per each Commonwealth Security held, represented in person or by proxy and entitled to vote at the Meeting. Full details of the Arrangement will be included in the management information circular to be mailed to holders of Commonwealth Securities in advance of the Meeting.

Marlin has entered into voting agreements with each director and officer of Commonwealth Silver as well as certain Commonwealth Silver shareholders, including Pinetree Resource Partnership Ltd., pursuant to which, among other things, such holders of Commonwealth Securities have agreed, subject to the terms and conditions thereof, to vote their Commonwealth Securities in favour of the Arrangement at the Meeting.

The Arrangement will also be subject to the approval of the TSX Venture Exchange and the Supreme Court of British Columbia. In addition, the Arrangement will be subject to certain customary conditions and relevant regulatory approvals. The Arrangement is expected to close in mid-May 2015.

Entering into the Arrangement with Marlin represents the culmination of a process that began in early January 2015 with the engagement of Raymond James as the Company's financial advisor to assist in identifying one or more transactions which would allow for the repayment of amounts owing to [Delta Gold Corp.](#) ("Delta Gold") and outstanding and upcoming property option payments. As part of that process, effective February 20, 2015, affiliates of Wexford provided the Wexford Loan to Commonwealth Silver in the amount of \$2,550,000 including \$50,000 of capitalized legal fees. \$1,161,359.60 of the proceeds were used to repay amounts due to Delta Gold, \$750,720 (US\$600,000) was used to make outstanding property option payments previously due July 25, 2014 and January 25, 2015 with the remainder available for general working capital purposes. Upon completion of the Arrangement, Marlin will assume all outstanding amounts in connection with the Wexford Loan including principal and accrued and capitalized interest thereon.

In addition to the assumption of the Wexford Loan, Marlin will pay a total of approximately \$7.4 million to Commonwealth shareholders representing \$0.12 per Commonwealth Share and has also agreed to pay approximately \$1.3 million in Commonwealth liabilities. Wexford has provided a commitment letter to the Company providing a guarantee from affiliates of Wexford for these cash amounts payable by Marlin upon closing of the Arrangement.

Following completion of the Arrangement, Marlin will own 100% of the issued and outstanding Commonwealth Shares and all securities convertible into Commonwealth Shares including all Commonwealth stock options and Commonwealth Warrants will have been cancelled. It is the intention of Marlin to advance the Commonwealth Project towards production.

On February 3, 2015, the Company signed a term sheet with a mid-tier silver producer regarding a proposed business combination with Commonwealth Silver which included an exclusivity requirement (the "Exclusivity Agreement"). On February 12, 2015, the Company, the silver producer, Marlin and Wexford entered into a settlement agreement (the "Settlement Agreement") allowing Wexford to provide the Wexford Loan and Marlin to negotiate the Arrangement Agreement with Commonwealth Silver. Per the terms of the Settlement Agreement, upon execution of the Arrangement Agreement and payment of a \$400,000 break fee by Marlin to the silver producer, the Exclusivity Agreement between the Company and the silver producer is terminated.

About Commonwealth Silver and Gold Mining Inc.

Commonwealth Silver and Gold is a private Canadian mineral exploration and development company focused on acquiring gold and silver properties in politically stable, mining friendly jurisdictions and advancing its flagship Commonwealth Project in Arizona towards production. The Company comprises an experienced management group with a strong background in acquisition, exploration, development and financing of precious metals mining projects.

For further information on Commonwealth Silver please visit www.commonwealthsilver.ca.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

This news release contains certain "forward-looking information" under Canadian securities laws. All statements that address future plans, activities, events or developments that the Company believes, expects or anticipates will or may occur are forward-looking information. This can include, but is not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes etc. Forward-looking information addresses future events and conditions and therefore involves inherent risks and uncertainties. There can be no assurance that outcomes anticipated in the forward-looking information will occur and actual results may differ materially from those currently anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update publicly or otherwise any forward-looking information, except as may be required by law.

No stock exchange, regulation securities provider, securities commission, other regulatory authority or Marlin, has approved or disapproved the information contained in this news release.

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