

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 11, 2015) - [Banks Island Gold Ltd.](#) (TSX VENTURE:BOZ) (the "Company") reports an update of operations at the Company's 100% owned Yellow Giant Gold Project ("Yellow Giant"), located on Banks Island British Columbia.

Since the declaration of Commercial Production in January 2015, the Yellow Giant operations team has put additional focus on increasing the feed grade to the process plant by reducing mining dilution from underground stoping. This focus has yielded significant success by reducing mining dilution from an average dilution of 231% in January compared to an average dilution of 35% in April. As a result, the Run of Mine ("ROM") Gold feed grade has increased from an average of 5.6 grams per tonne ("gpt") in January compared to an average ROM Gold feed grade of 11.5gpt in April. Gold recoveries have also benefitted from the reduced dilution increasing from average Gold recovery of 81% in January compared to an average Gold recovery of 90% in April.

Gold sales and production data for the 2015 calendar year to date are displayed in Table 1.

Table 1 - Gold Sales - 2015 Calendar Year

	Average Run of Mine Feed Recovery			Contained in Concentrate Payable from Smelter			Average Gold Sales	
	<i>tonnes/ day</i>	<i>Gold (gpt)</i>	<i>Silver (gpt)</i>		<i>Gold Silver (oz)</i>	<i>Silver (oz)</i>	<i>Au eq* (oz)</i>	<i>(Au eq* oz per day)</i>
Period								
Jan 1-31, 2015	357	5.6	25	81% 66%	1,610	5,998	1,532	49
Feb 1-28, 2015	230	6.4	35	83% 75%	1,100	5,018	1,059	38
Mar 1-31, 2015	114	13.4	52	90% 76%	1,375	4,838	1,304	42
Apr 1-30, 2015	154	11.5	43	90% 75%	1,535	5,359	1,456	49

*Gold equivalent is calculated by converting silver to gold at a ratio of 65:1

At present the Company is processing mineralization from the Tel Central and Main Zones.

The Company has been developing the Discovery Zone over the last two months. The Company is currently at the first level and continues to advance towards the second level and is using rescue mining techniques for development of mineralized zones at Discovery to minimize dilution.

The Company anticipates that processing of mineralization from the Discovery Zone will commence in early June and is targeting a production rate of 300 tonnes per day at a diluted mined grade of 16gpt gold.

The Company has been actively exploring at Yellow Giant and is diamond drilling and conducting regional geochemical surveys.

Exploration crews are currently diamond drilling at Quartz Hill from a newly constructed drill trail. The Quartz Hill Zone is an exciting discovery in an area with significant Au-Ag-As soil geochemistry anomalism measuring over 600m in length. Previous drilling succeeded in locating significant mineralization near Quartz Hill with assays from QH-14-01 returning results of 14.0gpt Au over 2.3m inside a larger mineralized intercept of 2.5gpt Au over 14.5m.

The Company has completed a lake sediment geochemical orientation survey which was successful in showing anomalies in areas of known gold mineralization. The Company plans to conduct an extensive geochemical survey over the entire 16,000ha mineral claim. Company geologists believe the Yellow Giant Gold Property is ideal for lake sediment sampling due to the abundance of lakes allowing for high density sampling, poor soil development, and low relief topography.

The Company has not based its production decision on a feasibility study of mineral reserves with demonstrated economic and technical viability. [Banks Island Gold Ltd.](#) has decided to put the Property into production without first establishing mineral reserves supported by a NI 43-101 compliant technical report and feasibility study. The Company cautions readers that such production may not be economically feasible and historically such projects have a much higher risk of economic or technical failure.

Benjamin Mossman, P.Eng., is the qualified person who reviewed and approved the contents of this news release.

The Company is a mining company focused on gold production, exploration, and development of economically viable mineral resources. The Company's mineral property is located in British Columbia. For more information, please refer to the Company's website at www.banksislandgold.com.

ON BEHALF OF THE BOARD OF DIRECTORS

Benjamin W. Mossman, P.Eng, *President, Director, & Chief Executive Officer*

The TSX Venture Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release. Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking statements. All statements, other than statements of historical fact, constitute "forward-looking statements" and includes statement regarding the timing for completion of the grinding and flotation circuits, its effect on gold recovery, grade and average payable gold, as well as any other information that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including the Company's strategy, plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance.

Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. These statements, however, 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, implied by or projected in the forward-looking information or statements. Important factors that could cause actual results to differ from these forward-looking statements include but are not limited to: risks related to the exploration and potential development of the Company's project, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of gold, as well as those factors discussed in the sections relating to risk factors of the Company Annual Information Form dated February 22, 2013 filed on SEDAR.

There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events.

Contact

[Banks Island Gold Ltd.](#)
Benjamin W. Mossman
President, Director, and CEO
604-245-0066
www.banksislandgold.com