

TORONTO, ONTARIO--(Marketwired - Jun 9, 2015) - [Gowest Gold Ltd.](#) ("Gowest" or the "Company") (TSX VENTURE:GWA) is pleased to announce the results from the Pre-Feasibility Study ("PFS") completed for its 100% owned Bradshaw Gold deposit ("Bradshaw"), part of the larger North Timmins Gold Project ("NTGP"). In preparing to reach this critical milestone, Gowest has raised sufficient capital over the last few years to enable the Company to significantly advance Bradshaw by expanding the historical resource (through drilling and analysis in excess of 65,000 meters of core), developing a detailed mine plan and completing the work required to obtain the various mining permits. The PFS was conducted by Stantec Mining ("Stantec") through their Mississauga, Ontario office. The PFS was focused on mining the upper 500 vertical meters ("m") of mineralization at Bradshaw. Previous drilling has intercepted mineralization at a vertical depth of 1,350 m, indicating the deposit remains open for additional development.

Greg Romain, President and CEO of Gowest, said, "We are very pleased to demonstrate such positive economic results for what we expect to be the first phase of mining at Bradshaw. We have identified a great deal more gold mineralization at Bradshaw, which does not currently meet the criteria for inclusion in the PFS. We remain very confident that, with further drilling from surface and once underground, we will convert a great deal of this mineralization into a resource making this a very exciting gold project."

Highlights of PFS (100% Equity, All figures in USD):

|  |                                 |
|--|---------------------------------|
| Gold Price   | \$1,200/oz                      |
| Exchange Rate  | CAD \$1.00 = US\$0.80           |
| Pre-tax Net Present Value ("NPV") (5%)               | \$39.8 million                  |
| Pre-tax Internal Rate of Return ("IRR")              | 32%                             |
| After-tax NPV (5%):                                  | \$29.2 million                  |
| After-tax IRR  | 27%                             |
| Initial Capital                                      | \$21.5 million                  |
| Sustaining Capital                                   | \$21.4 million                  |
| Pre-tax Payback Period                               | 3.5 years                       |
| Life of Mine ("LOM") Operating Cost                  | \$821/ounce ("oz") gold ("Au")  |
| All-in Sustaining Cost <sup>1</sup>                  | \$891/oz                        |
| Ore Mined  | 1, 787,295; tonnes ("t")        |
| Avg. Mineable Ore grade                              | 4.82 grams per tonne ("g/t") Au |
| Development Rock Mined (additional mineralized rock) | 666,253 t                       |
| Avg. Development Rock grade                          | 1.31 g/t Au                     |
| Initial LOM (includes bulk sample) <sup>2</sup>      | 8.5 years                       |
| Total Gold (extracted in initial phase) <sup>3</sup> | 305,058 oz                      |
| Total Gold Recovery                                  | 93%                             |
| Avg. Annual Recovered Au Production                  | 40,500 oz                       |
| Gross Revenue to Operation                           | \$341 million                   |

<sup>1</sup> All-in Sustaining costs are inclusive of LOM Operating Costs and Mine Sustaining Capital Cost as described in the Capital and operating costs highlights section in this release.

<sup>2</sup> Initial LOM includes 1.5 years of pre-production and 7 years of full production.

<sup>3</sup> Total gold ounces is mineral reserve ounces plus development rock ounces.

The Company notes:

1. The PFS includes the ounces contained in the reserve derived from the updated measured and indicated resources of the gold mineralization at Bradshaw and does not include any of the inferred ounces of gold mineralization;
2. Additional mineralization that does not qualify as a reserve for these calculations has been identified in the development rock which is recoverable at a profit by using rock sorting technology and is expected to generate additional gold production;
3. The PFS is based on using third party mining, milling and refining;
4. The Company plans to use advanced rock-sorting technology to increase gold production beyond the scope for this PFS.

Capital and operating cost highlights:

Capital Costs are broken down into two parts. The first includes the capital ("Initial Capital") required to bring the deposit into production and start generating cash flow. If the mine should proceed to production, there is a sustaining capital cost ("Mine Sustaining Capital Cost") to develop the main ramp deeper into the mine over the LOM to complete the access to the reserve.

The costs are based on the construction of a greenfield mine site, contract mining and crushing, and the use of third party existing facilities for milling and refining.

|  |      |
|--|------|
| Capital Costs (Millions USD)               |      |
| Initial Capital:                           |      |
| Site Surface Development                   | 10.5 |
| Underground ("UG") Development ("Dev")     | 10.7 |
| Closure Cost                               | 0.3  |
| Total Initial Capital                      | 21.5 |
| Mine Sustaining Capital Cost (UG Ramp Dev) | 21.4 |
| LOM Capital Costs                          | 42.9 |

#### Operating Costs (Millions USD)

##### Mining:

|                         |       |
|-------------------------|-------|
| Operating Costs         | 47.7  |
| Level Development Costs | 45.4  |
| Owners Costs            | 25.0  |
| Indirect                | 41.0  |
| Total Mining            | 159.2 |
| Toll Milling            | 39.9  |
| Refining                | 34.1  |
| Royalties               | 2.8   |
| LOM Operating Costs     | 236.0 |

#### PFS Gold Price Sensitivity Analysis (All figures in USD):

| 100 % Equity (Pre-Tax)                        |      | 100% Equity (After Tax)                       |                   |      |     |
|---|------|---|-------------------|------|-----|
| Gold Price NPV (5%) IRR (US\$/oz.) (Millions) |      | Gold Price NPV (5%) IRR (US\$/oz.) (Millions) |                   |      |     |
| 1100  | 20.2 | 18%   | 1100              | 14.4 | 15% |
| 1150  | 30.0 | 25%   | 1150              | 21.8 | 21% |
| 1200 <sup>1</sup>                             | 39.8 | 32%   | 1200 <sup>1</sup> | 29.2 | 27% |
| 1250  | 49.6 | 39%   | 1250              | 36.8 | 33% |
| 1300  | 59.4 | 47%   | 1300              | 44.0 | 40% |

<sup>1</sup> The current PFS model is based on the US\$1,200 /oz and the \$US/\$CAD exchange rate of \$0.80.

<sup>2</sup> The average gold price over the last five years (May 28, 2010 to May 29, 2015) was US\$1,433 /oz and the \$US/\$CAD exchange rate averaged \$0.96.

#### Mineral Reserve Estimate

The defining of probable reserves is a significant step forward for the Bradshaw, which has previously reported only mineral resources, while useful, were estimated using less critical and non-economic technical parameters. The PFS mineral reserve is based on an economic analysis of the updated mineral resource using the costs developed during the PFS, and the metallurgical and ore sorting test work to estimate the recovery factors.

The updated resource estimate as part of the PFS for the Bradshaw is as follows: Indicated Resources 2,121,866 tonnes grading 6.19 g/t Au and Inferred Resources of 3,629,097 tonnes grading 6.47 g/t Au using a 3 g/t Au cut-off grade, effective January 12, 2015. Mineral resources were defined using all drill hole results up to December 2014, a minimum 2 m core length, a bulk density of 2.89 g/cm<sup>3</sup> and a gold price of US\$1,200. It is 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. This resource estimate and block model was used by Stantec for this report. While the Indicated Resource has changed from the 2012 report (Gow, November 15, 2012) due to implementation of more rigorous modelling parameters such as improved wireframes, reduced search distances and removal of non-compliant historical drill holes, it has also shown an increased average grade of 6.2 g/t and the emergence of two additional hanging wall zones, as well as an average drill hole spacing of 25 m.

Indicated Resources at the Bradshaw were identified above 500 m vertical depth for the Main Zone ("MZ") 1 and MZ2 and above 400 m vertical depth for the Hanging Wall Zones ("HWZ"), where drill hole spacing is approximately 35 m or less. Inferred Resources occur directly below the Indicated Resources and the deposit remains open along strike and at depth.

The mineral reserves were estimated using engineering and operational design parameters described in the PFS conducted by Stantec. The deposit is planned to be mined using blast hole stoping with delayed backfill methods with 30 m sub-levels in the majority of the mining areas. Internal dilution has been included in the final mineral reserve estimate. Stantec is of the opinion that the mineral reserve estimate derived in this PFS reasonably quantifies the economical ore mineralization of the Bradshaw. The mineral reserve and PFS are effective as of June 5, 2015 and the mineral reserves derived for the Bradshaw are presented in the table below.

## BRADSHAW MINERAL RESERVES (at a 3 g/t Au cut-off)

| Category | Tonnes    | Average Grade | Ounces of Gold |
|----------|-----------|---------------|----------------|
| Probable | 1,787,295 | 4.82 g/t Au   | 277,101        |

The expected amount of gold (305,058 oz) to be mined from the Bradshaw during this phase of mining consists of the mineral reserves (277,101 oz) and mineralized development rock (27,957 oz). The mineralized development rock will be excavated as mining drifts are driven along the mineralized zones to access the mineral reserves. This development rock was estimated to be 666,253 tonnes grading 1.31 g/t Au. The utilization of advanced rock sorting technology will allow the economic recovery of the gold mineralization contained in the development rock that would normally be disposed as waste, for shipping to the mill for processing. Rock sorting technology is a highly effective process, which as demonstrated in bulk-scale testing of Bradshaw material (see Gowest release dated September 10, 2012), rejects over 50% of waste rock increasing the gold grade and reducing tonnage to be transported to the mill.

Gowest is not aware of any environmental, permitting, legal, title, taxation, socio-political, marketing or other issues which may materially affect the mineral resource and mineral reserve estimates. The Company remains confident that, based upon previous drilling as well as other technical work on the NTGP area, the resource estimates can be expanded with further drilling.

### Next Steps

In parallel with plans to raise financial support to advance the Bradshaw Gold Deposit towards production, Gowest is at an advanced stage of completing the requirements for developing and building the mine. The Company has consulted with the various communities who may be impacted by the development of Bradshaw. It is anticipated that all permits for advanced exploration may be received before the end of the calendar year.

The next major step in the mine's development is a planned advanced exploration program aimed at producing a 30,000 tonne bulk sample from the primary gold zones in the underground mining area at Bradshaw. The Company is in discussion with interested parties for financing this work.

Greg Romain also said, "Although there is still a great deal of work to do, we believe, pending the approval of permitting and in receipt of financing, we will begin site and underground development later this year. This is an extremely exciting step for Gowest and we appreciate all of the support we have received from our stakeholders and local communities, particularly during this economically challenging environment."

### Qualified Persons

The scientific and technical information contained in this news release pertaining to the Project has been reviewed and approved by the following Qualified Persons under NI 43-101 who consent to the inclusion of their names in this release: Mr. Kevin Montgomery, PGeo. (Mineral Resource), Ms. Peimeng Ling, M.Sc., PEng. (Mineral Processing), Mr. Michel St. Laurent, PEng. (Mineral Reserve and Mining Development).

The PFS Technical Report will be filed on SEDAR within 45 days.

### 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 +100-square-kilometre NTGP land package and continues to evaluate the area, which is part of the prolific Timmins, Ontario gold camp. Currently, Bradshaw contains a National Instrument 43-101 compliant Indicated Resource estimated at 2.1 million tonnes ("t") grading 6.19 g/t Au for 422 thousand oz Au and an Inferred Resource of 3.6 million t grading 6.47 g/t Au for 755 thousand oz Au. Further, based on the Pre-Feasibility Study, Bradshaw contains Mineral Reserves, using a 3 g/t Au cut-off and utilizing a gold price of US\$1,200 / oz, totalling 1.8 million t grading 4.82 g/t Au for 277 thousand oz Au.

### Forward-Looking Statements

This news release contains certain "forward looking statements". Such forward-looking statements involve risks and uncertainties. The results or events depicted in these forward-looking statements may differ materially from actual results or events. 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 Company 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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