

VANCOUVER, June 12, 2015 /CNW/ - [Newmarket Gold Inc.](#) ("Newmarket") (TSX-V:NGN) is pleased to announce that, further to its press release on June 1, 2015, it has completed its previously announced underwritten private placement of subscription receipts (the "Private Placement") for aggregate gross proceeds of C\$24,800,000. Newmarket, through a syndicate of underwriters co-led by GMP Securities L.P. and BMO Capital Markets and including Haywood Securities Inc. and RBC Capital Markets (collectively, the "Underwriters"), issued 19,840,000 subscription receipts (the "Subscription Receipts") at a price of C\$1.25 per Subscription Receipt (the "Issue Price"), taking into account the notional 5 for 1 share consolidation pursuant to the planned business combination of [Crocodile Gold Corp.](#) ("Crocodile Gold") and Newmarket (the "Transaction"). In addition, a director of Newmarket separately purchased from Newmarket on a non-brokered private placement basis C\$200,000 of subscription receipts at the Issue Price (the "Concurrent Placement"). Members of management and certain directors of Newmarket also participated in the Private Placement. The total gross proceeds raised through the Private Placement and Concurrent Placement was C\$25,000,000.

Each Subscription Receipt sold by Newmarket will ultimately entitle the holder thereof to receive one common share of the combined company ("NewCo") upon completion of the Transaction.

In connection with the Private Placement, the Underwriters will receive a cash commission equal to \$803,750 upon satisfaction of the Release Conditions (as defined below). As additional consideration, immediately prior to the effective time on the effective date of the Transaction, Newmarket shall issue to the Underwriters 992,000 broker warrants ("Broker Warrants"). Provided that the Release Conditions are satisfied, each one Broker Warrant shall entitle the holder thereof to subscribe for five common shares of Newmarket ("Broker Warrant Shares") at a price per one Broker Warrant Share equal to C\$0.25 (being 0.2 of the Issue Price) for a period of eighteen months from the effective date of the Transaction. Pursuant to the arrangement giving effect to the Transaction, each one Broker Warrant will be exchanged for one broker warrant of NewCo (a "NewCo Broker Warrant"), each NewCo Broker Warrant entitling the holder thereof to subscribe for one common share of NewCo (a "NewCo Share") at a price per NewCo Share equal to the Issue Price for a period of eighteen months from the effective date of the Transaction.

Assuming the satisfaction of the Release Conditions, up to C\$20,000,000 of the proceeds of the Private Placement and Concurrent Placement will be used to fund the cash consideration payable to Crocodile Gold shareholders who elect to receive cash in connection with the Transaction, and the remainder will be used to bolster the working capital position of NewCo upon completion of the Transaction. The Subscription Receipts are subject to a four-month and a day hold period in Canada expiring October 13, 2015, however, upon closing of the Transaction, the Subscription Receipts will be exchanged for freely-tradable NewCo Shares.

The gross proceeds from the Private Placement and Concurrent Placement have been deposited and will be held in escrow and shall be released immediately prior to the completion of the Transaction upon the satisfaction of certain conditions (the "Release Conditions") on or before August 31, 2015. If the Release Conditions are not satisfied on or before August 31, 2015, or prior to such date Newmarket advises the Underwriters or announces to the public that it does not intend to satisfy the Release Conditions, the escrow agent will return to holders of the Subscription Receipts an amount equal to the aggregate subscription price for the Subscription Receipts held by them, together with a pro rata portion of interest earned on the escrowed proceeds, and the Subscription Receipts will be cancelled and of no further force or effect. The Private Placement and the Concurrent Placement remain subject to the final approval of the TSX Venture Exchange.

ON BEHALF OF THE BOARD

"Douglas Forster"

Douglas Forster, M.Sc., P.Geo.
President & Chief Executive Officer

About Newmarket Gold Inc.

Newmarket is a Canadian gold company focused on creating shareholder value through the acquisition of quality gold production opportunities and outstanding development stage assets in mining friendly, politically stable jurisdictions world-wide. Newmarket was founded by an experienced group of dealmakers, mine developers, financiers and capital markets professionals and is focused on a disciplined approach to asset acquisition and growth.

Cautionary Note Regarding Forward Looking Information

Certain information set forth in this news release contains "forward-looking statements", and "forward-looking information under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes

forward-looking statements, which include Newmarket's expectations about the completion of the Transaction and the use of proceeds, and are based on Newmarket and Crocodile Gold's current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "will", "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Newmarket, Crocodile Gold or NewCo's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: liabilities inherent in mine development and production; geological, mining and processing technical problems; NewCo's inability to obtain required mine licences, mine permits and regulatory approvals required in connection with mining and mineral processing operations; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events that could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of rail, port and other transportation services; the ability to secure adequate future financing; and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Newmarket and Crocodile Gold undertake no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

Completion of the Transaction is subject to a number of conditions, including TSX Venture Exchange acceptance and disinterested Newmarket shareholder approval. The Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circulars prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Newmarket and Crocodile Gold should be considered highly speculative.

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 release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

SOURCE [Newmarket Gold Inc.](#)

Contact
[Newmarket Gold Inc.](#), Douglas Forster, President & Chief Executive Officer, 604-559-8040, dforster@newmarketgoldinc.com, www.newmarketgoldinc.com