

Newmarket Gold Produces 115,674 oz in First Half of 2015, Firmly on Track to Deliver Top End of Annual Guidance of 220,000 oz in 2015

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Operations Produce Eighth Consecutive Quarter Above 53,000 Ounces Gold

VANCOUVER, BRITISH COLUMBIA -- (Marketwired - Jul 16, 2015) - Newmarket Gold ("Newmarket" or the "Company") (TSX:NMI) today announced production results for three and six months ended June 30, 2015. Full financial results for the three and six months ended June 30, 2015 will be released Thursday, July 30, 2015. All dollar amounts are in US dollars unless otherwise noted.

Second Quarter 2015 Highlights

- Consolidated Q2 2015 gold production of 55,998 ounces, was up 3.7%, from Q2 2014 gold production and represents the eighth consecutive quarter of production above 53,000 ounces. H1 2015 consolidated gold production was 115,674 ounces.
- Average consolidated mill grade of 3.31 g/t, up 8.5% compared to 3.05 g/t in Q2 2014.
- Significant improvement in consolidated mill recovery at 88.0% on strong recoveries at the Fosterville and Cosmo Gold Mines.
- Reaffirm top end of full year 2015 gold production guidance of 220,000 ounces and lower end of 2015 cash cost guidance of \$780 to \$860 per ounce and all-in sustaining cash costs guidance of \$1,020 to \$1,100 per ounce.
- Successfully completed merger with Crocodile Gold and began trading on the TSX under ticker symbol "NMI".
- As of June 30, 2015, pro-forma cash and gold bullion balance (at fair market value) was approximately \$39.4 million, before proceeds from the subscription receipt financing and most transaction costs associated with the merger with Crocodile Gold. Preliminary unaudited pro-forma working capital was approximately \$24.0 million at June 30, 2015.

	Q2 2015	Q2 2014	Q1 2015	YTD 2015	YTD 2014
Ore Milled (tonnes)	588,381	651,105	585,720	1,174,101	1,329,926
Grade (g/t Au)	3.31	3.05	3.58	3.44	2.99
Recovery (%)	88.0%	83.4%	86.4%	87.2%	83.3%
Total Production (oz)	55,998	54,024	59,676	115,674	107,607

Second Quarter and Six Months 2015 Consolidated Operating Results

Douglas Forster, President & Chief Executive Officer of Newmarket Gold stated: "We achieved a solid performance in the first half of 2015 producing 115,674 ounces of gold driven by a 15.1% improvement in our consolidated grade profile from H1 2014 and a strong increase in recovery across all three operations year-to-date. Newmarket's second quarter production of 55,998 ounces represents two full years of quarterly gold production above 53,000 ounces and gives us the confidence to reaffirm our full-year 2015 production outlook of 220,000 ounces. With these results, we are also reaffirming our 2015 cost guidance and expect to achieve the lower end of both our cash cost guidance of \$780 to \$860 per ounce and all-in sustaining cost guidance of \$1,020 to \$1,100 per ounce. Furthermore, we are extremely pleased to have completed our merger with Crocodile Gold in early July. Moving forward, we are a unified company focused on continued sustainable operating performance from our three existing mines, maintaining a large resource base and generating significant free cash flow that supports the execution of our ongoing gold asset consolidation strategy."

Second Quarter 2015 Operational Highlights

	Q2 2015	Q2 2014	Q1 2015
Fosterville Gold Mine			
Ore Milled (tonnes)	173,323	202,927	175,327
Grade (g/t Au)	5.92	3.95	5.75
Recovery (%)	89.0	85.7	89.2
Gold Production (oz)	29,648	22,198	29,135
Cosmo Gold Mine			
Ore Milled (tonnes)	193,084	213,815	190,306
Grade (g/t Au)	2.97	3.69	3.70
Recovery (%)	92.7	86.3	91.0
Gold Production (oz)	17,073	21,845	20,612
Stawell Gold Mines			
Ore Milled (tonnes)	221,974	234,363	220,087
Grade (g/t Au)	1.57	1.69	1.75
Recovery (%)	83.1	78.8	80.2
Gold Production (oz)	9,277	9,981	9,929
Total Production (oz)	55,998	54,024	59,676

Second Quarter 2015 Operating Mine Highlights

Fosterville Gold Mine

Fosterville achieved gold production of 29,648 ounces in Q2 2015, a 2% increase from Q1 2015 and a 34% increase from Q2 2014. This production represents the highest quarterly total since Q3 2011 and the second highest ever.

In the first half of 2015, Fosterville continued to deliver strong results with mine production focused exclusively on underground ore sources. In Q2 2015, the mine produced 178,186 tonnes at an average grade of 5.59 g/t compared to 178,676 tonnes at 5.85 g/t in Q1 2015 and 201,459 tonnes at 4.09 g/t in Q2 2014. Compared to the previous quarter, mined tonnes and grade remained relatively stable. Mined tonnes in Q2 2015 decreased compared to Q2 2014, due to the transition of the operation receiving a lower contribution from the Harrier zone and a proportionately larger contribution from Central and Phoenix lodes, including the higher-grade Lower Phoenix area. Grade performance continued to perform in line with modeled expectations of improving grade with a 37% increase from Q2 2014 when the mine experienced lower grades due to model variations in higher transitional levels and dilution challenges. Mine development in Q2 2015 advanced at an average rate of 651 metres per month for a total of 1,954 metres, slightly ahead of Q1 2015, up 2.7%, and up 3.3% versus Q2 2014.

In Q2 2015, Fosterville processed 173,323 tonnes through the mill at an average grade of 5.92 g/t compared to 175,327 tonnes at 5.75 g/t in Q1 2015 and 202,927 tonnes at 3.95 g/t in Q2 2014. Mill throughput was driven by availability of mine tonnes and a small increase, 5kt, in stockpile for the quarter of compared to 3kt in Q1 2015. Recovery for the quarter was 89.0% which was the second highest quarterly recovery ever and included a new monthly recovery record of 90.7% achieved in May. This performance continued to be driven by a focus on improved blending practices and optimization of the leaching circuit.

Cosmo Gold Mine

Cosmo second quarter gold production of 17,073 ounces decreased 17% compared to Q1 2015 and decreased 22% compared to Q2 2014.

During the second quarter, Cosmo mine operations successfully managed through the temporary loss of two underground loaders in remote working areas that reduced the loader fleet capacity by half and constrained remote capabilities. The mining activities were restructured requiring mine plan rescheduling of planned high-grade mining blocks. Mining activities were restored by the end of May with a strong result for June with over 68,000 tonnes mined. Operational changes have been implemented to address loader availability going forward which will ensure stable mine production levels.

In Q2 2015, the mine produced 183,307 tonnes at an average grade of 2.98 g/t compared to 197,589 tonnes

at 3.66 g/t in Q1 2015 and 209,310 tonnes at 3.70 g/t in Q2 2014. Compared to the previous quarter, tonnes and grade were down due to underground loader availability and the rescheduling of higher-grade mining blocks. Mine development advanced at an average rate of 398 metres per month for a total of 1,195 metres, slightly ahead of Q1 2015 (1,047 metres) and Q2 2014 (973 metres).

Production from Cosmo is treated at the Union Reefs mill. In Q2 2015, the Union Reef mill processed 193,084 tonnes at an average grade of 2.97 g/t compared to 190,306 tonnes at 3.70 g/t in Q1 2015 and 213,815 tonnes at 3.69 g/t in Q2 2014. Mill throughput was driven by availability of mine tonnes. The mill achieved recovery of 92.7% for Q2 2015, a significant improvement over the 86.3% recovery achieved in Q2 2014. Mill recovery in Q2 2015 was just short of a record for an individual quarter and results for the first six months of 2015 represents the best half-year result in the mills history of processing Cosmo ore. Mill utilization was 39% in Q2 2015 compared to 50% in Q2 2014, with ore treated on a nine days on five days off continual roster to reduce costs due to ore availability relative to mill size. Mill utilization was impacted by the lower mine tonnes hauled from Cosmo.

Stawell Gold Mines

Stawell produced 9,277 ounces of gold in Q2 2015 representing an eighth consecutive quarter of production above 9,000 ounces. Stawell continued its program of combining underground ore and surface oxide for mill feed. As a result, Q2 2015 grade decreased to 1.57 g/t compared to 1.69 g/t in Q2 2014 reflecting the lower-grade nature from the mining of the upper levels of the mine.

Recovery for Q2 2015 continued to improve year-over-year and compared to Q1 2015, due to less graphitic ore contributions within overall feed and some benefit realized through circuit modification splitting out high preg robbing materials and the re-introduction of concentrate down circuit.

Stawell continues to focus on cost reduction activities and the downsizing of mine operations to ensure profitability of mined tonnes.

During the quarter, Stawell mined 117,928 tonnes of underground ore, down 14.5% compared to Q2 2014. Grade in Q2 2015 decreased 8.8% to 2.39 g/t compared to Q2 2014 reflective of a higher proportion of development ore contribution to the previous reporting period as mine access development was prioritized into the Federal Albion upper levels during the period.

The mill processed a combined throughput of 221,974 tonnes in Q2 2015, inclusive of 122,749 tonnes underground ore and 99,225 tonnes oxide, at 1.57 g/t with a recovery of 83.1%, compared to 234,363 tonnes in Q2 2014, inclusive of 137,849 tonnes underground and 96,514 tonnes oxide, at 1.69 g/t and 78.8% recovery.

Qualified Person

Mark Edwards, MAusIMM (CP), MAIG, General Manager, Exploration, Newmarket Gold, is a "qualified person" as such term is defined in National Instrument 43-101 and has reviewed and approved the technical information and data included in this press release.

Cash Balance and Working Capital Position

As of June 30, 2015, pro-forma cash and gold bullion balance (at fair market value) was \$39.4 million before proceeds from the subscription receipt financing and most transaction costs associated with the merger with Crocodile Gold. Preliminary unaudited pro-forma working capital was approximately \$24.0 million at June 30, 2015.

Second Quarter 2015 Financial Earnings Conference Call Details

Full financial results and associated operating and all-in sustaining cash cost details for the three and six months ended June 30, 2015 will be released Thursday, July 30, 2015 before the opening of the stock markets.

Douglas Forster, President and Chief Executive Officer, Rodney Lamond, Chief Operating Officer and Robert Dufour, Chief Financial Officer, will also host a conference call to discuss the results on Thursday, July 30, 2015, at 10:30 a.m. (EDT).

Participants may listen to the call by dialing toll free 1-800-319-4610 or 1-416-915-3239 at approximately

10:20 a.m. (EDT) and ask to join the Newmarket Gold conference call. International or local callers should dial 1-416-915-3239 at approximately 10:20 a.m. (EDT) and ask to join the Newmarket Gold conference call.

The call will also be webcast live at

<http://ctt.marketwire.com/?docid=1017428001&id=6602878&type=0&url=http%3a%2f%2fservices.choruscall.ca%2flink> and at www.newmarketgoldinc.com in the Events and Webcast section under the Investor Relations tab

The live audio webcast will be archived and made available for replay at www.newmarketgoldinc.com.

Presentation slides which accompany the conference call will be made available in the Investors section of the Newmarket Gold website, under Presentations, prior to the conference call.

ON BEHALF OF THE BOARD

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

About Newmarket Gold Inc.

Newmarket Gold is a Canadian-listed gold mining and exploration company with three 100% owned operating mines across Australia. The Company is focused on creating substantial shareholder value by maintaining a strong foundation of quality gold production, over 200,000 ounces annually, generating free cash flow and maintaining a large resource base as it executes a clearly defined gold asset consolidation strategy. The Company is focused on sustainable operating performance, a disciplined approach to growth, and building gold reserves and resources while maintaining the high standards that the Newmarket Gold core values represent.

Non-IFRS Disclosure

The Company believes that investors use certain non-IFRS measures as indicators to assess gold mining companies, specifically Operating Cash Costs per Ounce and All-In Sustaining Cash Costs per Ounce. In the gold mining industry, these are common performance measures but do not have any standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

(1) Operating Cash Costs per Ounce of Gold are calculated by deducting silver sales revenue as a by-product from operating expenses per the consolidated statement of operations, then dividing by the gold ounces sold during the applicable period. Operating expenses include mine site operating costs such as mining, processing and administration as well as royalties, however excludes depletion and depreciation, share-based payments and rehabilitation costs.

(2) All-In Sustaining Cash Costs per Ounce of Gold ("AISC") is a performance measure that reflects all of the expenditures that are required to produce an ounce of gold from current operations. While there is no standardized meaning of the measure across the industry, the Company's definition conforms to the AISC definition as set out by the World Gold Council in its guidance dated June 27, 2013. The World Gold Council is a non-regulatory, non-profit organization established in 1987 whose members include global senior mining companies. The Company believes that this measure will be useful to external users in assessing operating performance and the ability to generate free cash flow from current operations. The Company defines AISC as the sum of operating cash costs (per above), sustaining capital (capital required to maintain current operations at existing levels), capital lease repayments, corporate general and administrative expenses, in-mine exploration expenses and rehabilitation accretion and amortization related to current operations. AISC excludes capital expenditures for significant improvements at existing operations deemed to be expansionary in nature, exploration and evaluation related to growth projects, rehabilitation accretion and amortization not related to current operations, financing costs, debt repayments, share-based compensation not related to operations, and taxes.

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 the Company's expectations about its business and operations, and are based on the Company'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 or outcomes and undue reliance should not be placed on them. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they 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 or implied by such forward-looking statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are included in this press release or incorporated by reference herein, except in accordance with applicable securities laws.

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.

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