

TORONTO, Dec. 10, 2015 /CNW/ - [Roxgold Inc.](#) (the "Company" or "Roxgold") (ROG.V) is pleased to announce that the second drawdown, totalling US\$21 million, has been completed under the US\$75 million 6-year senior secured project finance facility (the "Facility") for the development of the Yaramoko Gold Project (the "Project") in Burkina Faso. The Facility is jointly provided by Societe Generale Corporate & Investment Banking and BNP Paribas (the "Banks").

Development Highlights:

- Overall construction program approximately 60% complete
- Second Facility drawdown of US\$21 million completed
- Bulk earthworks complete
- Tailings Storage Facility ("TSF") lining 90% complete
- Underground mine access tunnel installed and engineered backfill 60% complete
- Underground development of approximately 490 metres completed to the end of November
- Permanent accommodation camp complete and occupied
- Processing plant approximately 60% complete and on schedule
- Approximately US\$55 million of the US\$110.8 million capital estimate spent to date
- Project commissioning remains on target for Q2 2016

Since the last update (see Roxgold Press Release dated September 14, 2015), development of the Yaramoko Gold Project has advanced considerably with bulk earthworks and the accommodation camp complete. Construction of the processing facility remains on schedule in accordance with the lump sum fixed price, engineer, procure and construct ("EPC") contract. Mine development is well advanced and continues to make good progress ahead of start-up. The Yaramoko Gold Project remains on budget and on schedule to produce gold in Q2 2016.

At the end of November, the Company had spent approximately US\$55 million and remains on target to complete the Project within the planned budget of US\$110.8 million.

Roxgold President & CEO, John Dorward states: "The progress of development at Yaramoko is very encouraging. With construction now 60% complete, I am pleased that we remain on schedule and within budget to complete the mine development and remaining plant facilities. In the coming months, we will be dedicating our attention to operational readiness as we progress towards commissioning the Project, as projected, in Q2 2016. "

Bulk Earthworks

The bulk earthworks scope is complete. The lining of the TSF is largely complete and expected to be finalized in December. At the end of the wet season, the Water Storage Facility contained 210,000m³ of water.

Camp Construction

Construction of the 216 person accommodation camp is complete with commissioning and occupancy occurring in October. The catering contractor, All Terrain Services ("ATS"), is on site and managing the operation of this new facility for Roxgold.

Mine Development

Over recent months, the underground mine access infrastructure was successfully advanced in accordance with plan. The Armetec tunnel is installed with the engineered backfill around the tunnel approximately 60% complete.

The underground access ramp has advanced approximately 315 metres from the portal; Two level accesses (5270 and 5253), have also been developed. The underground contractor, African Underground Mining Services ("AUMS"), has been advancing development at a rate in line with the projected plan. Multiple headings are now available to the contractor and advance rates are expected to continue meeting the plan. Ground conditions are as expected and water inflow, to date, has been negligible.

Underground development in the coming months will extend the eastern ramp and provide access for ventilation infrastructure which is scheduled for installation in late Q1 2016.

Construction of the surface mine infrastructure, including workshops, offices and the back-up power station remain on schedule.

All of the necessary AUMS equipment for the remaining underground mine development through to gold production is now on site.

Processing Plant

Plant civil and concrete works are 97% complete with only minor grouting and repairs to be performed after the installation of mechanical equipment. These works were completed ahead of schedule and have paved the way for subsequent disciplines (including structural steel, mechanical, platework, piping, electrical and instrumentation) to advance across the site.

The carbon-in-leach ("CIL") tanks have been erected and by the end of November were at full height. Structural steel has begun to arrive on site and is being pre-assembled. By the end of November, the mill floor steel had been installed with steel installation in the CIL area planned for December.

The Semi Autogenous Grinding ("SAG") mill has been assembled and lifted onto its pedestals. Representatives from Outotec, the SAG mill supplier, will return in January 2016 to complete the installation of this key piece of processing equipment. Sheds for the workshop, warehouse and reagents storage have been erected. Construction of the site office, mess and security buildings has commenced with completion scheduled in early Q1 2016.

The lump sum engineering, procurement and construction ("EPC") Contractor (DRA/Group Five Joint Venture), has completed all necessary procurement and all outstanding items are now in transit. These include structural steel, the balance of mechanical equipment, electrical and instrumentation materials which will arrive in December and January.

Overall, the Processing plant is approximately 60% complete.

Operational Readiness

Roxgold's management team continued to advance preparations for the operational phase. The recruitment of all Department Heads, Senior Technical and Senior Operational personnel is complete. The Company is now recruiting and training local staff for the remaining positions.

The assay laboratory contract is finalized and preparations have commenced in anticipation for the delivery of the prefabricated facility in December; commissioning of the Laboratory is planned for Q1 2016.

The preparation and implementation of procedures for production, grade control, reconciliation and systems development will continue in the coming months. Similarly, Roxgold's environmental and CSR teams are maintaining Roxgold's commitments to local regulators, community members and external stakeholders with regular engagement and reporting.

Financing Update

Following completion of the initial drawdown of US\$30 million (see Roxgold Press Release dated September 14, 2015), and the second tranche of the Facility of US\$21 million, the Company's cash position, including the restricted US\$15 million cost over-run account, is approximately US\$51.5 million.

Available Project financing remaining from the Facility is US\$24 million. A further US\$10 million is available from AUMS in exchange for underground development work (see Roxgold Press Release dated September 29, 2014).

Remaining estimated pre-production capital required for the development of the Yaramoko Gold Project is approximately US\$55.8 million.

Qualified Person

Paul Criddle, FAUSIMM, Chief Operating Officer for [Roxgold Inc.](#), and Craig Richards, P. Eng, Principal Mining Engineer for [Roxgold Inc.](#), are Qualified Persons within the meaning of National Instrument 43-101, and have verified and approved the technical data disclosed in this press release.

Photo Gallery

Shareholders are encouraged to follow the progress of the Yaramoko Gold Project in our Photo Gallery on our website at www.roxgold.com

About Roxgold

Roxgold is a gold exploration and development company with its key asset, the high grade Yaramoko Gold Project, located in

the Houndé greenstone region of Burkina Faso, West Africa. The Company is currently in construction and expects to be producing gold by Q2, 2016. Roxgold trades on the TSX Venture Exchange under the symbol ROG and as part of the Nasdaq International Designation program with the symbol OTC:ROGFF.

"Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."

Forward-Looking Information

This news release contains forward-looking information. Forward looking information contained in this new release includes, but is not limited to, the expected completion of the balance of the AUMS equity financing facility and the terms thereof, and the expected use of proceeds thereof. These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the estimation of mineral resources and mineral reserves, the realization of resource estimates and reserve estimates, gold metal prices, the timing and amount of future exploration and development expenditures, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs, the availability of necessary financing and materials to continue to explore and develop the Yaramoko Gold Project in the short and long-term, the progress of exploration and development activities, the receipt of necessary regulatory approvals, including the approval of the TSX Venture Exchange for the balance of the AUMS equity financing facility, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include: changes in market conditions, unsuccessful exploration results, changes in the price of gold, unanticipated changes in key management personnel and general economic conditions. Mining exploration and development is an inherently risky business. Accordingly, actual events may differ materially from those projected in the forward-looking statements. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

SOURCE [Roxgold Inc.](#)

Contact

Toni Davies, Manager Investor Relations, 416-203-6401, tdavies@roxgold.com