

TORONTO, Feb. 10, 2016 /CNW/ - [Mangazeya Mining Ltd.](#) ("Mangazeya" or the "Company") (NEX: MGZ.H) is pleased to announce its production results for the fourth quarter and twelve months ended December 31, 2015.

Highlights

- In 2015 Mangazeya produced 33.9 Koz of gold, an increase of 204.5% compared to the previous year. Quarterly gold production in the 4th quarter was 12.9 Koz, a 235.8% increase y-o-y.
- Ore mined totaled 1131 thousand tones (+117.6% y-o-y) in 2015. Average grade of ore mined for the same period made up 1.63 g/t (+48.1% y-o-y).
- In 2015 the average stripping ratio was 3.1 m³/t compared to 5.4 m³/t in 2014.
- Total material stacked in ore heaps in 2015 totaled 1046 thousand tones (+108.1% y-o-y) with an average grade of 1.45 g/t (+26.4% y-o-y). The increase in amount of ore stacked is attributable to operational improvements on site and launch of the second stacker. Moreover, during Q4 2015 total material stacked in ore heaps was 77 thousand tones vs no ore stacked in heaps during Q4 2014.

	3 months ended December 31 % change			12 months ended December 31 % change		
	2015	2014		2015	2014	
Total rock moved, '000 m ³	1,077	973	10.7%	4,048	3,049	32.7%
Stripping, '000 m ³	967	943	2.5%	3,524	2,809	25.5%
Ore mined, kt	236	63	272.2%	1,131	520	117.6%
Stripping ratio, m ³ /t	4.1	14.9	-72.4%	3.1	5.4	-42.3%
Average grade in ore mined, g/t	1.52	1.09	39.9%	1.63	1.10	48.1%
Gold in ore mined, kg	359	69	420.8%	1,849	574	222.2%
Ore stacked, kt	77	-		1,046	502	108.1%
Average grade in ore stacked, g/t	1.74	-		1.45	1.15	26.4%
Gold in ore stacked, kg	134	-		1,520	577	163.2%
Extraction, %	n/a	n/a		69%	60%	15.7%
Gold production, koz	12.9	3.8	235.8%	33.9	11.1	204.5%
Gold sold, koz	15.2	6.0	152.1%	33.6	11.2	200.2%

- Increase in amount of ore mined and stacked, higher grades as well as operational efficiency and higher extraction rates contributed to the solid performance of the Company in 2015.
- Production target for 2016 is set at the level of 2015 despite worsening pit parameters (grade and strip ratio).
- In February 2016 the Company reached an agreement with its controlling shareholder to convert all of the Company's debts (in the amount of 201,230,563.54 CAD) into newly issued shares. Subject to the NEX's approval, the transaction will be executed at over 733% premium to the current share price to maintain the Company's free float of Common Shares above 11%. Following the completion of the transaction the Company will be reactivated on the TSX Venture Exchange (Tier 2) which will increase liquidity of its shares. The Transaction will clean the Company's balance sheet and give access to external sources of financing for future development.

Sergey Yanchukov, CEO of Mangazeya, summarized the operational results for the twelve month period ended December 31, 2015: "I would like to congratulate the Company's staff and existing shareholders with a successful year. Our operational team managed to substantially improve the production process at all stages and triple gold output compared to 2014".

About Mangazeya Mining Ltd.

[Mangazeya Mining Ltd.](#) is a NEX-listed mining and exploration company, focused on the development of mineral resources in the Russian Federation.

Neither the NEX Board, 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 press release.

Forward-Looking Information

This news release contains forward-looking statements and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects", "intends" and similar expressions. All statements other than statements of historical fact included in this release, including, without limitation, those regarding the Transaction, Reactivation and the Company's ability to raise additional capital in the future, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Mangazeya's expectations include, but are not limited to, risks related to the Exchanges not approving the Transaction or Reactivation, adverse market conditions, general capital markets conditions, legislative and regulatory developments, as well as those factors discussed in Mangazeya's documents filed on SEDAR (www.sedar.com).

Although Mangazeya has attempted to identify important factors that could cause actual results to differ materially from those contained in 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 information will prove to be accurate, as actual results and future events could differ materially from those anticipated. As a result, the reader is cautioned not to place undue reliance on any forward-looking information. Mangazeya does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws. Additional information on Mangazeya is available at www.sedar.com.

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Contact

[Mangazeya Mining Ltd.](#), Sergey Yanchukov, Chief Executive Officer, ?el: +7 499 277 1111, s.yanchukov@mangazeya.ru