

TORONTO, April 12, 2016 /CNW/ - [Roxgold Inc.](#) (the "Company" or "Roxgold") (ROG.V) is pleased to provide a development update for the Yaramoko Gold Project (the "Project").

Highlights:

- Overall construction program approximately 84% complete
- Ore development on four levels progressing well with plant commissioning activities underway
- 2,450 metres of decline and lateral development now in place versus a plan of 1,755 metres
- Over 23,000 tonnes of ore now on the Run of Mine ("ROM") pad
- Processing facility approximately 90% complete and on schedule
- Major equipment packages installed and vendor commissioning underway
- First ore crushed in late March
- Approximately US\$78 million of the US\$110.8 million capital spent to date
- First gold production remains on target for June 2016
- Commencement of an 11,000 metre resource definition and expansion drilling program at the 55 Zone

Since the last update (see Roxgold Press Release dated February 8th, 2016), development of the Yaramoko Gold Project has advanced considerably. Performance in the underground mine continues to exceed expectations with development rates in waste and ore above plan. Commissioning activities have commenced in the processing plant and the contractor and Company personnel are working in earnest towards practical completion in May 2016.

The Project remains on budget and on schedule to produce gold in June 2016. As of the end of March, the Company had spent approximately \$78 million and remains on target to complete the Project within the budget of \$110.8 million.

Roxgold's President & CEO, John Dorward, commented "We are very pleased to be transitioning the project into commissioning activities. With the mine outperforming on development rates, contributing to a healthy ROM pad balance, Roxgold is well positioned to advance through the end of the construction phase and into commissioning and production remains on schedule for first gold production in June."

In addition to the development of the Yaramoko Gold Project, Roxgold is also pleased to advise that a resource definition and expansion drilling program, comprising of approximately 11,000 metres of diamond drilling, is scheduled to commence later this week. The intent of this program is to target resource expansion opportunities in the upper 430 metres of the 55 Zone deposit with an expectation of including the results in an updated Life of Mine plan in late 2016.

Mine Development

The eastern ventilation shaft was completed with the raise borer breaking through surface at the beginning of April. The first fan is being assembled and is planned to be installed in mid-April. The second (western) ventilation shaft raise bore is expected to be completed in June.

The back-up diesel fired power station was completed and commissioned in February and is now reticulating 11kV power across the Project. Negotiations for a grid power offtake agreement are well advanced with Sonabel, the national electricity provider. All other required mine infrastructure is complete.

Underground development continues to advance well, with the underground contractor, African Underground Mining Services ("AUMS"), delivering above plan development rates in ore and waste in recent months.

The ramp has now advanced 610 metres from the portal and opened up four levels (5270, 5253, 5236 and 5219), which are developing on ore. This has contributed to a ROM pad inventory of over 23,000 tonnes in advance of the commencement of ore processing at the plant.

The Company is encouraged by what has been observed in the ore drives with the orebody profile and thickness consistent with that of the block model. Initial face sampling of the crosscuts indicates that ore grades are consistent with expectations.

AUMS are fully established with a full complement of personnel and equipment for pre-production and operational phases including the planned commencement of stoping activities in the third quarter.

Processing Plant

Construction of the processing plant by the lump sum engineering, procurement, construction ("EPC") contractor, the DRA/Group Five Joint Venture (the "YJV"), is approximately 90% complete.

In late March, the plant crushed the first ore, essentially commencing production commissioning on the Project.

All materials and equipment required for the completion of construction and commissioning are now on site and, in most cases, installed.

Plant civil and concrete works are complete and all structural steel has been erected.

Carbon-in-Leach ("CIL") tanks are complete with the focus now on completion of piping installation across the processing facility as well as continuing with the installation of electrical and instrumentation cabling and equipment.

The workshop, warehouse and reagents storage sheds are complete and are being fitted with equipment and are receiving stock. The office, processing plant mess and security buildings are complete and will be occupied in April.

Several key packages, including the SAG mill, crushing circuit, thickener, reclaim apron feeder, and compressed air system have been commissioned and signed off by the respective vendors' representatives on site and are ready for ore commissioning. The YJV's commissioning engineers and Roxgold's operational team are working through commissioning milestones with the intent of pouring first gold in June.

Operational Readiness

Roxgold's full operations team is in place and the focus remains on the development of training systems and start-up procedures.

Reconciliation and reporting models, incorporating geology, mining and processing disciplines are also now in place with ore being delivered to the ROM pad.

Financing

The Company's cash position, including the restricted US\$15 million cost over-run account, is approximately US\$42 million. In addition, approximately US\$15.5 million remains undrawn from the Company's US\$75 million project finance facility provided by Societe Generale and BNP Paribas.

Remaining estimated pre-production capital required for the development of the Yaramoko Gold Project is approximately US\$32.8 million.

The US\$10 million AUMS shares for services arrangement remains in place and available to Roxgold. Following the recent equity financing, the Company does not envisage utilizing this facility.

Expected Upcoming Catalysts

- Commencement of an 11,000 metre resource definition and expansion drilling program in the upper 430 metres of the 55 Zone
- Maiden resource estimate for the QV1 target at Bagassi South in May 2016
- Expected first production of gold from the Yaramoko Gold Project in June 2016

Qualified Persons

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 in 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.](#)

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