

## ALDER GULCH PROJECT &#8211; US GRANT MINE

TSX Venture Exchange  
Trading Symbol: TCO

VANCOUVER, Dec. 12, 2016 /CNW/ - Transatlantic Mining Corp. ("TCO" or the "Company") (TSX-V: TCO) is pleased to provide the following update to investors.

### Highlights

- A NI 43-101 and Preliminary Economic Assessment
- Maiden Mineral Resource of 53,800 Gold Equivalent Ounces
- A Preliminary Economic Assessment with All-In Sustaining Cost of \$905 /Oz Au equivalent
- An estimated Internal Rate of Return of 272%
- An Exploration Target of 500Koz Gold Equivalent Ounces

### Summary

The US Grant Mine is a group of patented and unpatented claims within the Alder Mountain Project. The Alder Mountain Project property comprises a 535 acre total land package with 5 patented and 28 unpatented claims located in the Virginia City Mining District of Madison County, Montana.

As originally announced January 22, 2016, the Company has an exclusive Option and Lease to Purchase Agreement with the current owners, Madison Mining Corporation and Elite Properties, for the US Grant Mine and Alder Mountain Project. This agreement commenced effective January 18, 2016. On completion of the terms of this agreement, TCO, at its election within the 16 month (4 month due diligence and 12 month lease) period, can earn 100% ownership on election to purchase. TCO can also utilize all plant and equipment within the lease period with that processing benefit direct to the TCO account.

The Company has now received a National Instrument 43-101 (NI 43-101) Standards of Disclosure for Mineral Projects compliant resource estimation and Preliminary Economic Assessment (PEA) for the patented portion of the US Grant Mine property. This is based predominantly on historical information and recent TCO sampling of accessible US Grant Mine workings (the "Report"). The Report was authored by Chris Pfahl, PE, PLS, who is a Qualified Person under NI 43-101 and has reviewed and approved the disclosure of a scientific or technical nature herein.

All required permits have been secured for the PEA activities at the US Grant Mine property. The current Small Miner's Exclusion Statement permit #25-221 allows for up to five acres of disturbance. No additional permitting from the Montana DEQ is necessary at this time.

### Maiden NI 43-101 Mineral Resource

The following table represents the current maiden NI 43-101 mineral resource for the US Grant Mine property based on mapping and sampling information as at June 30, 2016. The following figure illustrates the mineral resource outline and mine design used for the PEA.

| Resource Class       | Cutoff<br>EqAu (oz<br>tr/sh ton) | Total Sh Tons<br>(Undiluted) | Au Grade<br>(oz tr/sh ton) | Ag Grade<br>(oz tr/sh ton) | Equivalent Au<br>grade<br>(oz tr/sh ton) | Au<br>Troy Ounces | Ag<br>Troy Ounces | Equivalent Au<br>Troy Ounces |
|----------------------|----------------------------------|------------------------------|----------------------------|----------------------------|--|-------------------|-------------------|------------------------------|
| Measured             | 0.09                             | 14,100                       | 0.16                       | 7.0                        | 0.25                                     | 2,300             | 98,100            | 3,600                        |
| Indicated            | 0.09                             | 13,500                       | 0.16                       | 7.2                        | 0.26                                     | 2,200             | 97,000            | 3,500                        |
| Measured + Indicated | 0.09                             | 27,600                       | 0.16                       | 7.1                        | 0.26                                     | 4,500             | 195,100           | 7,000                        |
| Inferred             | 0.09                             | 165,000                      | 0.18                       | 7.7                        | 0.28                                     | 30,000            | 1,278,400         | 46,800                       |

\*Equivalent Au based on USD \$1200 Au and USD \$15.80 Ag

\*Figures may not total due to rounding of significant figures

Table 1: The US Grant Vein Measured Indicated and Inferred Mineral Resource

## Preliminary Economic Assessment (PEA)

This PEA has been developed based on the mineral resource as described in the Table 1. The current levels of mineral resource do not demonstrate economic viability or a mineral reserve. Unless otherwise stated, all cost estimates in this PEA are reported in United State Dollars.

The 3.6 year life-of-mine (LOM) has estimated total capital costs of \$8.8 M.

The Life of Mine operating costs are \$18.2 M as detailed in the following table.

| Description                 | Total Life of Mine Cost | Average Annual Cost | LOM Cost per Ton Ore |
|-----------------------------|-------------------------|---------------------|----------------------|
| Mining                      | 8,176,706               | 2,281,871           | 48.89                |
| Milling                     | 4,487,736               | 1,252,391           | 26.83                |
| G&A                         | 5,563,367               | 1,552,568           | 33.26                |
| Total Operating Costs (USD) | \$18,227,810            | \$5,086,831         | \$108.98             |

Table 2: The US Grant Vein Life of Mine Operating Costs

The base case financial model for the US Grant Mine property is estimated to have an after-tax internal rate of return (IRR) of 278% with payback occurring at approximately 16 months from commencing operations with allocated funding.

The following table summarizes a base-case net present value (NPV) with various discount rates which also incorporates the purchase price of the US Grant Mine property of \$6M within that model. The gross revenue is based on a gold price of \$1350 and a silver price of \$19 and on the US Grant Vein only. Exploration upside could exist outside this initial assessment.

| Discount Rate | 0%   | 2.50% | 5%   | 7.50% | 10%  |
|---------------|------|-------|------|-------|------|
| NPV (\$M)     | 6.93 | 6.44  | 5.99 | 5.58  | 5.21 |

The All-in-sustaining-costs (AISC) are estimated at \$905 per equivalent gold ounce on the current assessment without any upside or full conversion of the inferred mineral resource contained above.

### Exploration Opportunity

The US Grant Mine property has had only a limited amount of historical exploration drilling during its time. The mineral resource and cost estimates within this PEA include a portion of the US Grant vein without the addition of any future exploration potential on other veins or opportunities within the greater Alder Mountain Project. An exploration target of approximately 500,000 gold equivalent ounces has been planned to be drill tested of which the full expenditure has not been allowed for and is outside the scope of the PEA and Mineral resource outlined above. The fund allocation within the PEA only supports drilling to upgrade the confidence levels in the Mineral Resource and subsequent decision to purchase the Alder Mountain Asset. It is the opinion of the author of the NI 43-101 Report that the US Grant Mine property has not been adequately explored. Surface drilling targeted the vein system to less than 300 feet below the surface from three locations. Underground drilling targeted the vein system less than 100 feet below the US Grant Mine #3 level and only provided a cursory look for additional vein systems in the hangingwall and footwall of the US Grant vein.

The author recommends both surface and underground drill programs to increase the resource base of the US Grant Mine property. The intercept in drill hole USG-88-2 is open along strike and down dip. The well-developed road system at the property provides access to offset drill this intercept. The US Grant Mine #3 level should be extended approximately 1,800 feet to the southwest end line of the property and the vein developed where grade and widths indicate the potential for resource expansion and extension. Drilling to optimise the mine design and current capital infrastructure to the limit of the claim block to identify additional mineralized structures are warranted.

This Technical Report is dated Effective December 09, 2016 and entitled "The Mineral Resource and Preliminary Economic

Assessment at the US Grant Mine Property, Virginia City, Madison County, USA" Transatlantic requested Chris Pfahl to prepare the Technical report. Mr Pfahl is a "Qualified Person" as defined in NI 43-101 and is Independent of [Transatlantic Mining Corp.](#)

## Corporate Snapshot

The Company provides the following update on corporate initiatives currently in progress. Over the next 30 days, shareholders and prospective investors should expect:

- An update to progress on operating activities at the US Grant Mine
- Results to Surface drilling programs.

CEO Rob Tindall commented,

'TCO is pleased to provide this initial NI 43-101 and PEA. The Company looks forward to building on the base case of this report and building the US Grant Project into a sound production asset along with its exciting exploration opportunities at hand.'

## About Transatlantic Mining Corp.

Transatlantic Mining (TSX-V: TCO) is an emerging precious and base metal explorer, developer and producer. The Company has a focus on high-grade deposits in safe and prolific mining jurisdictions. The Company is engaged in controlling and owning mineral properties interests, such as an 80% earn-in option on the Monitor Copper-Gold project in Idaho (USA). In January 2016, the Company entered a lease/purchase option agreement for 100% of the US Grant Gold-Silver Mine & Mill complex in Montana (USA). A proven management team, led by Executive Chairman Bernie Sostak and CEO Rob Tindall, seek to enhance shareholder value through expert exploration/development and expansion of existing assets in conjunction with selective acquisitions.

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

SOURCE [Transatlantic Mining Corp.](#)

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