

TORONTO, ON--(Marketwired - January 12, 2017) - [NewCastle Gold Ltd.](#) (TSX VENTURE: NCA) (NewCastle Gold or the "Company") is pleased to report assay results from the remaining 10 reverse circulation ("RC") drill holes from the 2016 Exploration Phase I Drill Program (the "Program") at the Castle Mountain gold project (the "Project") located in San Bernardino County, California. The holes tested the East Ridge target, located 100-300 metres east of the historic Oro Belle open pit and the main Oro Belle Trend ("OBT").

East Ridge Target

Ten holes tested the extent of gold mineralization over a strike length of 300 metres from section 12600N to 12900N along the eastern margin of the known mineral resource. All holes were angled to the northwest to test sparsely drilled regions with the 2015 resource block model and also to assess near-surface expressions of gold mineralization. All holes returned encouraging intercepts within the pit model and up to 200 metres below modeled pit limits, and collectively define a broad northeast-southwest trending corridor parallel to the main structural trends which control mineralization at Castle Mountain. The East Ridge target is open to the north, south, east, and at depth. Assay highlights include:

Section 12750 N

- 1.95 g/t Au over 18.3 metres, including 3.08 g/t Au over 10.7 metres, in hole CMM-109

Section 12800 N

- 0.48 g/t Au over 56.4 metres, in hole CMM-112

Section 12900 N

- 0.66 g/t Au over 50.3 metres, in hole CMM-115
- - Including 3.23 g/t Au over 6.1 metres
- 0.47 g/t Au over 12.2 metres in hole CMM-114 near surface

Gerald Panneton, President and CEO, commented, *"The 2016 East Ridge drill program has demonstrated excellent continuity along this parallel structure to the main Oro Belle Trend, with greater widths of gold mineralization than anticipated. The East Ridge target, combined with the main Oro Belle Trend, shows that the gold mineralizing system is still very strong on the northern portion of the Castle Mountain project."*

The 2016 Phase 1 drill program was completed in mid-October with a total of 20,200 metres in 49 drill holes. The Company currently has 6 rigs drilling on its +40,000 metre program (see press release dated November 1st, 2016), completing definition and expansion drilling in Oro Belle South and extending gold mineralization at South Domes.

Table 1: Summary of Significant 2016 Core Hole Intercepts at the East Ridge Target

Hole_ID	Section	From (metres)	To (metres)	Interval (metres)	Au (g/t)	
CMM-105	12600N	61.0	114.3	53.3	0.28	
and		185.9	193.5	7.6	0.38	
and		394.7	399.3	4.6	0.33	
and		410.0	417.6	7.6	0.42	
and		426.7	431.3	4.6	0.28	
CMM-106	12650N	4.6	16.8	12.2	0.30	
and		373.4	405.4	32.0	0.31	
and		411.5	417.6	6.1	0.29	
CMM-107	12700N	283.5	333.8	50.3	0.32	
CMM-108	12700N	48.8	53.3	4.6	0.38	
and		77.7	93.0	15.2	0.37	
and		179.8	182.9	3.0	0.34	
and		236.2	240.8	4.6	0.30	
and		257.6	262.1	4.6	0.82	
and		300.2	313.9	13.7	0.27	
and		358.1	378.0	19.8	0.31	
and		400.8	406.9	6.1	0.61	
CMM-109		12750N	1.5	12.2	10.7	0.29
and			76.2	93.0	16.8	0.31

and		105.2	108.2	3.0	0.52
and		128.0	141.7	13.7	0.27
and		196.6	225.6	29.0	0.34
and		387.1	405.4	18.3	1.95
<i>including</i>		391.7	402.3	10.7	3.08
and		437.4	440.4	3.0	0.60
and		448.1	452.6	4.6	0.43
CMM-110	12750N	185.9	198.1	12.2	0.69
<i>including</i>		187.5	190.5	3.0	1.72
and		411.5	416.1	4.6	0.43
CMM-112	12800N	32.0	88.4	56.4	0.48
<i>including</i>		41.1	45.7	4.6	2.49
and		106.7	111.3	4.6	0.40
CMM-113	12800N	7.6	22.9	15.2	0.32
and		96.0	100.6	4.6	0.30
and		303.3	307.8	4.6	0.48
and		317.0	321.6	4.6	0.40
and		396.2	405.4	9.1	0.40
and		451.1	458.7	7.6	0.29
CMM-114	12900N	18.3	30.5	12.2	0.47
and		47.2	50.3	3.0	0.28
and		59.4	86.9	27.4	0.29
and		132.6	135.6	3.0	0.44
and		275.8	278.9	3.0	0.28
and		304.8	324.6	19.8	0.28
and		373.4	382.5	9.1	0.29
CMM-115	12900N	103.6	114.3	10.7	0.92
and		123.4	134.1	10.7	0.33
and		324.6	374.9	50.3	0.66
<i>including</i>		324.6	330.7	6.1	3.23
and		403.9	410.0	6.1	0.41

All new exploration holes were drilled at the northwest at 290 degrees azimuth, with dips of -60 to -80 degrees, and to a depth range of 150 to 460 metres. True widths of the intercepted intervals are estimated to be 70% to 90% of intersected widths based on the available geological information.

Widespread epithermal gold mineralization is present along the East Ridge target where it is hosted within a complex, shallow-dipping sequence of Miocene-age rhyolite flows and lesser tuffaceous units cut by steep northeast trending/southeast dipping fault structures with associated zones of silicification, hydrothermal brecciation and near-vertical latite dikes.

About NewCastle Gold

NewCastle Gold has a 100% interest in the Castle Mountain property in San Bernardino County, California. The Castle Mountain heap leach gold mine produced over one million ounces of gold from 1992 to 2004. The Mine and Reclamation Plan, under which the mine operated, was authorized by the County of San Bernardino as the Lead Agency and remains in effect. Water for the drill programs was accessed from existing patented wells on the Project.

An updated NI 43-101 resource for the project was announced December 2nd, 2015 which includes Measured Mineral Resources of 17.4 million tonnes grading 0.86 g/t gold containing 0.48 million gold ounces, Indicated Mineral Resources of 202.5 million tonnes grading 0.57 g/t gold containing 3.71 million gold ounces along with Inferred Mineral Resources of 40.8 million tonnes grading 0.58 g/t gold and containing 0.76 million gold ounces. The Project hosts a disseminated low sulphidation epithermal system. Gold is primarily hosted by late-stage rhyolite volcanic units within zones of silicification and brecciation associated with northeast-southwest trending/southeast dipping fault structures which are interpreted to have developed within a collapsed caldera environment. Eleven gold domains are represented by both steep and shallow-dipping orientations.

All drill samples are submitted to ALS Minerals in Reno, Nevada for splitting and then crushing until 70% of the sample is finer than a nominal two millimeter in size. A 250 gram ("g") sub-sample is taken from the crushed material and pulverized until 85% passes a 200 mesh (75 µm) screen (ALS Method PREP-31). A 30 g portion of pulverized material (pulp) is then sampled and subjected to fire assay ("FA") with atomic absorption ("AA") finish (ALS Method AuAA-23). Any gold assays greater than 10 g/t Au are re-analyzed where a 30 g portion is taken from the pulp and assayed by FA with a gravimetric finish (ALS Method Au 30g FA - GRAV). All samples that yield greater than 0.2 ppm assay are also analyzed for gold cyanide solubility (ALS Method AuAA-13). The Company employs an industry-standard QA/QC program consisting of standard pulps, coarse blanks and rig duplicates.

Ian R. Cunningham-Dunlop, P. Eng., the Company's Senior Vice President, Technical Services, is the designated Qualified

Person for this news release within the meaning of NI 43-101. He has reviewed and verified that the technical information contained in this release is accurate and has approved of the written disclosure of the same

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 news release.

Forward-Looking Statements

This news release contains "forward-looking statements" and "forward-looking information" (collectively, "forward-looking information") within the meaning of applicable Canadian securities legislation. Forward-looking information includes information that relates to, among other things, statements with respect to the completion of the proposed drill program at Castle Mountain, the mineral resource expansion at Castle Mountain and the identification of future expansion targets at Castle Mountain. Forward-looking information is not, and cannot be, a guarantee of future results or events.

Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that we identified and were applied by us in drawing conclusions or making forecasts or projections set out in the forward looking information include, but are not limited to that the Company is able to procure personnel, equipment and supplies required for its exploration and development activities in sufficient quantities and on a timely basis and that actual results will be consistent with management's expectations.

The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, the risks discussed under the heading "Risks" in general to the business of NewCastle in documents filed (or to be filed) with Canadian regulatory authorities. Should one or more risk, uncertainty, contingency or other factor materialize or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information. Accordingly, the reader should not place undue reliance on forward-looking information. NewCastle does not assume any obligation to update or revise any forward-looking information after the date of this news release or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

Image Available:

http://www.marketwire.com/library/MwGo/2017/1/11/11G127152/Images/Cross-section_12900N_EastRidge_Ver2-4e3a7401169790

Image Available:

http://www.marketwire.com/library/MwGo/2017/1/11/11G127152/Images/East_Ridge_Drill_Hole_Plan_Map-5350815b1c6a8a47920

Image Available:

http://www.marketwire.com/library/MwGo/2017/1/11/11G127152/Images/Castle_Mountain_Drill_Hole_Plan_Map-0aa3b5f8ca9fa598

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