

VANCOUVER, April 12, 2017 /CNW/ - [Leagold Mining Corp.](#) (TSX-V: LMC) ("Leagold" or the "Company") is pleased to report drilling results at its recently acquired Los Filos Gold Mine with highlights of 18.5 grams per tonne ("gpt") over 29.2 metres and 12.4 gpt over 21.6 metres, including 17.6 gpt over 9.2 metres (all capped grades and true widths; see Table 1) from the oxide zone of the Bermejal Underground deposit. These drill holes were part of an infill and geotechnical program completed in Q1 2017 and were not included in Leagold's recently filed NI 43-101 Technical Report for the Los Filos Mine.

Neil Woodyer, CEO, stated "The infill drilling results are exceptional and confirm the widths and grades in the widest and higher grade portion of the Bermejal Underground deposit. We are initiating a \$7.7 million step-out and infill drilling program of 56,000 metres to add more resources to Bermejal Underground. Los Filos currently operates two open pit mines, Los Filos and Bermejal, and one underground mine at Los Filos. The Bermejal Underground project presents the opportunity to develop a second underground mine to both expand gold production and extend mine life. The results to date confirm the high quality and significant exploration upside potential of Bermejal Underground."

## Recent Results

Gold iron-oxide skarn mineralization is located along contacts between intrusive and carbonate host rocks and provides extensive opportunities at Los Filos for identification and delineation of additional resources. The mineralization in the Bermejal Underground deposit remains open in several directions.

The infill drilling program was comprised of seven holes (a total of 5,570 metres) designed to intersect the Inferred Resources for conversion to an Indicated classification in a high-grade portion of the Bermejal Underground deposit. This high-grade zone of oxide mineralization is along a vertical contact with the Bermejal intrusive and contains the bulk of the mineral resources within the Bermejal Underground deposit (Figures 2 and 3). These resources are located below the intersection of a sill with the Bermejal intrusive (Figure 3).

A further six geotechnical holes (3,554 metres) were completed to investigate underground development and mining options as part of advancing the project. Two of the geotechnical holes intersected mineralization along the contacts of the sill and at the intrusive/carbonate contact and are reported here (Table 1). Three of the holes were not drilled in the area of mineralization and assay results are pending for the final geotechnical hole.

Table 1: Drilling Program Highlights in Bermejal Underground Deposit

Sector	Hole ID	Zone	From (m)	To (m)	Length (m)	True Width (m)	Grade (g/t Au)	Capped (g/t Au)
Central	BD-01A-16	LC	433.10	444.35	11.25	11.25	8.0	
	and	VC	497.95	499.45	1.50	0.86	50.0	40.0
	and	VC	684.45	697.20	12.75	7.27	9.8	9.2
Central	BD-02-16	UC	360.40	361.45	1.05	0.72	14.4	
	and	Sill	462.00	475.35	13.35	6.27	4.8	
	and	Sill	488.35	489.85	1.50	1.11	9.3	
	and	VC	500.35	542.55	42.20	14.35	9.3	
	and	VC	585.15	671.05	85.90	29.21	25.3	18.5
Central	BD-03-16	Sill	295.10	299.00	3.90	2.77	8.0	
Central	BD-04-16	UC	309.65	311.05	1.40	1.37	6.1	
	and	Sill	399.55	404.05	4.50	4.37	5.5	
	and	Sill	416.75	425.70	8.95	8.68	12.4	
	and	VC	523.55	524.60	1.05	1.02	25.3	

	and	VC	654.20	658.35	4.15	2.66	6.5	
Central	BD-05-16	UC	468.40	476.90	8.50	7.98	19.5	10.6
	including	UC	473.20	476.90	3.70	3.47	36.3	15.9
	and	Sill	486.05	489.80	3.75	3.52	5.1	
	and	Sill	503.30	506.40	3.10	2.90	4.2	
	and	LC	561.55	564.20	2.65	1.33	10.8	
	and	VC	582.00	587.50	5.50	2.75	11.3	
	and	VC	595.70	638.80	43.10	21.55	13.0	12.4
	including	VC	595.70	598.25	2.55	1.27	7.7	
	including	VC	602.35	609.05	6.70	3.35	13.0	
	including	VC	613.55	632.00	18.45	9.23	19.2	17.6
	including	VC	633.80	638.80	5.00	2.50	14.8	
	and	VC	695.25	696.90	1.65	0.42	17.7	
Central	BD-06-16	Sill	376.20	378.75	2.55	1.95	13.6	
	and	Sill	400.75	403.60	2.85	2.18	7.6	
East	BD-07-16	LC	553.50	556.45	2.95	2.85	22.3	
	and	VC	600.10	612.25	12.15	8.63	15.1	
Central	BDG-02-16	LC	489.85	527.10	37.25	6.33	8.4	
	including	LC	498.10	520.30	22.20	3.77	12.0	
	and	VC	550.30	595.65	45.35	7.71	21.7	19.8
	including	VC	553.35	583.75	30.40	5.17	29.7	26.8
West	BDG-03-16	LC	339.15	340.40	1.25	1.17	10.1	
	and	LC	343.50	344.00	0.50	0.47	79.2	40.0
	and	Sill	444.05	445.55	1.50	1.46	12.8	
	and	VC	488.95	500.70	11.75	11.45	10.8	

NOTES: Intervals in bold are shown on cross sections or mentioned in the text of the news release

UC = Upper Contact of Sill; LC = Lower Contact of Sill; Sill = Oxide within Sill; VC = Vertical Contact on Intrusive

Only Intercepts with over 3 gpt and diluted to a minimum true width of 3 metres are shown

Individual assays within the intercepts were capped using 40 g/t limit

#### New Drilling Program

Leagold is commencing a \$7.7M drilling program in Q2 2017 of 56,000 metres, targeting step-out and infill drilling, to expand the known Bermejil Underground resource base and to increase resource classification in support of future feasibility level studies and capital investment decisions (Figure 4). Drill holes are planned to intersect oxide mineralized zones at the steeply dipping to vertical contact of the Bermejil intrusive with carbonate as well as the upper and lower contacts of the sill.

The program includes the use of reverse circulation (RC) drilling in the upper portions of holes followed by diamond drilling "tails" to the end of hole in order to provide more rapid completion of the program and to reduce drilling costs. The program will be completed in 2017.

Additional opportunities for drilling are evident on the west side and the southeast trend of the contact of the Bermejil Intrusive.

#### Bermejil Underground Project

The drilling results are reported for the oxide zone located at the contact of intrusives with carbonate rocks. Mineralization is gold in iron oxides and is amenable to heap leaching (current recoveries for similar material is 80% from the existing heap leach operation).

The Bermejil deposit extends to at least 600 metres below the current Bermejil Open Pit and has been examined as an underground opportunity due to the high strip ratio that would be required for an open pit to mine the entire mineral resource. The Bermejil Underground resource, as reported in the March 1, 2017 Technical Report and PEA ("Preliminary Economic Assessment") report, is presented in Table 2. The Bermejil Underground deposit is entirely below and separate from the current Bermejil Open Pit Mineral Reserves.

Bermejil Underground Measured and Indicated Mineral Resource consists of 4.74 million tonnes at 6.65 gpt Au containing 1.012 million ounces plus Inferred Mineral Resource of 4.17 million tonnes at 5.05 gpt Au containing 0.678 million ounces (Stantec, March 1, 2017).

Table 2 – Bermejil Underground Mineral Resource<sup>1-5</sup> in the PEA

Classification	Tonnes (kt)	Au Grade (g/t)	Au Contained (koz)	Ag Grade (g/t)	Ag Contained (koz)
Measured	13	5.08	2	49.27	21
Indicated	4,722	6.65	1,009	22.30	3,385
Total Measured and Indicated	4,735	6.65	1,012	22.37	3,406
Inferred	4,173	5.05	678	26.55	3,563

#### Notes:

1. Effective date is December 31, 2016.
2. Mineral Resources are reported to a gold price of US\$1,400/oz.
3. Mineral Resources are inclusive of Mineral Reserves.
4. Mineral Resources do not include recovery or dilution factors.
5. Tonnages are rounded to the nearest 1 kt, grades are rounded to two decimal places; rounding, as required by reporting guidelines, may result in apparent summation differences.

#### Qualified Persons

Doug Reddy, P.Geo, Leagold's Senior Vice President – Technical Services, is a Qualified Person under NI 43-101, and has reviewed and approved the technical contents of this news release on behalf of Leagold.

The Qualified Persons for the resource estimates as reported in the Technical Report dated March 1, 2017 are William A. Glover, P.Eng. and Allan L. Schappert, CPG, of Stantec Consulting International LLC ("Stantec"). Mr. Glover and Mr. Schappert are each a "qualified person" as defined in NI 43-101 and independent of the Company.

Los Filos Mine employs industry standard drilling and sampling procedures. All exploration samples are sent to an ALS Global facility in Guadalajara for preparation and Vancouver for analyses by fire assay and ICP. A full quality control and assurance program and protocols are in place and are aligned with best practices including regular insertion of certified reference

standards, blanks, and duplicates.

## About Leagold Mining Corporation

Leagold aims to build a new mid-tier gold producer with a focus on opportunities in Latin America. Leagold is based in Vancouver, Canada and is listed on the TSX Venture Exchange under the trading symbol "LMC". The recent acquisition of the Los Filos Mine, a low-cost gold producer in Mexico, provides an excellent platform for growth.

On behalf of [Leagold Mining Corp.](#)

Neil Woodyer, Chief Executive Officer

This news release contains "forward-looking statements" and "forward looking information" (as defined under applicable securities laws), including but not limited to plans for future development of the Los Filos Mine. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "expected", "budgeted", "forecasts" and "anticipates". Forward-looking statements and information, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the receipt of all necessary approvals for conversion of the Orion Subscription Receipts; risks related to the Los Filos Mine, risks related to the successful integration of the acquisition; risks related to international operations; risks related to general economic conditions and credit availability, actual results of current exploration activities, unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates, increases in market prices of mining consumables, possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in the completion of development or construction activities, changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which Leagold operates. Although Leagold has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking statements and forward looking information are made as of the date hereof and Leagold disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements or forward looking information contained herein to reflect future results. Accordingly, readers should not place undue reliance on forward-looking statements and information. Please refer to Leagold's most recent filings under its profile at [www.sedar.com](http://www.sedar.com) for further information respecting the risks affecting Leagold and its business.

Neither the 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.

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## Contact

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