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VANCOUVER, May 1, 2017 /CNW/ - [Marlin Gold Mining Ltd.](#) (TSX-V: MLN) ("Marlin" or the "Company") is pleased to announce its financial results for the fourth quarter ("Q4") and year ended December 31, 2016. This press release should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2016 and Management's Discussion & Analysis ("MD&A") for the same period, available on the Company's website at www.marlingold.com and under the Company's name on SEDAR at www.sedar.com. All monetary amounts are expressed in Canadian dollars unless otherwise specified.

Marlin began continuously mining the high grade HS zone at the La Trinidad gold mine ("La Trinidad") in Sinaloa, Mexico on September 15, 2016, and began recovering gold from this area in early Q4. For the quarter, the Company produced 19,164 ounces of gold and sold 12,178 ounces, both quarterly records.

Net profit was \$2.6 million (\$0.02 per share) despite depreciation, depletion and amortization ("DD&A") expenses of \$9.9 million. It is important to note that 6,986 ounces of gold produced in Q4 were sold after the quarter ended, which were not recognized as revenue in Q4.

At the end of 2016, the mineral property, plant and equipment book value of La Trinidad was \$4.7 million. Due to previous mine plans and forecasts, La Trinidad's book value only accounts for recoverable gold in the very northern part of the Taunus pit at La Trinidad. Given that management is now expecting over two years of continuously profitable production at La Trinidad from the southern part of the Taunus pit, with potential for further mine life extensions, DD&A expenses will be demonstrably lower going forward.

The current assets of the Company at the end of 2016 stand at \$68.3 million (\$0.39 per share), an increase of \$39.4 million from the third quarter. Cash and finished gold increased in the quarter by \$9.1 million to \$9.8 million, while inventories increased by \$40.6 million to \$49.9 million. Inventories included \$8.1 million of finished gold and \$40.3 million of gold in process. Investments in shares of [Golden Reign Resources Ltd.](#) ("Golden Reign") were at \$9.1 million at quarter end.

Principal on loans owed to affiliates of Wexford Capital, LP ("Wexford"), the Company's controlling shareholder, was \$48.4 million at year end. In the first quarter of 2017, US\$7.5 million (~\$10.2 million) was repaid. Payables were reduced by \$6.1 million to \$10.5 million during the quarter.

At the Commonwealth project ("Commonwealth"), the final US\$3.6 million in property payments were made during the quarter to fully consolidate the land holdings in and around the property. Marlin now controls all of the necessary mineral and surface rights in the district.

Akiba Leisman, Executive Chairman and Interim CEO states that, "2016 was a tale of two mines for Marlin. For the first three quarters of the year, our operating team led by Jesse Muñoz, was focused on waste removal to access the high grade HS Zone at La Trinidad. As a result of their skill and dedication we began mining the HS Zone in September, which has allowed the Company to de-lever the balance sheet, invest in exploration at both our properties, acquire all necessary land at Commonwealth to fully consolidate the district, and advance our royalty business such that we expect to spin off Sailfish Royalty Corp. ("Sailfish") to shareholders this year. Since mining the north part of the HS Zone, we have been able to finally show just how profitable La Trinidad can be. With the southern part of the HS Zone coming online at the end of the second quarter of 2017, and exploration success in Mexico and Arizona indicating longevity at both assets, we feel that there is plenty more of this to come."

2016 Highlights

- Revenues of \$28.4 million in 2016 (2015 - \$22.8 million)
- Production of 24,238 ounces of gold in 2016 from La Trinidad (2015 – 14,060)
- Sale of 17,829 ounces of gold in 2016 from La Trinidad (2015 – 15,103)
- Stockpile of 14,122 ounces of gold at La Trinidad (2015 – Nil)
- In February 2016, the Company changed mining contractors at the La Trinidad mine to increase the efficiency at the mine
- The Company completed a normal course issuer bid (the "NCIB"), whereby the Company purchased 2 million common shares in the capital of the Company. All common shares acquired by the Company under the NCIB have been returned to treasury and cancelled
- The maturity date of the Wexford loans was extended by an additional year to January 15, 2018 and the annual interest rate was reduced from 15% to 8%
- The Company disposed of 21.2 million [Canarc Resource Corp.](#) shares for gross proceeds of \$1.54 million
- On July 15, 2016 the Company entered into a series of agreements with various landowners to acquire the surface and mineral rights of approximately 3,400 acres surrounding the patented mining claims at Commonwealth for approximately US\$4.4 million
- The Company received approximately \$2.0 million (US\$1,481,357) in insurance proceeds relating to Hurricane Linda

Financial Summary (\$000's)	Q4 2016	Q4 2015	2016	2015
Revenue	18,947	2,544	28,394	22,781
Net profit (loss)	2,618	(7,409)	(14,359)	(60,948)
Net profit (loss) per share	0.02	(0.08)	(0.10)	(0.62)
Adjusted EBITDA ⁽¹⁾	11,566	(3,535)	9,373	(10,795)
Adjusted EBITDA per share ⁽¹⁾	0.07	(0.03)	0.06	(0.11)
Gold ounces produced (troy ounces) ⁽²⁾	19,164	1,589	24,238	14,060
Gold ounces sold (troy ounces)	12,178	1,575	17,829	15,103

(1) This is a non-IFRS measure; refer to Non-IFRS Measures section of this press release and see below for a reconciliation to the Company's financial statements.

(2) Does not include ounces in stockpiled material.

Reconciliation of Adjusted EBITDA (\$000's)	Q4 2016	Q4 2015	2016	2015
Net profit (loss)	2,618	(7,409)	(14,359)	(60,948)
Accretion and interest expense net of interest income	3,611	2,074	7,487	4,943
Income tax expense and deferred tax recovery	(3,848)	502	(3,848)	(1,273)
Depreciation, depletion and amortization	9,909	541	11,728	3,462
EBITDA	12,290	(4,292)	1,009	(53,816)
Impairments ⁽³⁾	(724)	757	8,365	43,021
Adjusted EBITDA	11,566	(3,535)	9,373	(10,795)

(3) Categories under "Impairments" include impairment of mineral property, write down to net realizable value and impairment write-down of gold-in-process.

Balance Sheet Summary as at December 31 (\$000's)	2016	2015
Current Assets ⁽⁴⁾	68,277	19,068
Total Assets	102,173	71,914
Total Liabilities	73,346	59,109
Equity	28,827	12,805

(4) The two largest categories included in 2016 are \$40,333,791 of gold in process and \$8,068,561 of finished gold.

2017 Outlook

Management expects to produce between 50,000 and 55,000 ounces of gold at La Trinidad in 2017. The south side pit layback at La Trinidad should be completed in June, where we can then begin to access the southern part of the high grade HS Zone. In the interim, production has continued by drawing down on a stockpile that reached a peak at the end of 2016 of over 500,000 tonnes.

Exploration at La Trinidad is ongoing. Recent drill results have provided a higher degree of confidence in areas within the 2017 mine plan and increased expectations that the strike length of the pit can be extended to the south. For example, the intercept in hole 17TRD44, which intersected 15.55 g/t gold over 15.45 meters (see press release dated April 10, 2017), is multiple times higher in grade than what is currently in the mine plan. The Company expects to be mining this area sometime in the fourth quarter. Further drill testing will provide data necessary to determine the size and grade of the southern part of the HS Zone, which has the potential to extend the mine life at La Trinidad.

At Commonwealth, exploration is also ongoing. We have completed drilling around 16CDDH06 (see press release dated January 30, 2017), which has confirmed the existence of a higher-grade footwall zone beneath the north vein of the deposit. Additionally, we have completed a geochemistry and geophysics program which has given us new drill targets at the surrounding properties we acquired late last year.

Exploration results for La Trinidad and Commonwealth should be available for public dissemination within the month of May.

Sailfish continues to advance. The permitting is nearing completion at San Albino, a project where Sailfish owns a significant gold stream and Marlin is the largest shareholder of the project's owner, Golden Reign. Golden Reign expects permits on San Albino later this year.

Management is pleased that [Endeavour Silver Corp.](#) has publicly announced the decision to develop the fully-permitted El Compas project in Zacatecas, Mexico. The Company owns a 1.5% NSR royalty on the majority of the concessions at El Compas, including those hosting the primary deposit, with first cash flow expected early next year.

Finally, Sailfish is actively looking at other royalty acquisitions. The process of spinning off Sailfish to shareholders will commence as soon as San Albino is permitted or the company announces a material royalty acquisition.

Non-IFRS Measures

The discussion of financial results in this press release includes reference to Adjusted EBITDA, which is a non-International Financial Reporting Standards ("IFRS") measure. The Company provides this measure as additional information regarding the Company's financial results and performance.

Marlin Gold Fourth Quarter and Full-Year 2016 Results Conference Call and Webcast

The Company's senior management will host a conference call on Tuesday, May 2, 2017 at 10:00 AM (E.D.T.) to discuss the Company's fourth quarter and full-year 2016 results and provide an outlook for the remainder of 2017.

Via Webcast:

A live audio webcast of the conference call will be available using the following link <http://edge.media-server.com/m/p/ufi7cipz> or on a link hosted on the Company's website at www.marlingold.com.

Via Telephone:

For those preferring to listen by telephone, please dial 1-213-358-0878 or toll-free 1-844-348-1683, access code 16115066. To ensure your participation, please call approximately ten minutes prior to the scheduled start of the call.

Replay Archive:

Please dial 1-404-537-3406 or toll-free 1-855-859-2056, access code 16115066. The conference call replay will expire on May 9, 2017.

The webcast, along with presentation slides, will be archived for 180 days on the Company's website.

About Marlin Gold

Marlin is a growth-oriented gold and silver mining company focused on the Americas. The company owns two properties located in Sinaloa, Mexico and Arizona, USA and a portfolio of royalties. Marlin's priority is to advance its properties toward commercial production and enhance shareholder value through the growth of its wholly owned subsidiary, Sailfish Royalty Corp. Marlin is backed by a well-funded investor with a successful track record in the resources sector. The La Trinidad gold mine in Sinaloa,

Mexico declared commercial production on November 1, 2014 and is one of the highest grade open pit heap leach gold mines in Mexico. A NI 43-101 mineral resource estimate and preliminary economic assessment for the La Trinidad gold mine and Commonwealth project can be found at www.sedar.com or at www.marlingold.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary statement regarding forward-looking information

This news release contains 'forward-looking statements' within the meaning of applicable securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur, including, without limitation, the intended use of proceeds. These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while based on management's expectations and considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: the risk that the anticipated effects of the equity financing may not result in the outcomes predicted by management, uncertainties related to raising sufficient financing to fund planned work in a timely manner and on acceptable terms; changes in planned work resulting from logistical, technical or other factors; the possibility that results of work will not fulfill projections/expectations and realize the perceived potential of the Company's projects; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold resources; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of environmental issues at the Company's projects; the possibility of cost overruns or unanticipated expenses in work programs; the need to obtain permits and comply with environmental laws and regulations and other government requirements; fluctuations in the price of gold and other risks and uncertainties, including those described in the Company's current Annual Information Form filed on SEDAR at www.sedar.com. As a result, readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this release. Unless required by law, Marlin has no intention to and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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