TORONTO, ON--(Marketwired - May 16, 2017) - NewCastle Gold Ltd. (TSX: NCA) (NewCastle Gold or the "Company") is pleased to report the first large tranche of assay results, including additional high-grade intercepts, from the recently completed definition drill program on the southern portion of the main Oro Belle Trend ("OBT") at the Castle Mountain gold project (the "Project") in San Bernardino County, California. These results form part of the Phase II definition and exploration drill program ("the Program") that ran from November 1, 2016 to March 31, 2017 and totaled 121 holes/44,500 metres of reverse circulation ("RC") and diamond core drilling using seven drill rigs.

Core drill hole CMM-175C, located 150 metres south from previously reported hole CMM-195 (*31.19 grams per tonne gold ("g/t Au") over 29.0 metres*; *see press release dated April 1, 2017*), was planned to further test the high-grade gold mineralization associated with the steeply dipping Lucky John Zone/OB-2 fault corridor ("OB-2") and large scale hydrothermal breccias. CMM-175C intersected 31.32 g/t Au over 12.8 metres at the same elevation as the intercept in CMM-195. Another hole, 150m north of CMM-175C, also intersected the OB2 structure with 17.01 g/t Au over 3.0 metres in hole CMM-204. The OB-2 target remains open along strike to the north and south, as well as at depth, with follow-up drilling currently underway in the area of hole CMM-175C.

In addition, core hole CMM-180C on the same section 11600N intersected a wide intercept of gold mineralization on the other side of the rhyolitic dome with 1.13 g/t Au over 196.5 metres. This intersection confirms a parallel subvertical north-south fault, to OB-2, namely OB-3, and demonstrates the importance of the structural fabric of the high-grade mineralization with an intercept of 14.74 g/t Au over 4.0 metres.

Gerald Panneton, President and CEO commented, *"We are very encouraged by the ongoing success that our exploration team is having in defining both high-grade gold mineralization and also new zones beyond the limits of the resource. The Program is also providing ample new targets to extend gold mineralization at depth and along strike to the north where hole CMM-235 has extended the mineralization. Additional follow-up drilling is underway with two drill rigs on multiple targets to extend these zones. "*

Assay results have been received from the 32 holes drilled through the JSLA backfilled pit area ("JSLA North"; *the backfill results were previously released by the Company on May 2, 2017*). The holes released today are targeting the underlying portions of the 2015 mineral resource classified as Inferred or Waste, inside the US$1,100 modeled pit, on approximately 100-200 foot centers. Some of the holes also extended into the footwall sequence along structural corridors to test for zones of high-grade. The results from these holes extend the limits of gold mineralization well below the modeled pit limits for distances up to 150 metres (~500 feet). Deeper intercepts define a broad zone over 350 metres long (~1,150 feet) and open at depth to the north and south which may also correlate to the new FW Zone discovery previously reported in CMM-195.

Significant assay highlights from 14 of the 32 completed holes to date are shown in Table 1, and in the attached plan maps, cross-section 11600N, and oblique longitudinal section and include:

Section 11600N

- *31.32 g/t Au (uncut)/ 14.20 g/t Au (cut) over 12.8 metres, in CMM-175C (Lucky John Zone)*
  -- including 99.68 g/t Au (uncut)/ 34.29 g/t Au (cut) over 3.4 metres
- *1.13 g/t Au over 196.9 metres, in CMM-180C (OB-3 Zone)*
  -- including 2.11 g/t Au over 44.0 metres

Section 11675N

- *0.36 g/t Au over 196.6 metres, in CMM-190 (OB-3 Zone)*
  -- Including 1.15 g/t Au over 9.1 metres, and
- *1.39 g/t Au over 33.5 metres*
  -- including 9.79 g/t Au over 3.0 metres

Section 11750N

- *1.74 g/t Au over 47.2 metres, in CMM-204 (OB-2 Zone)*
  -- including 17.01 g/t Au over 3.0 metres

Section 11800N

- *0.78 g/t Au over 57.0 metres, in CMM-209C (OB-2 Zone)*
  -- including 2.03 g/t Au over 13.1 metres

Section 12000N

- *1.01 g/t Au over 77.7 metres, in CMM-235 (OB-3 Zone)*
  -- including 2.28 g/t Au over 21.3 metres

All new RC and core holes were drilled at 290 degrees azimuth, with dips of -60 degrees and to a depth of 200 to 530 metres. True widths of the intercepted intervals are estimated to be 70% to 90% of intersected widths based on available geological information.

The Phase II definition and exploration drill program is now complete and a follow-up exploration drill program has started with the focus on the higher grade mineralization along the OB-2 sub-vertical structure, the FW Zone outside the current pit limit, and the South Domes area. Geological and structural mapping has been completed over the South Domes and Oro Belle South pit areas to further refine the key controls on gold mineralization. The interpretation of new geological cross-sections is ongoing.

The Company remains on target to revise its current mineral resource statement for the Project by the end of September 2017.

Table 1: Summary of Significant Assay Intercepts from Definition Drill Holes at OBT - JSLA North

Hole_ID	Section	From (metres)	To (metres	Interval (metres)	Uncut Au (g/t)	Cut to 34.29 g/t Au Au (g/t)
CMM-173	11575N	71.6	153.9	82.3	0.86	
including		*86.9*	*138.7*	*51.8*	*1.17*	
including		*132.6*	*138.7*	*6.1*	*2.63*	
and		163.1	199.6	36.6	0.27	
and		288.0	306.3	18.3	0.52	
and		396.2	413.0	16.8	0.31	
		457.2	TD			
CMM-175C	11600N	78.3	89.0	10.7	0.68	
and		126.2	177.4	51.2	0.48	
and		189.3	252.2	62.9	7.04	3.56
including		*222.4*	*251.5*	*29.1*	*14.65*	*7.12*
including		*238.7*	*251.5*	*12.8*	*31.32*	*14.20*
including		*246.4*	*249.8*	*3.4*	*99.68*	*34.29*
		343.5	TD			
CMM-178C	11600N	227.7	244.3	16.6	0.23	
and		367.4	398.4	30.9	0.27	
and		427.3	465.4	38.1	0.42	
including		*437.8*	*440.7*	*2.9*	*1.56*	
		486.8	TD			
CMM-179	11600N	111.3	221.0	109.7	0.57	
including		*138.7*	*157.0*	*18.3*	*1.39*	
and		438.9	457.2	18.3	0.73	
		457.2	TD*	**Bottomed in Minl'n*		
CMM-180C	11600N	73.9	340.8	266.9	0.92	
including		*103.9*	*300.8*	*196.9*	*1.13*	
including		*209.7*	*300.8*	*91.1*	*1.89*	
including		*209.7*	*253.7*	*44.0*	*2.11*	
including		*249.0*	*253.7*	*4.7*	*8.89*	
and including		*296.9*	*300.8*	*4.0*	*14.74*	
		340.8	TD*	**Bottomed in Minl'n*		
CMM-183	11625N	62.5	74.7	12.2	0.38	
and		105.2	121.9	16.8	0.35	
and		152.4	175.3	22.9	0.20	
and		254.5	309.4	54.9	0.42	
including		*289.6*	*295.7*	*6.1*	*1.61*	
		402.3	TD			
CMM-184	11625N	128.0	221.0	93.0	0.62	
including		*137.2*	*157.0*	*19.8*	*1.51*	
and		406.9	423.7	16.8	0.37	
		443.5	TD			
CMM-190	11675N	64.0	260.6	196.6	0.36	
including		*214.9*	*224.0*	*9.1*	*1.15*	
and		423.7	457.2	33.5	1.39	
including		*425.2*	*428.2*	*3.0*	*9.79*	
and including		*449.6*	*457.2*	*7.6*	*1.49*	
		457.2	TD*	**Bottomed in Minl'n*		
CMM-204	11750N	172.2	179.8	7.6	0.71	
and		199.6	246.9	47.2	1.74	
including		*210.3*	*216.4*	*6.1*	*9.24*	

including		*210.3*	*213.4*	*3.0*	*17.01*
and		253.0	263.7	10.7	0.25
and		272.8	277.4	4.6	0.23
and		361.2	379.5	18.3	0.43
and		390.1	TD		
CMM-208	11800N	111.3	149.4	38.1	0.65
including		*132.6*	*146.3*	*13.7*	*1.13*
		274.3	TD		
CMM-209C	11800N	158.5	215.5	57.0	0.78
including		*188.8*	*201.9*	*13.1*	*2.03*
		315.3	TD		
CMM-225	11900N	45.7	167.6	121.9	0.60
including		*73.2*	*76.2*	*3.0*	*1.26*
and including		118.9	123.4	4.6	3.19
and including		146.3	152.4	6.1	3.11
		396.2	TD		
CMM-232	12000N	190.5	219.5	29.0	0.22
and		230.1	260.6	30.5	0.19
and		286.5	304.8	18.3	1.46
including		*286.5*	*291.1*	*4.6*	*4.30*
		304.8	TD*	**Bottomed in Minl'n*	
CMM-235	12000N	*181.4*	*259.1*	*77.7*	*1.01*
including		*210.3*	*231.6*	*21.3*	*2.28*
		365.8	TD		

The complete 32 hole results table can be found at the link below. Only exceptionalresults were published in this Press Release.

Link: http://www.newcastlegold.ca/wp-content/uploads/2017/05/ASSAY-RESULTS_JSLA-NORTH-32.pdf

Assays and Quality Assurance/Quality Control

Half-sawn core and reverse circulation drill samples were submitted to ALS Minerals in Reno, Nevada for crushing until 70% of the sample is finer than a nominal two millimeters 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 30 g FA â,¬“ GRAV). All samples that yield greater than 0.2 ppm assay are also analyzed for gold cyanide solubility (ALS Method AuAA-13).

Half-sawn core and reverse circulation drill samples drill samples were also submitted to Inspectorate America Corporation in Sparks, Nevada for crushing until 70% of the sample is finer than a nominal two millimeters in size. A 250 g sub-sample is taken from the crushed material and pulverized until 85% passes a 200 mesh (75 µm) screen (Method PRP70-250). A 30 g portion of pulverized material (pulp) is then sampled and subjected to fire assay ("FA") with atomic absorption ("AAS") finish (Method FA430). 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. All samples that yield greater than 0.2 ppm assay are also analyzed for gold cyanide solubility (Method CN403).

The Company employs an industry-standard QA/QC program consisting of standard pulps, coarse blanks and rig duplicates.

Qualified Person

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.

About NewCastle Gold

NewCastle Gold (an augustagroup company) 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 1991 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 2, 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.

Neither the TSX Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX 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 drill program at Castle Mountain, the mineral resource expansion at Castle Mountain, the identification of future expansion targets at Castle Mountain and the restart of operation using Run of Mine (ROM) material from the JSLA pit. 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/2017/5/15/11G138909/Images/NCA-2017-05-09th_PlanMapforPR_JSLA_North_IndexMa
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