# Roxgold reports financial results for quarter ended September 30, 2017

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TORONTO, Nov. 14, 2017 /CNW/ - Roxgold Inc. ("Roxgold" or the "Company") (TSX: ROXG) (OTC: ROGFF) today rep
financial results for the three-month period ended September 30, 2017.

For complete details of the unaudited Condensed Interim Consolidated Financial Statements and associated Managem
Discussion and Analysis please refer to the Company's filings on SEDAR (www.sedar.com) or the Company's website (www.roxgold.com). All amounts are in U.S. dollars unless otherwise indicated.

1. HIGHLIGHTS

For the three-month period ended September 30, 2017, and thereafter, the Company:

- Achieved 3,400,000 hours worked LTI free;
- Sold 27,912 ounces of gold for gold sales totalling $35,907,000[1];
- Produced 28,410 ounces of gold at an average cash operating cost of $445 per ounce produced[2] for the quarter
to a nine-month production total of 91,970 ounces of gold at an average cash operating cost of $445 per ounce p
- Incurred an all-in sustaining cost[2] of $833 per ounce sold and $794 per ounce sold, for the three and nine-month ended September 30, 2017, respectively;
- Generated cash flow from mining operations[2] totalling $18,028,000 ($61,573,000 for the nine-month period) and
per share[2] of $0.05 (C$0.06/share) ($0.17 and C$0.22/share for the nine-month period);
- Became net cash positive[2] with a cash balance of $56,288,000 and long-term debt face value balance of $50,100
- Mined 76,480 tonnes of ore for the quarter, a 16% increase over Q2;
- Commenced construction work at site to facilitate the Bagassi South expansion project;
- Commenced a drilling program targeting newly identified geophysical targets along the Bagassi Corridor located
two kilometres south of the 55 Zone and the Yaramoko plant; and
- Updated and increased the Bagassi South Mineral Resource Estimate ("MRE") to Indicated MRE of 352,000 tonn
grams of gold per tonne ("g/t Au") for 188,000 ounces of gold at a cut-off grade of 5.0 g/t Au and Inferred MRE of
tonnes at 16.6 g/t Au for approximately 69,000 ounces of gold at a cut-off grade of 5.0 g/t Au – a significan
improvement over the previous inferred resource estimate of 563,000 tonnes at 12.1 g/t Au for 220,000 ounces o
cut-off grade of 5.0 g/t Au;
- Announced positive Feasibility Study for the Bagassi South Project with after tax IRR of 53.2% with 1.8 year payb
initial capital, representing an increase of Reserves of 26% for the Yaramoko Gold Project.

"Yaramoko delivered another strong quarter of production allowing us to build a robust cash balance. This continued pe
has put us in an excellent position to execute on our strategy of achieving accretive, non-dilutive growth as demonstrat
positive Bagassi South Feasibility Study. Additional reserves are being pursued at Bagassi South with two rigs targetin
upgrading of high-grade inferred ounces to indicated resources," said John Dorward, President & CEO. "Our fourth qu
off to an excellent start, with mine production achieving a new record in October of 34,500 tonnes, as well as achieving
through-put in the processing plant. Within this period, there were 14 days where production exceeded 1,000 tonnes pe
33% above plant nameplate. High grade stope production of nearly 19,000 tonnes contributed substantially to this, illus
benefits of the Company's investment in underground development at the 55 Zone," added Mr. Dorward.

2. NEAR-TERM OBJECTIVES

- Gold production of between 115,000 and 125,000 oz;
- Cash operating cost per ounce produced[2] between $445 and $490/oz for the year ending December 31, 2017;
- All-in sustaining costs per ounce sold[2] between $740 and $790/oz for the year ending December 31, 2017;
- Sustaining capital expenditures between $24 million and $28 million;
- Mineral Resource growth at depth at 55 Zone;
- Development of Bagassi South, further to an updated MRE; and
- Testing of recently delineated regional exploration targets.

3. MINE OPERATING ACTIVITIES

The Company considers that pre-commercial production operations at the Yaramoko gold mine commenced in June 20 construction of the processing plant and associated infrastructure was completed, the contractual performance tests as with the engineering, procurement, and construction ("EPC") lump sum contract with the DRA/Group Five Joint Venture passed and a first gold shipment was exported and refined. Ramp-up of pre-commercial production continued during th quarter ended September 30, 2016, leading to the declaration of commercial production on October 1, 2016. According are no comparable gold sales and operational results from mine operations from the previous year. The Company is p six-month period ended December 31, 2016 results as comparative figures.

| | Three-month period ended September 30 | | Nine-month period ended September 30 | | Six-month period ended December 31[4] |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 | 2016 |
| Operating Data | | | | | |
| Ore mined (tonnes) | 76,480 | - | 211,761 | - | 104,831 |
| Ore processed (tonnes) | 66,670 | - | 195,784 | - | 122,135 |
| Head grade (g/t) | 13.6 | - | 14.5 | - | 16.1 |
| Recovery (%) | 98.6 | - | 98.9 | - | 98.9 |
| Gold ounces produced | 28,410 | - | 91,970 | - | 62,678 |
| Gold ounces sold[1] | 27,912 | - | 91,679 | - | 68,861 |
| Financial Data (in thousands of dollars) | | | | | |
| Revenues – Gold sales [1,4] | 35,907 | - | 115,050 | - | 87,566 |
| Mining operating expenses | 12,649 | - | 40,480 | - | 26,239 |
| Government royalties | 1,514 | - | 4,620 | - | 4,005 |
| Statistics (in dollars) | | | | | |
| Average realized selling price (per ounce) | 1,286 | - | 1,255 | - | 1,272 |
| Cash operating cost (per ounce produced) [2] | 445 | - | 445 | - | 379 |
| Cash operating cost (per tonne processed)[2] | 190 | - | 209 | - | 195 |
| Total cash cost (per ounce sold)[2] | 522 | - | 496 | - | 439 |
| Sustaining capital cost (per ounce sold)[2] | 258 | - | 253 | - | 228 |
| All-in sustaining cost (per ounce sold)[2] | 833 | - | 794 | - | 702 |

A. Operational performance

During the third quarter of 2017, the Yaramoko gold mine produced 28,410 ounces and sold 27,912 ounces of gold for production during the nine-month period ended September 30, 2017, of 91,970 ounces of gold. The production is in line expectations of relatively stronger first and fourth quarters due to higher ore head grades in the mine schedule.

During the three-month period ended September 30, 2017, the Yaramoko gold mine continued to operate in line with expectations delivering 76,480 tonnes of ore at 12.2 g/t with 1,730 metres of development completed while achieving over 3,400,000 hours worked lost time incident free.

Combined with the first half performance, a total of 211,761 tonnes of ore were mined as of September 30, 2017. With seven stoping fronts available, the Company believes the underground mine is now positioned to increase the proportion of mill feed coming from stoping ore. As a result, a record mine production was achieved in October with more than 34,500 tonnes of ore at 13.7 g/t Au for 15,140 ounces mined.

During the third quarter of 2017, the plant processed 66,670 tonnes of ore at an average head grade of 13.6 g/t Au. The higher head grade when compared to the previous quarter is due to the mining sequence. Plant availability was 95.8% and overall recovery was 98.6% during the quarter. The increase in head grade, compared to the previous quarter, is expected to continue in the fourth quarter.

As of September 30, 2017, underground development had reached the 5049 RL ("Reduced Level"), some 260 metres below surface. Since the Company started operations in June 2016, it has taken advantage of higher than planned development productivity rates from the underground mining contractor to bring forward additional mine development. A total of 4,660 metres of underground waste development has been completed consisting of 1,972 metres during the second half of 2016 and 2,688 metres for nine-month period of 2017. As a result, the Company is significantly ahead of the mine plan contemplated in the Technical Report which included 3,294 metres for the corresponding period. This additional development has provided early access to additional areas of the mine to increase flexibility and resiliency for the mine plan. This additional investment has resulted in development accessing approximately 228,000 ounces of gold in situ to support future stoping operations. As waste development rates exceeded expectations to meet future production requirements, waste development is anticipated to decrease in the fourth quarter.

B. Financial performance

Based on the Company's accounting policy (refer to note 2 of the Company's annual consolidated financial statements as of December 31, 2016 available on www.sedar.com), commercial production was declared on October 1, 2016. Accordingly, there are no comparable gold sales and operational results from mine operations for the nine months of 2016.

During the nine-month period ended September 30, 2017, a total of 91,679 ounces of gold were sold resulting in revenues from gold sales totalling $115 million at an average realized gold price of $1,255 per ounce sold compared to an average market gold price of $1,251 per ounce. Ounces sold during the period include 850 ounces of gold sold, but not shipped, as of September 30, 2017 due to the timing of gold shipments. As a result, deferred revenues totalling $1,091,000 have been recognized on the Company's statement of financial position as at September 30, 2017. Ounces sold are in line with expectations as the mine schedule provided for a stronger first and fourth quarter.

Mine operating expenses for the three and nine-month periods represent mining, processing, and mine site-related general and administrative expenses. Cash operating costs per tonne processed[2] totalled $190 for the quarter and $209 for the first nine months of 2017. The variation between the cash operating cost per tonne processed[2] for the nine-month period ended September 30, 2017 and the period presented for 2016 is mainly due to lower mining costs per tonne mined due to a shift towards stoping activities, standard preventive maintenance costs incurred in prior periods in addition to the timing of general and administrative costs. As expected, for the third quarter of 2017, mining costs per tonne decreased compared to the previous quarters in 2017 as mining of stoping tonnes increased to approximately 60% of total ore mined during the quarter.

The cash operating cost per ounce produced[2] totalled $445 per ounce for the third quarter of 2017 contributing to a cash operating cost per ounce produced of $445 for the nine-month period ended September 30, 2017. Cash operating costs per ounce produced remain within the 2017 guidance of between $445-$490 per ounce produced. The lower cash operating cost per ounce produced and lower total cash cost per ounce sold for the third quarter of 2017, as compared to the previous quarter, are the result of a higher head grade partially combined with a lower cash operating cost per tonne processed.

During the third quarter of 2017, Roxgold invested $7,196,000 in underground mine development, representing a sustaining capital cost per ounce sold[2] of $258. This reflects the Company's decision to invest in additional metres of development to provide for potentially greater operational flexibility and robustness. Investment in underground development was expected to be more intense in the first nine months of 2017 as a result of the mining sequence. Consequently, sustaining capital expenditures for 2017 are expected to be within guidance.

Based on the foregoing, the Company generated cash flow from mining operations[2] totalling $18,028,000 for the third quarter of 2017, for a site all-in sustaining cost of $779 per ounce sold and a total all-in sustaining cost[2] of $833 per ounce sold. The lower all-in sustaining cost per ounce sold for the third quarter related to a slight decrease in waste development as the mining team focused on stoping activities. Accordingly, the all-in sustaining cost[2] for the nine-month period ended September 30, 2017, was $794 per ounce sold. In consideration of the advanced stage of underground mine development, as compared to plan, and resulting decreased underground mine development planned for the fourth quarter of 2017, the Company anticipates that the all-in sustaining cost[2] per ounce sold for 2017 will remain within guidance of $740-$790 per ounce sold.

For comparison purposes, the Technical Report forecasted an all-in sustaining cost of $751 per ounce sold in 2017, the second year of operations, and a Life of Mine all-in sustaining cost average of $590 per ounce sold as development expenditure in the early years of the mine plan tapered off. Considering the extra development that has been achieved since the commencement of operations, the Company is pleased with progress against original expectations.

Based on the financial performance discussed above, the Company achieved cash flow from mining operations[2] of $61,573,000 for the nine-month period ended September 30, 2017, for cash flow per share of $0.17 (C$0.22/share), which allowed the Company to be net cash positive[2] as at September 30, 2017.

C. Exploration Update

55 Zone results

The second phase of deep drilling at the 55 Zone was designed to follow-up on the late 2016 program which included hole YRM-16-DD-426, the widest mineralized zone ever intersected on this project, which returned 20.1 grams per tonne of gold over 23.8 metres. Multiple zones of high grade mineralised quartz veins were intersected within a wide zone in hole YRM-17-DD-443B-W1 in the 2017 program, a target drilled down plunge from hole YRM-16-DD-426 at a vertical depth of approximately 1,100 metres.

Highlights include:

- 44.0 g/t gold over 3.0 metres ("m") within a broader interval of 11.2 g/t gold over 12.5 m and a separate interval o gold over 3.9 m including 47.8 g/t gold over 1.0 m in diamond drill hole YRM-17-DD-443BW1 at the 55 Zone
- 8.4 g/t gold over 5.1 m including 21.0 g/t gold over 1.4 m in diamond drill hole YRM-17-DD-440 at the 55 Zone
- Large geophysical program recently completed with drilling on multiple targets underway
- Infill and Extensional drilling program in progress at Bagassi South
- Currently three drill rigs active at Bagassi South and on regional targets

Bagassi South

On November 6, 2017, the Company announced a positive feasibility study (the "Feasibility Study") for the Bagassi South Project located on the Company's Yaramoko concession. The Feasibility Study envisions a satellite underground operation at Bagassi South and an expanded processing facility at Yaramoko. The Bagassi South expansion adds substantial value to Roxgold by increasing gold production at the Yaramoko gold mine by approximately 40% to over 150,000 ounces in the near term. Like the neighbouring 55 Zone, the economics of this additional high grade feed source are highly accretive and generates increased cash flow from a modest capital outlay. The highlights of the Feasibility Study are:

- After-tax $NPV_{5\%}$ of $50 million
- After-tax IRR of 53.2% with a 1.8 year payback on initial capital
- Average Total Cash Costs of $426/oz (including royalties)
- Average All-in Sustaining Costs of $630/oz

- Pre-Production capital of $29.6 million
- Estimated average annual gold production of 40,000 ounces
- Current mine life of 4.2 years based on reserves
- Proven and Probable mineral reserves of 170,000 ounces of gold at 11.54 g/t Au from Bagassi South
- Represents an increase of Reserves of 26% for the Yaramoko Gold Project (55 Zone + Bagassi South)
- Conversion ratio of 91% from Indicated Resources to Reserves; and
- Average metallurgical recovery of 98.5% of gold.

The economic parameters presented above are based upon 100% ownership of the expanded Yaramoko Gold Project, which is inclusive of the Bagassi South mine. The costs and benefits associated with the project reflect the incremental costs and benefit associated with the Bagassi South Expansion Project only.

Under the Mining Code of Burkina Faso, the Government of Burkina Faso is entitled to a 10% interest in the Bagassi South Project upon its formal inclusion in the Company's existing Yaramoko exploitation permit.

Pre-production capital costs are estimated to total $29.6 million including $2.8 million in contingency. This figure includes $7.9 million for underground pre-production development and $7.1 million for the expansion of the processing plant. There is considerable existing infrastructure and services as part of the 55 Zone underground mine which can also support the Bagassi South Project. Additional surface infrastructure is estimated to total $6.0 million, which includes ventilation shaft, water storage, haulage roads, camp expansion, tailings storage facility embankment raise, power and water reticulation. Each of these figures has been established from first principles in conjunction with quoted rates from contractors, many of which were involved in the initial development of Yaramoko.

As the first expansion project outlined at Yaramoko since the 2014 feasibility study, the Company considers the Feasibility Study illustrative of the potential to develop additional high grade structures on the property. The Mineral Reserves calculated by SRK Consulting (Canada) Inc. for the Bagassi South deposit are 458,000 tonnes at a grade of 11.54 g Au/t containing 170,000 ounces gold. Gold production from the Bagassi South ore reserves will contribute to a stronger production profile for the Yaramoko gold mine.

As the Bagassi South Project is directly adjacent to the Company's existing mining permit at Yaramoko, an extension to the existing concession is planned for Bagassi South, which will be subject to the existing fiscal regime, which is based on the 2003 Mining Code.

Roxgold has already substantially advanced the permitting aspects of the Bagassi South Project. With the key milestone of submission to the local regulator (BUNEE) of the project's ESIA (Environmental and Social Impact Assessment) being completed in October 2017. The Company expects to advance this permit with the regulators in Burkina Faso in fourth quarter of 2017 and furthermore the Mining Permit in the first quarter of 2018. Given this milestone, it is expected that preliminary surface works would also commence early in 2018. Construction would be ongoing throughout the year, with first ore expected late in the fourth quarter of 2018.

The assumptions utilized were a metal price of US$1,250 per ounce of gold, mining cost of $73 per tonne, Mine site general and administrative cost of US$36 per tonne, processing cost of US$36 tonne and process recovery of 98.5%. More information on the Feasibility Study can be found in the Company's November 6, 2017, press release available on SEDAR at www.sedar.com and on the Company's website at www.roxgold.com. The National Instrument 43-101 Standards of Disclosure for Mineral projects technical report will be filed on SEDAR within the 45 days of the November 6, 2017 news release.

4. REVIEW OF FINANCIAL RESULTS

A. Mine operating profit

The Company declared commercial production on October 1, 2016 and consequently there is no comparable mine operating profit for the nine-month period ended September 30, 2016. During the third quarter of 2017, revenues totalled $36,279,000 while mining operating expenses and royalties totalled $12,649,000 and $1,514,000, respectively, for a total cash cost per ounce sold[2] of $523. Including the doré sold, but not shipped, as of September 30, 2017, the total cash cost per ounce sold[2] is $522. Gold sales revenues totaled

$113,959,000 for the nine-month period while mining operating expenses and royalties totaled $45,100,000 for the period.  As a result, the Company achieved a total cash cost of $497 for the first nine months of 2017 representing a mining operating margin of $758 per ounce. For more information on the cash operating costs, see the financial performance of the Mine Operating Activities section of this MD&A.

Depreciation for the quarter remained stable when compared to the previous quarter as lower production was offset by a higher asset base. The higher asset base was the result of additional underground development during the quarter. The depreciation expenses for the corresponding period of 2016 were capitalized within other development costs.

B. General and administrative expenses

General and administrative expenses totalled $1,112,000 and $3,246,000 for the three and nine-month period ended September 30, 2017, respectively compared to $851,000 and $2,510,000 for the corresponding period in the prior year. Higher corporate development costs and non-recurring professional fees and filing fees associated with the process to become a listed issuer on the Toronto Stock Exchange, affected the corporate expenses in 2017. In addition, the Company has increased corporate personnel to position the Company for growth.

C. Sustainability and other in-country costs

Sustainability and other in-country costs totalling $352,000 and $1,125,000 for the three and nine-month period ended September 30, 2017, respectively comprise expenditures incurred to maintain Roxgold's licence to operate in Burkina Faso, as well as investments made in sustainability and community projects related to current operations.  During the corresponding period of 2016, sustainability and other in-country costs were capitalized within other development costs.

D. Exploration and evaluation expenses ("E&E"):

Exploration and evaluation expenses increased from $1,083,000 during the third quarter of 2016 to $3,004,000 for the same period in 2017.  The variation reflects expenditures associated with the 10,500 metre Bagassi South infill and extensional drilling program currently underway aiming at converting the inferred mineral resource reported in July to indicated mineral resources as well as testing the down-plunge extension of the mineralized shoot East of the mafic Dyke. The higher E&E expenses also represents the 4,500 metre program completed along the QVI extension infrastructure.

Drilling costs incurred during the period totalled $775,000 and $4,345,000 for the first nine months of 2017. The drilling campaign totalled 29,160 metres over 134 holes while the 2016 drilling costs reflected the program totalling 2,360 metres of diamond drilling completed to further define the high grade QV1 mineralization to provide for the maiden resource estimated published during the second quarter of 2016. Further economic evaluation expenses of $764,000 were incurred during the three-month period ended September 30, 2017. Remaining E&E costs are attributable to the start of construction work at site to facilitate the Bagassi South expansion project.

The Company incurred $1,400,000 and $2,700,000 in economic and feasibility studies for the three and nine-month period ended September 30, 2017, respectively. These expenses relate to the updated MRE provided on July 19, 2017, as well as the preparation of the Bagassi South project Feasibility Study released on November 6, 2017.

E. Share-based payment

Share-based payments are not an item affecting the Company's cash on hand. Stock option costs reflect the decrease in stock options granted combined with a modification of the vesting conditions Stock options granted in January 2017 are now vesting one-third on each of the first, second and third anniversary of the grant.  Historically, one-third of the options granted vested immediately and the remaining two-thirds vested over the next twelve and twenty-four month periods, respectively.

The increase in restricted share unit ("RSU") expenses for the nine-month period ended September 30, 2017, when compared to the same period of the prior year, is mainly associated with the fact that the Company is no longer in the development stage. While in the development stage, a portion of RSU expenditures was capitalized within other development costs, which is no longer applicable as the Company is in commercial production.

Performance share units ("PSUs") were granted to senior management during the first quarter of 2017. As the PSUs plan had not been approved by the Company's shareholders during the first quarter of 2017, the PSUs were considered as cash-settled instruments and recognized as a liability on the Company's balance sheet with an equivalent expense based on the stock price and PSUs vested as at the reporting date. Since the approval of the PSUs at the Company's Annual General Meeting held on June 28, 2017, the PSUs are no longer considered to be a liability, now being recognized within the Company's share capital with related expenses reflecting the vesting of the PSUs based on the valuation at the time of the grant as opposed to the valuation of the grant at the reporting date.

During the nine-month period ended September 30, 2017, the Company granted 769,912 deferred share units ("DSUs") as part of the annual grant to directors of the Company. The DSUs were valued at $666,000 and recognized in the Company's condensed interim consolidated statements of income (loss).

Share-based payments ceased to be capitalized to mineral properties under development when the Company declared Commercial Production on October 1, 2016.

F. Financial income (expenses)

Financial income (expenses) totalled $3,279,000 for the three-month period ended September 30, 2017, compared to $714,000 for the same period in 2016. The variation year over year is mainly attributable to the change in the fair value of the Company's gold forward sales contracts due to the increase in the price of gold compared to the average price of the hedging contract. Interest expenses incurred in relation to the Company's Amended Facility along with banking charges also contributed to the variation year over year. Other expenses include $386,000 as final settlement of the initial tax assessment for the years 2013, 2014 and 2015 received from the Burkina Faso tax authorities in April 2016. During the third quarter of 2016, interest expenses and banking charges were capitalized within other development costs, as the Company's Yaramoko project was not in commercial production.

G. Deferred income tax expense

The deferred income tax recovery (expense) is not an item affecting the Company's cash on hand, and is due to the recognition of a deferred income tax liability related to the Company's profit and timing differences, for tax purposes in Burkina Faso. See also Section 15 of this MD&A.

H. Net income (loss)

The Company's net income for the three and nine-month periods ended September 30, 2017, totalled $6,936,000 and $16,485,000 respectively, compared to a net loss of $2,462,000 and $24,773,000 for the three and nine-month periods ended September 30, 2016. The variation is a result of the Company's operations as the Company was in the development stage until it declared commercial production on October 1, 2016.

Based on the net income for the three and nine-month periods ended September 30, 2017, the Company's income per share was $0.02 and $0.04 versus a loss of $0.01 and $0.07 per share for the three and nine-month periods ended September 30, 2016.

I. Income Attributable to Non-Controlling Interest

At September 30, 2017, the non-controlling interest ("NCI") of the Government of Burkina Faso, which represents 10% in Roxgold SANU S.A. totalled $5,146,000 (December 31, 2016: $1,440,000). The income attributable to the NCI for the nine-month period ended September 30, 2017, totalling $3,706,000 is based on the net income for Roxgold SANU SA, as determined using IFRS. This excludes all items within Other expenses and Financial income (expenses) on the Company's consolidated statement of income (loss), with the exception of sustainability and other in-country costs, interest income (expense), other expenses and any related foreign exchange gain (loss).

5. CORPORATE ANNOUNCEMENT

The Company is pleased to announce the appointment of Eric Pick as Vice-President, Corporate Development. Mr. Pick brings over ten years of experience in investment banking to the role. Prior to joining Roxgold, his most recent position was Vice President, Investment Banking with Cormark Securities, a leading independent brokerage firm in Canada.

6. CONFERENCE CALL INFORMATION

A webcast and conference call to discuss these results will be held on Thursday, November 16, 2017, at 11:00AM Eastern time. Listeners may access a live webcast of the conference call from the events section of the Company's website at www.roxgold.com or by dialing toll free 1-888-231-8191 within North America or +1-647-427-7450 from international locations.

An online archive of the broadcast will be available by accessing the Company's website at www.roxgold.com. A telephone replay of the call will be available two hours after the call for 90 days by dialing toll free 1-855-859-2056 and entering the call back passcode 95275083.

[1] Gold ounces sold and Gold Sales include revenues of $36,279,000 and Q3 deferred revenues of $1,091,000 related to 850 ounces sold, but not shipped, as of September 30, 2017, due to the timing of the shipment in Burkina Faso, offset by Q2 deferred revenues of $1,463,000.

[2] The Company provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain the Company's financial results. Please refer to note 16 "Non-IFRS financial performance measures" of the Company's MD&A dated November 14, 2017, available on SEDAR at www.sedar.com for reconciliation of these measures.

[3] Long-term debt face value represents the remaining balance owing on the Amended Facility.

[4] The Company declared commercial production on October 1, 2016. As such, the six-month period ended December 31, 2016 includes three months of commercial production and three months of pre-commercial production. The pre-commercial production gold sales and mining operating expenses were accounted against Property, Plant and Equipment.

Qualified Persons

Paul Criddle, FAUSIMM, Chief Operating Officer for Roxgold Inc., a Qualified Person within the meaning of National Instrument 43-101, has verified and approved the technical disclosure contained in this press release.

Yan Bourassa, P.Geo, VP Geology for Roxgold Inc., a Qualified Person within the meaning of National Instrument 43-101, has verified and approved the technical disclosure contained in this MD&A.

For further information regarding the Project, please refer to the technical report dated June 4, 2014 and entitled "Technical Report for the Yaramoko Gold Project, Burkina Faso" (the "Technical Report"), available on SEDAR at www.sedar.com.

About Roxgold

Roxgold is a gold mining company with its key asset, the high grade Yaramoko Gold Mine, located in the Houndé greenstone region of Burkina Faso, West Africa. Roxgold trades on the TSX under the symbol ROXG and as ROGFF on OTC.

This press release contains "forward-looking information" within the meaning of applicable Canadian securities laws ("forward-looking statements"). Such forward-looking statements include, without limitation: statements with respect to Mineral Reserves and Mineral Resource estimates (including proposals for the potential growth and/or upgrade thereof), anticipated receipt of permits, future production and life of mine estimates, production and cost guidance, anticipated decreases in waste development and increases in head grade, the anticipated increased proportion of mill feed coming from stoping ore, future capital and operating costs and expansion and development plans including with respect to the 55 Zone and Bagassi South, and the expected timing thereof. These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the estimation of Mineral Resources and Mineral Reserves, the realization of resource estimates and reserve estimates, gold metal prices, the timing and amount of future exploration and development expenditures, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs, the availability of necessary financing and materials to continue to explore and develop the Yaramoko Gold Project in the short and long-term, the progress of exploration and development activities as currently proposed and anticipated, the receipt of necessary regulatory approvals and permits, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters, as well as assumptions set forth in (i) the Company's technical report dated June 4, 2014, and entitled "Technical Report for the Yaramoko Gold Project, Burkina Faso"; and (ii) the proposed feasibility study in respect of Bagassi South as summarized in the press release of the Company dated November 6, 2017, and entitled "Roxgold Announces Positive Feasibility Study for its Bagassi South Project", each available on SEDAR at www.sedar.com. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include: changes in market conditions, unsuccessful exploration results, possibility of project cost overruns or unanticipated costs and expenses, changes in the costs and timing of the development of new deposits, inaccurate reserve and resource estimates, changes in the price of gold, unanticipated changes in key management personnel, failure to obtain permits as anticipated or at all, failure of exploration and/or development activities to progress as currently anticipated or at all, and general economic conditions. Mining exploration and development is an inherently risky business. Accordingly, actual events may differ materially from those projected in the forward-looking statements. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

SOURCE Roxgold Inc.

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