

Crocodile Gold Reports Operating Cash Flow of \$18.3 Million on Increased Production and Decreased Cash Costs

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TORONTO, ONTARIO--(Marketwired - Nov 12, 2013) - **Crocodile Gold Corp.**

(TSX:CRK)(TSX:CRK.DB)(OTCQX:CROCF)(FRANKFURT:XGC) ("Crocodile Gold" or the "Company") is releasing its financial and operating results for the three and nine months ended September 30, 2013. All figures are in U.S. dollars, unless stated otherwise.

Third Quarter 2013 Financial Highlights

- Crocodile Gold produced 55,206 ounces of gold from its three operating mines in the third quarter of 2013, a 14% increase over the 48,261 ounces from the second quarter, resulting in revenues of \$78,201,622.
- Operating cash costs have decreased to \$924 per ounce⁽¹⁾, down from \$1,101 in the second quarter of 2013 as a result of higher and sustainable ounce production at Cosmo, productivity gains at Fosterville and a continued focus on cost reduction across all operations.
- The Company generated \$18,341,776 in cash flow from operations during the quarter, up significantly from Q2, despite a lower realized gold price, due to strong production and lower cash costs.
- As a result of its strong financial position and confidence in its mine plans, the Company made its first interest payment of C\$1.58 million on its convertible unsecured debentures in cash on October 31, 2013.
- Based on consistent and sustainable production rates at all three of the Company's mines, Crocodile Gold increased its production guidance for 2013 to 200,000 - 205,000 ounces from previous guidance of 170,000 - 180,000 ounces of gold.

Commenting on these results, Rodney D. Lamond, President and CEO of Crocodile Gold, said: "I am very pleased with the dedication and commitment of our management teams, employees and support groups during the quarter. These efforts are demonstrated in the decrease in our overall cash costs and, more specifically, the positive results we're experiencing at Cosmo and Fosterville. The Company continues to make value-driven decision to reduce operating expenditures which allows Crocodile Gold to continue strategic investment back into our operations to support our sustainability."

Third Quarter 2013 Financial Results

	Q3 2013	YTD 2013	Q3 2012	YTD 2012 ⁽²⁾
Revenue (\$)	78,201,622	227,547,959	78,721,463	154,160,170
Cost of sales	69,616,330	225,607,737	71,693,055	146,953,017
Mine operating earnings (loss)(\$)	8,585,292	1,940,222	7,028,408	7,207,153
Net income (loss)(\$)	3,319,678	(69,461,540)	(55,998,228)	(83,513,209)
Net income (loss) per share (\$/share)	0.01	(0.17)	(0.14)	(0.22)
Cash from operating activities (\$)	18,341,776	46,930,178	32,511,747	19,496,746
Gold ounces produced	55,206	152,318	45,963	93,376
Gold ounces sold	58,890	155,221	47,121	93,686
Average realized gold price (\$)	1,325	1,456	1,664	1,651
Average quoted gold price (\$)	1,328	1,457	1,655	1,652
Cash cost per ounce sold (\$) ⁽¹⁾	924	1,050	1,176	1,457

⁽¹⁾ Refer to non-IFRS measures below

⁽²⁾ Crocodile Gold acquired, and accounted for, the Fosterville and Stawell Gold Mines with effect from May 5, 2012

Financial Discussion

Crocodile Gold produced 55,206 ounces of gold from its three operating mines in the third quarter of 2013, a

14% increase over the 48,261 ounces from the second quarter. Production is up significantly over the corresponding three and nine months of 2012, which only included Fosterville and Stawell from May 4, 2012 and where ounces had yet to be realized from Cosmo. Increasing gold production in 2013 from the Cosmo Mine is offsetting the reduced ounces from Stawell as it winds down its underground operations.

Operating cash costs continued to improve, down to \$924 per ounce in the most recent quarter. Consequently, while the Company's realized gold price decreased to \$1,325 per ounce, Crocodile Gold generated \$18,341,776 of cash from operations for the three months ended September 30, 2013, up significantly from \$11,028,760 in the second quarter.

Crocodile Gold is focused on sustainable capital expenditures, investing \$14,885,305 during the third quarter into underground development and mineral resource definition at the Cosmo and Fosterville Gold Mines, and \$1,556,437 to advance the Big Hill Project. A further \$1,335,929 was also spent on property, plant and equipment, with each site continuing to optimize its current equipment fleet and fixed assets. In addition, equipment that has become available due to the wind-down of Stawell's underground operations has been relocated to Fosterville and Cosmo where possible.

The Company posted net income in the third quarter of 2013 of \$3,319,678 or \$0.01 per share compared to a net loss in the corresponding period of 2012 of \$55,998,228 or \$0.14 per share, and up significantly from the Q2 2013 net loss of \$90,402,788 or \$0.22 per share. The previous quarter was impacted by a significant impairment charge of \$151,626,275 recognized as at June 30, 2013, which in turn impacted the third quarter through lower depreciation expense. The corresponding period in 2012 was impacted by losses relating to the revaluation of the derivative liabilities and contingent liability in light of significantly higher gold prices.

Financial Position

Crocodile Gold ended the quarter with a cash balance of \$27,920,278 and working capital of \$13,464,193. The Company continues to pay down its credit facility with Credit Suisse of which \$6,250,000 remains outstanding (net of the related debt service reserve account). With the significant reduction in debt as a result of unwinding the gold swap contracts earlier this year, the Company has significantly strengthened its balance sheet and its ability to react to challenging market conditions.

Third Quarter 2013 Operational Highlights

	Q3 2013	YTD 2013	Q3 2012	YTD 2012*
Northern Territory				
Ore Milled (Tonnes)	188,758	516,594	99,135	692,147
Average Grade (g/t Au)	3.83	3.51	2.51	1.63
Recovery (%)	91.8	89.4	92.0	92.0
Gold Produced (Ounces)	21,316	52,089	7,356	27,902
Gold Sold (Ounces)	22,527	52,320	8,182	28,032
Fosterville Gold Mine				
Ore Milled (Tonnes)	204,231	592,026	183,854	578,733
Average Grade (g/t Au)	4.44	4.50	4.68	4.17
Recovery	86.7	84.6	83.0	81.0
Gold Produced (Ounces)	25,359	72,385	22,857	63,790
Gold Sold (Ounces)	26,345	73,851	24,158	65,930
Stawell Gold Mine				
Ore Milled (Tonnes)	222,322	673,798	225,666	631,532
Average Grade (g/t Au)	1.62	1.61	2.54	2.94
Recovery (%)	73.4	78.7	85.0	85.0
Gold Produced (Oz)	8,531	27,844	15,750	49,933
Gold Sold (Oz)	10,019	29,050	14,781	51,349
Consolidated Gold Produced (Oz)	55,206	152,318	45,963	141,625
Consolidated Gold Sold (Oz)	58,890	155,221	47,121	145,311

* Crocodile Gold acquired, and accounted for, the Fosterville and Stawell Gold Mines with effect from May 5, 2012. Information presented prior to this date is for comparative purposes only.

Operational Discussion

Cosmo Gold Mine

The third quarter for the Cosmo Gold Mine saw record physical result in all areas, transitioning into a sustainable operation under a revised mine plan focused on quality tonnes and higher cut-off grades. The updated mine plan also incorporates resource development and exploration to ensure sustainable production in the future.

Cosmo produced 201,897 tonnes of ore at a grade of 3.71 g/t Au and averaged 477 meters of development per month, reducing capital development costs while supporting operational requirements. The Union Reefs mill processed 188,758 tonnes during the quarter at an average grade of 3.83 g/t Au and at a recovery rate of 91.8%. Cosmo produced 21,316 ounces gold in the third quarter, a 20% increase over the second quarter of 2013, in part due to improvements in recovery rates, currently in the range of 90-92%.

Fosterville Gold Mine (FGM)

During the third quarter of 2013, Fosterville produced 210,360 tonnes at an average grade of 4.61 g/t Au as a result of continued productivity improvements. Mine development continued at an average advance rate of 604 metres per month during the quarter, with 65% relating to sustainable capital development.

FGM processed 204,231 tonnes of ore at a grade of 4.44 g/t Au with a recovery rate of 86.7%, resulting in gold production of 25,359 ounces gold compared to 23,470 ounces in the second quarter. The continued improvement in recovery since 2012 has been the result of improved blending practices as a strategy to deal with carbonaceous ore, physical improvements to the leaching circuit and optimization of the neutralization circuit.

Mineral resource conversion and exploration drilling undertaken in the first half of 2013 was incorporated into updated resource models during the third quarter and was used as the basis for budget planning for 2014. These programs were successful in replacing the tonnes mined over this period, particularly in the Phoenix ore body.

Stawell Gold Mine (SGM)

The Stawell Gold Mine is now focused on the mid and upper level zones in the mine while reviewing the upper level mineral resources for remnant ounces with the aim of further extending the underground mine life. As a consequence, Stawell has been able to extend its underground mining schedule into 2014, with other opportunities being investigated through focused diamond drill programs.

During the third quarter, 147,345 tonnes of underground ore were mined at SGM at a grade of 2.27 g/t Au, which were supplemented with surface oxide material for a total of 222,322 tonnes processed at an average grade of 1.62 g/t Au. SGM achieved a recovery rate of 73.4%, which resulted in gold production of 8,531 ounces. Recoveries continue to be lower as a result of mining lower-recovery underground ore and the impact of processing some preg-robbing material during the period.

About Crocodile Gold

Crocodile Gold is a Canadian gold mining and exploration company with three operating mines in the Northern Territory and the State of Victoria, Australia. The Company has a combined land package in excess of 4,000 sq. km. The objective of Crocodile Gold is to continue production from its three operating mines, Cosmo, Stawell and Fosterville, while also exploring and developing the Company's resources to ensure sustainable production in the future.

For additional information, please visit our website www.crocgold.com or follow us on Twitter @crocgold_crk or on Facebook at CrocodileGoldCorp.

Qualified Person

F. W. Nielsen P.Geo, V.P. Exploration of [Crocodile Gold Corp.](#) is a "qualified person" as such term is defined in National Instrument 43-101 and has reviewed and approved the technical information and data included in this press release.

Cautionary Notes

Non-IFRS Measures

Crocodile Gold believes that investors use certain indicators to assess gold mining companies. The indicators are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with International Financial Reporting Standards.

"Cash cost per ounce" is a non-IFRS performance measure that could provide an indication of the mining and processing efficiency and effectiveness at the operations. It is determined by dividing the operating expenses, excluding stock-based compensation allocated to operating expenses and net of silver revenue, by the number of ounces of gold sold. There are variations in the method of computation of "cash cost per ounce" as determined by the Company compared with other mining companies. The following is a reconciliation of the cash cost per ounce of gold sold, to the reported operating expenses for the following periods:

	Q3 2013	YTD 2013	Q3 2012	YTD 2012
Operating expense per the consolidated statement of operations and comprehensive income (loss)	54,544,555	163,244,741	55,557,277	119,683,524
By-product silver sales credit	(104,532)	(313,800)	(126,723)	(296,731)
Non-cash stock option expense charged to operations	-	-	-	(240,861)
Cash operating Costs	54,440,023	162,930,941	55,430,554	119,145,932
Divided by the ounces of gold sold	58,890	155,221	47,121	93,686
Cash cost per ounce (\$ per ounce)	924	1,050	1,176	1,272

Forward Looking Information

Certain information set forth in this press release contains "forward-looking statements", and "forward-looking information under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include the Company's expectations for future performance based on current drill results and past production, expected gold prices, and mineral resource estimates, and are based on Crocodile Gold's current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Crocodile Gold's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: liabilities inherent in mine development and production; geological, mining and processing technical problems; Crocodile Gold's inability to obtain required mine licences, mine permits and regulatory approvals required in connection with mining and mineral processing operations; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events that could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of rail, port and other transportation services; the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Crocodile Gold undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

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