

TORONTO, ONTARIO--(Marketwired - Sep 2, 2015) - NewCastle Gold Ltd. ("NewCastle" or the "Company") (TSX VENTURE:NCA)(OTCQX:CTMQF) is pleased to announce that the Company and Sprott Resource Lending Corp. ("Sprott") have amended the future property payment terms under the share purchase agreement dated September 6, 2012, pursuant to which NewCastle acquired the Castle Mountain Venture. NewCastle and Sprott have agreed to amend the payment terms as follows:

- The second payment, originally due to Sprott on September 8, 2015, will now be due on February 1, 2016 (the "Second Payment").
- The amount of the Second Payment is increased by 5% from C\$3,000,000 to C\$3,150,000, payable in cash, shares or both at the election of the Company.
- The third and final payment of C\$5,000,000 remains due to Sprott on September 6, 2018 (the "Third Payment") unless, at any time following September 6, 2017, NewCastle's share price based on its 20 day VWAP exceeds \$0.65, in which case the Third Payment becomes immediately due. The Third Payment is payable in cash, shares or both at the election of the Company.
- If either the Second Payment or the Third Payment is satisfied by the Company with shares, the market price of such shares will be calculated using NewCastle's share price based on its 20 day VWAP (excluding up to nine non-trading days) prior to the date of such payment. If there are more than nine non trading days in the 20 day period then the VWAP is calculated as the average of (i) the average of the closing bid and ask prices for each day on which there was no trading, and (ii) the VWAP for the days on which there has been trading.
- If, at any time prior to September 6, 2018, the Castle Mountain property is sold, leased or optioned or if the Company incurs debt out of the ordinary course or completes a debt financing, the Second Payment (if not already made) and the Third Payment become due to Sprott and must be satisfied in cash.

David Adamson, the Chief Executive Officer of NewCastle, commented "This amendment provides time, at a reasonable cost, for NewCastle to continue to advance the Castle Mountain project and to explore funding options designed, as much as practicable, to minimize share dilution. It establishes a share price beginning in September 2017 that allows us flexibility regarding the timing of the Third Payment, should the Company attain what we believe to be a more realistic valuation of its assets."

About NewCastle

NewCastle has 100% of the right, title and beneficial interest in and to the Castle Mountain Venture, a California general partnership, which owns the Castle Mountain property in San Bernardino County, California, (7,458 acres in total). The Castle Mountain heap leach gold mine produced over one million ounces of gold from 1992 to 2001, when mining was suspended due to low gold prices.

A National Instrument 43-101 Technical Report for the initial mineral resource estimate prepared by RPA Inc. was filed on December 11, 2013. The resource estimate is 182 Mt grading 0.6 g/t Au for 3.15 million ounces in the Indicated category and 63.7 Mt grading 0.57 g/t Au for 1.06 million ounces of gold in the Inferred category. Resources were calculated using a cut-off of 0.14 g/t gold. On June 5, 2014, the Technical Report for its Preliminary Economic Assessment, prepared by RPA Inc., was filed. Static case economics, at a gold price of \$1300/oz, show an NPV (5% discount rate) of \$122 million and post-tax IRR of 29.7%. Both documents are available on SEDAR at www.sedar.com and on the Company's website at www.newcastlegold.ca. The Mineral Resource estimate and other scientific and technical information contained in this news release were prepared by or under the supervision of Jason Cox, P.Eng. and Mr. Reno Pressacco, M.Sc. (Applied), P.Geo. of RPA Inc., who are each an independent "Qualified Person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

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

Forward-Looking Statements

Statements contained in this news release that are not historical facts are "forward-looking information" or "forward-looking statements" (collectively, "Forward-Looking Information") within the meaning of applicable Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Forward Looking Information includes, but is not limited to, disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action; the timing and costs of future exploration and testing activities on the Company's properties; success of exploration activities; time lines for technical reports; planned exploration and development of properties and the results thereof; and planned expenditures and budgets and the execution thereof. In certain cases, Forward-Looking Information can be identified by the use of words and phrases such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "suggest", "optimize", "estimates", "forecasts", "intends", "anticipates", "potential" or "does not anticipate", "believes", "anomalous" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". In making the forward-looking statements in this news release, the Company has applied several material assumptions, including, but not limited to, that the current testing and other objectives concerning the Castle Mountain project can be achieved and that its other corporate activities will proceed as expected; that the current price and demand for gold will be sustained or will improve; that general business and economic conditions will not change in a materially adverse manner and that all necessary governmental approvals for the planned exploration on the Castle Mountain project will be obtained in a timely manner and on acceptable terms; the continuity of the

price of gold and other metals, that the Company's existing patented and unpatented land has not been altered by any designation under U.S. Federal statute and economic and political conditions and operations.

Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information. Such risks and other factors include, among others, operations and contractual obligations; changes in exploration programs based upon results of exploration; future prices of metals; availability of third party contractors; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks associated with the mineral exploration industry; environmental risks, including environmental matters under U.S. federal and California rules and regulations; impact of environmental remediation requirements and the terms of existing and potential consent decrees on the Company's planned exploration on the Castle Mountain project; certainty of mineral title; community relations; delays in obtaining governmental approvals or financing; fluctuations in mineral prices; the Company's dependence on one mineral project; the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits; the Company's lack of operating revenues; governmental regulations and the ability to obtain necessary licenses and permits; risks related to mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title; impacts to patented and unpatented land by designation under U.S. Federal Statute, currency fluctuations; changes in environmental laws and regulations and changes in the application of standards pursuant to existing laws and regulations which may increase costs of doing business and restrict operations; risks related to dependence on key personnel; and estimates used in financial statements proving to be incorrect; as well as those factors discussed in the Company's public disclosure record.

Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in Forward-Looking Information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that Forward-Looking Information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on Forward-Looking Information. Except as required by law, the Company does not assume any obligation to release publicly any revisions to Forward-Looking Information contained in this news release to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. Readers should refer to the Company's Annual Information Form and Management Discussion and Analysis for the year ended December 31, 2014 as well as the Company's most recent Management Discussion and Analysis, available on www.sedar.com.

This news release may use the terms "measured", "indicated" and "inferred" as these terms are defined under Canada's National Instrument 43-101. U.S. Investors are advised that, while such terms are recognized and required by Canadian regulations, they are not recognized by the United States Securities and Exchange Commission ("SEC") and may not be comparable to similar information for United States mining or exploration companies. As such, certain information contained on this news release concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of the SEC. U.S. investors are cautioned not to assume that any part or all of the mineral deposits described in these categories will ever be converted into proven or probable reserves, as defined in the SEC's Industry Guide No. 7.

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