

TORONTO, ONTARIO--(Marketwired - Feb 1, 2016) - NewCastle Gold Ltd. ("NewCastle" or the "Company") (TSX VENTURE:NCA) has issued 10,769,230 common shares of the Company to Sprott Resource Lending Corp. ("Sprott") to satisfy Newcastle's C\$3,150,000 obligation pursuant to the share purchase agreement dated September 6, 2012 between NewCastle and Sprott, as amended, in relation to the acquisition of the Castle Mountain Project. 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, the price of NewCastle's common shares based on a 20-day VWAP exceeds C\$0.65, in which case the Third Payment becomes immediately due and payable. The Third Payment is payable in cash, common shares or a combination of both, at the election of the Company.

For additional details, please see the press release dated September 2, 2015.

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 (the "Project") 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. 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 plus Indicated Mineral Resources of 219.9 million tonnes grading 0.59 g/t gold and containing 4.19 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.

Ian R. Cunningham-Dunlop, P. Eng., the Company's Vice President Exploration 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.

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. Statements concerning Mineral Resource estimates may also be deemed to constitute forward looking information to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. 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 or other laws 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, obtaining financing on commercially reasonable terms, 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 or other laws, 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.

Contact

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