Average Annual Production of 238Koz Gold Equivalent[1] over First 5 Years at AISC of US$682/oz

TORONTO, March 23, 2016 /CNW/ - AuRico Metals Inc. (TSX: AMI) ("AuRico" or the "Company") is pleased to announce the results of a Feasibility Study (FS) update prepared in accordance with National Instrument 43-101 for the Kemess Underground (KUG) project located on the Company's 100%-owned Kemess property in British Columbia, Canada. The FS contemplates the development of a low-cost panel caving operation to extract the KUG reserves over a 12 year mine life. The results indicate that the KUG project is a robust, low-risk project benefiting from extensive infrastructure in place. AuRico Metals has today issued a separate press release providing a resource update for the Kemess East deposit which does not factor into the FS.

All amounts stated in this news release are in Canadian dollars (C$) unless otherwise indicated.

Feasibility Study Highlights:
"Base case" assumes a long term (LT) gold price of US$1,250/oz, a LT copper price of US$2.50/lb, and a C$/US$ rate of 0.75; "Consensus case" LT gold and copper prices of US$1,250/oz and US$3.00/lb respectively.

- Pre-tax net cash flow of C$1,102M in Base case (C$1,453M in Consensus case)
- After tax net cash flow of C$746M in Base case (C$969M in Consensus case)
- After tax NPV$^{5\%}$ of C$289M in Base case (C$421M in Consensus case)
- IRR of 12.6% in Base case (15.4% in Consensus case)
- Total life-of-mine production of 1.4Moz gold, 573Mlb copper and 4.5Moz silver
- Average annual Production of 129Koz of gold and 52Mlbs of copper over first five years
- Co-product all-in sustaining costs ("AISC") over first five years of US$682/oz of gold and US$1.36/lb of copper
- By-product AISC over first five years of US$201/oz of gold
- Pre-commercial production capital costs (including 12.5% contingency) of C$450M (US$337M) plus an additional C$153M (US$115M) in capitalized operating costs (net of revenue); Capital expenditures are back-end weighted
- Large Indicated resource base of 246.4Mt including reserves of 107.4Mt (currently constrained by tailings storage capacity of the mined-out Kemess South open pit)
- Further property resource potential at Kemess East (1km to the east of KUG) as highlighted in the resource update for Kemess East which AuRico Metals announced in a separate press release issued today
- Testwork indicates that KUG ore will produce a concentrate that is free of deleterious elements and readily marketable to both smelters and traders
- AuRico submitted its Environmental Assessment Application on March 3rd and expects to enter the 180 day Application Review period in early April

Commenting on today's announcement, Chris Richter, President and CEO of AuRico Metals stated, "We are very pleased with the positive results from our Kemess Underground Feasibility Study update which confirm the potential for a large, low-cost gold-copper mine with robust economics. Today's release highlights the exciting opportunity to create significant value at Kemess to the benefit of all of our stakeholders, including AuRico shareholders, our First Nations partners, and the Province of British Columbia. Our wholly-owned and fully unencumbered Kemess property stands out as a unique Canadian asset benefiting from approximately C$1 billion in replacement cost infrastructure already in place and located in one of the most attractive mining jurisdictions anywhere." He continued, "We believe that opportunities remain to optimize project returns including around equipment leasing (pre-commercial production capital expenditures on underground mobile equipment totals C$86M) and project financing and further upside exists around the large resource at Kemess Underground and the growing resources at Kemess East."

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[1] Gold Equivalent converts copper and silver production to gold equivalent production based on revenue assuming Base case pricing assumptions (US$1,250/oz Au, US$2.50/lb Cu, and US$16/oz Ag)

Economic Summary

			Base Case	Consensus Case		
Gold Price (US$/oz)	$1,050	$1,150	$1,250	$1,250	$1,350	$1,450
Copper Price (US$/lb)	$1.50	$2.00	$2.50	$3.00	$3.00	$3.50
Silver Price (US$/oz)	$16.00	$16.00	$16.00	$18.00	$16.00	$16.00
Pre-Tax Net Cash Flow (C$M)	$86	$596	$1,102	$1,453	$1,607	$2,112
After-Tax Net Cash Flow (C$M)	$64	$426	$746	$969	$1,067	$1,388
After-Tax NPV (5%) (C$ M)	($128)	$94	$289	$421	$479	$669
After-Tax IRR	1.6%	8.0%	12.6%	15.4%	16.5%	19.9%
Payback Period (years)	9.75	5.4	3.9	3.3	3.1	2.6
Exchange Rate (C$/US$)	0.75	0.75	0.75	0.75	0.75	0.75

Annual Production:

	First 5 Years	LOM
Gold	129Koz	106Koz
Copper	52Mlbs	47Mlbs
Gold Equivalent	238Koz	207Koz

Total Cash Costs[1]:

	First 5 Years	LOM
Gold (co-product basis)	US$575/oz	US$639/oz
Copper (co-product basis)	US$1.15/lb	US$1.28/lb
Gold (by-product basis)	US$3/oz	US$94/oz

All-in Sustaining Costs[2]:

	First 5 Years	LOM
Gold (co-product basis)	US$682/oz	US$718/oz
Copper (co-product basis)	US$1.36/lb	US$1.44/lb
Gold (by-product basis)	US$201/oz	US$244/oz

[1] Co-product basis allocates costs proportionally based on the relative value of gold and copper revenues while by-product basis applies all copper and silver revenues as a credit to costs
[2] All-in Sustaining Costs defined per World Gold Council guidelines but excl. corporate G&A allocation

Project Summary

The updated KUG FS outlines a robust project with significant production of gold and copper over a 12 year mine life at low all-in sustaining costs. Importantly, the KUG project hosts potentially material upside opportunities, including significant mine life extension opportunities associated with the large resource at KUG. In addition, AuRico Metals has today issued a separate press release to provide an updated resource for Kemess East (KE), which is located 1 km east of KUG and highlights the material additional resource on the property.

Kemess is located in north-central British Columbia approximately 250 km north of Smithers and 430 km northwest of Prince George. The property is host to the former Kemess South (KS) Mine, the KUG deposit and the KE deposit. The KUG deposit is the subject of this Feasibility Study update and lies approximately 6.5 km north of the existing KS processing plant and other infrastructure.

The KS Mine comprised a large open pit mine feeding gold-copper ore to a 52,000 tonnes per day (t/d) processing plant. Between 1998 and 2011, KS produced approximately 3.0 million ounces of gold and 750 million pounds of copper from 218 Mt of ore. Open pit mining and processing ceased in March 2011 on depletion of the mineral reserves. The processing plant and other facilities and equipment that are required to support an underground mining operation at the KUG deposit are currently under care and maintenance (see Appendix 1). Existing on-site infrastructure includes offices, warehouse, laydowns, maintenance facilities, a 300-person accommodation camp footprint, crushed ore stockpile and reclaim, access and service roads, airstrip, explosives magazines, and electrical sub-station. A Company-owned, 380 km power line originating in Mackenzie, provides power to the mine site via the BC Hydro grid.

An access corridor (see Appendix 2) will be developed from the existing KS facilities to provide access (for personnel, equipment and supplies/consumables), ore conveying, electricity supply and a dewatering pipeline for the underground operation. The cave footprint will be accessed and supported by a triple decline system comprising access, ore conveying and intake air declines.

The 107.4Mt KUG ore reserve is located approximately 200 to 550 m below surface. The lateral extents (or footprint) of the ore reserve, as outlined by the FS, is approximately 570 m east-west and 90 to 300 m north-south (see Appendix 3). The planned production rate of 25,000 t/d (9.0Mt per year) is considered well within the capacity of a cave footprint with these dimensions and KUG rockmass characteristics.

According to SRK, "While all mining projects have residual technical uncertainties, the KUG Project is considered to be relatively low risk for a caving project in terms of key mining-related risks including production ramp-up, drawpoint stability, subsidence and mudrush."

Following extraction from the KUG cave and primary crushing underground, ore will be conveyed to the existing KS process plant where it will be processed at an average rate of 25,000 t/d (9.0Mt per year) using existing grinding, flotation, thickening and concentrate handling facilities. Concentrate will be trucked to the AuRico-owned load-out facility in Mackenzie for subsequent rail transport to market. Testwork indicates that KUG ore will produce a concentrate that is free of deleterious elements and readily marketable to both smelters and traders.

Waste rock and tailings from the mining and processing of KUG ore are planned for deposition in the KS open pit which received tailings late in the operation of the KS mine.

The KUG FS report has been prepared by SRK Consulting (Canada) Inc (SRK) with contributions from AuRico, AMEC Foster Wheeler, BioteQ Environmental Technologies, Conveyor Dynamics, ERM Consultants Canada, Exen Consulting Services, KWM Consulting, Mine Ventilation Services, and Struthers Technical Solutions.

Mineral Resources and Reserves

The mineral resource estimate for the KUG porphyry gold-copper-silver deposit was redone by SRK in 2015 with a first principles approach focused on the interpretation of the primary lithologies and their alteration by the mineralizing process. Statistical analysis indicated that individual grade populations are related to both the primary lithology and alteration style and intensity, with resource estimation parameters subsequently constrained accordingly. Adding alteration constraints was deemed necessary for resource model accuracy, in terms of grade estimation, as well as applicability to mine and process design parameters (both geotechnical and geometallurgical).

The mineral resource estimate is shown in Table 1. Note that these resources are within the vertical projection of a KUG cave footprint derived using metal prices noted below the table.

Table 1: Mineral Resource Estimate, KUG Gold-Copper-Silver Deposit, BC, Canada, 31 December, 2015 (SRK)

Resource Category	Quantity (000's t)	Copper Grade (% Cu)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Contained Metal		
					Copper (000's lbs)	Gold (000's Oz)	Silver (000's Oz)
Measured	0	0.00	0.00	0.00	0	0	0
Indicated	246,400	0.22	0.42	1.75	1,195,300	3,328	13,866
Measured + Indicated	246,400	0.22	0.42	1.75	1,195,300	3,328	13,866
Inferred	21,600	0.22	0.40	1.70	104,700	277	1,179

Notes:

1. Mineral resources are inclusive of mineral reserves; only the mineral reserve portion has demonstrated economic viability.

2. Resources stated are contained within a "reasonable prospects for economic extraction solid" above C$15.00/t NSR cut-off. variable specific gravity value was assigned by domain for all model blocks.

3. NSR calculation is based on assumed copper, gold and silver prices of US$3.20/lb, US$1,275/oz and US$21.00/oz, respectively.

4. Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may add due to rounding.

5. Contained metals are in situ and undiluted, and do not include metallurgical recovery losses.

6. SRK completed an 85% audit of the Kemess underground resource database to verify that analytical results have been enter correctly into the drill hole database used to prepare the 2015 mineral resource estimate. All samples were checked against their assay certificates via sample number. The audit showed no significant errors from the resource area regarding the recording of tabulated analytical data.

The mineral reserve estimate shown in Table 2 is constrained by the capacity of the tailings storage facility that can receive tailings from the 246.4Mt Measured and Indicated resource.

Table 2: Mineral Reserve Estimate, KUG Gold-Copper-Silver Deposit, BC, Canada, 31 December, 2015 (SRK)

Reserve Category	Quantity (000's t)	Copper Grade (% Cu)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Contained Metal		
					Copper (000's lb)	Gold (000's Oz)	Silver (000's Oz)
Proven	0	0.00	0.00	0.00	0	0	0
Probable	107,381	0.27	0.54	1.99	629,595	1,868	6,878
Proven and Probable	107,381	0.27	0.54	1.99	629,595	1,868	6,878

The various parameters and factors used to derive the mineral reserve estimate are outlined in the following sections of this press release.

Mining

The KUG panel cave design and schedule was derived using Geovia's Footprint Finder and PCBC™ software, an industry standard for cave optimization and scheduling, using the resource model provided by SRK. Figure 1 shows the resulting annual gold equivalent production profile.

Figure 1: KUG Gold Equivalent Production (ounces)

Given local topography, the cave footprint will be accessed and supported by a triple decline system comprising access, ore conveying and intake air declines. Mine levels within and directly adjacent to the cave footprint comprise undercut, extraction, conveying and ventilation levels. Total life of mine development requirements are estimated to be 47,750m lateral and 2,200m vertical development, with all lateral development assumed to be carried out by owner crews. Lateral development peaks at 8,500m in the 4th year of mine development, and averages 5,300m over the nine year period during which underground development takes place. A total 2,250t of ore per metre of lateral development results from this mine design, representing a very high "development efficiency" compared to other underground mining methods. Note, that panel caving differs from block caving in that panel caving does not require all cave footprint development to be completed ahead of cave initiation.

Cave ore is fed from the undercut level to the extraction level via a total of 582 drawpoints (291 drawbells), facilitating average steady-state production of 25,000 t/d or 9.0Mt per year. Caving will be initiated in the highest value ore at the east end of the KUG deposit. Ore will be delivered to one of four primary jaw crushers located on the south side of the extraction level. Following crushing, ore will be conveyed by one of two transfer conveyors to a 3.2km long underground conveyor (in the conveyor decline) and then transferred to a 4.9km surface conveyor that will deliver ore to the existing stockpile ahead of the process plant.

Geotechnical assessment for caveability, fragmentation, subsidence and ground support was carried out by SRK and Itasca Consulting Group Inc. using both empirical and numerical modeling methods, with this work carried out as part of the 2013 KUG FS (SRK, 2013).

Processing

Processing ore at a rate of 9.0Mt per year will be achieved using one of the two KS grinding circuits that was used to process KS ore. The original flotation, thickening and concentrate handling facilities will be used for processing KUG ore. Tailings will be pumped to and stored in the KS open pit, with sufficient capacity for a minimum 107.4Mt ore treated in the process plant. The KS open pit was used for waste rock and tailings storage towards the end of the KS operation.

Testwork has resulted in estimated metallurgical recoveries of 91% copper, 72% gold and 65% silver.

For the KUG ore, the process plant is expected to produce a single concentrate with an estimated 22% copper content as well as payable gold and silver. Testwork has shown the KUG concentrate to be free of deleterious elements, hence it is not expected to incur penalties and it is expected to be readily marketable to both smelters and traders.

Due to minor mineralogical differences between the KUG and KS ores, a finer grind is required for KUG ore, resulting in the requirement to install stirred regrinding mills to achieve the targeted P_{80} 20 microns. Testwork carried out to determine fine grinding mill energy requirements included batch Eliasaon, Levin and Signature Plot tests.

Capital Expenditures

The majority of the capital expenditures at KUG pertain to underground mine capital, reflecting the benefit of having existing infrastructure and processing facilities in place, but also the higher proportion of up-front development requirements for cave mining. The two most significant categories of mine capital expenditures are underground mine development and the purchase of underground mobile equipment. While the outright purchase of underground mining equipment is assumed for this study, AuRico will also be evaluating leasing alternatives. Pre-commercial production expenditures on underground mobile equipment totals C$86M or 19% of initial capital.

Pre-production capital expenditures are estimated at C$524M comprising C$380M in initial capital expenditures and $144M in capitalized operating expenses. A further C$70M in capital expenditures and C$9M in capitalized operating expenses (net of pre-commercial production revenue and after adjustments for working capital and taxes) will be spent before commercial production is declared (refer to Table 3). The total pre-production capital expenditure equates to C$603M or US$452M. The development period is 4 years to first production and 5 years to commercial production.

Pre-production capital is inclusive of 12.5% contingency. It is estimated that 87% of capital expenditure will be C$ denominated, with the 13% non-C$ denominated costs relating to equipment (including spares), consumables and fuel purchases.

Sustaining capital expenditure is approximately C$262M, including C$207M of ongoing underground development and underground mobile equipment refurbishments and replacements, C$31M relating to the tailings storage facility, and C$13M for the addition of a third fine re-grind mill in the processing facility.

Table 3: Initial Capital Cost Estimate (C$ millions)

Item	To First Production	Additional Capital to Commercial Production
Mining	205	61
Processing	31	7
Site Services G&A	13	0
Conveyor	40	0
Electrical	18	1
Underground Ventilation	10	0
Access Corridor and Other	43	0
Water Treatment	13	0
Tailings Storage Facility and Pipeline	7	1
Total Capital	380	70
Capitalised Pre-production Opex	144	94
Capitalized Pre-production Revenue	-	(85)
Total Capital	524	79
Total Capital (US$)	US$393	US$59

Operating Expenses

The total unit operating costs after the commencement of commercial production are estimated at C$14.27/t ore, comprising a mining cost of C$5.39/t, a processing cost of C$5.69/t, a G&A cost of C$2.93/t and a water treatment cost of C$0.26/t. A summary of the KUG life-of-mine (commercial production period) unit operating cost estimates are shown in Table 4.

Labour is a significant component of operating costs, comprising 53% of mining, 17% of processing, and 26% of G&A costs.

Other significant operating costs include consumables (37% of processing cost), electricity (32% of processing cost), and flights and camp (28% of G&A cost).

It is estimated that 85% of operating costs will be C$ denominated, with the 15% non-C$ denominated costs due to equipment spares, consumables and fuel purchases.

Table 4: Operating Expenditure Estimate - Summary of Unit Costs (C$/t ore)

Item	Commercial Production
Mining	$5.39
Processing plant	$5.69
Water Treatment	$0.26
G & A	$2.93
Total	$14.27

Marketing Expenses

Marketing expenses include treatment and refining costs, smelter deductions and transportation costs. Various alternate destinations were studied and compared for the most favourable combination of freight costs and economic terms. For the KUG FS, it was assumed that concentrate would be exported to a smelter in Japan, Korea or Northern China.

Total life-of-mine concentrate transport costs are estimated at C$208M, or C$176 per dry metric tonne, with approximately 75% being Canadian dollar denominated expenditures.

Total life-of-mine treatment and refining costs are estimated at C$196M, comprised primarily of treatment charges of US$80 per dry metric tonne of concentrate, and refining costs of US$0.08 per payable pound copper and US$6.00 per payable ounce of gold; these costs are entirely US dollar denominated.

Total life-of-mine effective payable rates are 95.5% copper, 97.0% gold and 90.0% silver, for total smelter deductions of C$161M.

No penalties have been applied as testwork has shown the KUG concentrate to be free of deleterious elements.

Upside Opportunities

The following opportunities have been identified as a result of carrying out the KUG FS. However, these opportunities require technical, environmental, social and economic evaluation and should therefore be considered speculative until this evaluation work has been completed.

- Mining mobile equipment leasing; KUG FS assumed purchasing all mobile equipment for C$86M pre-commercial production and C$147M life-of-mine
- Operating cost decrease associated with use of automated production load-haul-dump (LHD) equipment, and use of electric drive LHDs
- Increase KUG mining and processing rate by addition of a secondary crusher ahead of grinding
- Improved draw cone interaction, compared to the KUG FS assumption, resulting in reduced lateral development requirements
- Increase in KUG mine life (from large KUG M&I resource base) by identifying additional tailings storage capacity
- Conversion of resources to reserves at Kemess East deposit

Technical Information

The results of the KUG FS will be summarized in a Technical Report prepared pursuant to Canadian Securities Administrators' National Instrument 43-101 that will be filed on SEDAR (www.sedar.com) within 45 days and will also be available on the Company's website (www.auricometals.ca). For further information with respect to the key assumptions, parameters, risks, the mineral reserve estimate, data verification, QA/QC and other technical information with respect to the KUG project, please refer to the Technical Report when available.

This press release has been reviewed and approved by John Fitzgerald, P.Eng, MBA, Chief Operating Officer of the Company and "qualified person" (QP) for the purposes of NI 43-101.

Contributors and QPs to the FS are listed in Table 5 below.

Table 5: List of Feasibility Study Authors and Responsibilities

Author	Company	Area of Responsibility
Chad Yuhasz, P.Geo	SRK	Mineral Resource Estimation, Quality Assurance/Quality Control (QA/QC), Geology
Jarek Jakubec, C.Eng, MIMMM	SRK	Geotechnical Engineering, Mineral Reserve Estimate, Mine Design and Schedule
Iouri Iakovlev, P.Eng	SRK	Underground Infrastructure, Construction and Development, Mining costs, G&A costs, Project Economics, Project Execution Plan
Dan Stinnette, P.Eng	Mine Ventilation Services	Mine Ventilation
Andrew Jennings, P.Eng	Conveyor Dynamics	Conveyor Design - Surface & Underground
Ken Major, P.Eng	KWM Consulting	Metallurgy And Mineral Processing
Andrew Witte, P.Eng	AMEC Foster Wheeler	Water Storage, Surface Infrastructure and Waste Management Engineering
David Kratochvil, P.Eng.	BioteQ Environmental Technologies	Waste water treatment
Rolf Schmitt, P.Geo.	ERM Consultants Canada	Environmental and Permitting
Andrew Falls	Exen Consulting Services	Concentrate marketing and logistics
Chris Struthers	Struthers Technical Solutions	Electrical reticulation

Appendix

Appendix 1: Kemess Site (2015) showing processing facility (front), maintenance-administration facility and camp

Appendix 2: KUG project infrastructure

Appendix 3: Isometric view of KUG mine workings and cave (red)

About AuRico Metals

AuRico Metals is a mining royalty and development company whose producing gold royalty assets include a 1.5% NSR royalty on the Young-Davidson Gold Mine, a 0.25% NSR royalty on the Williams Mine at Hemlo, and a 0.5% NSR royalty on the Eagle River Mine – all located in Ontario, Canada. AuRico Metals also has a 2% NSR royalty on the Fosterville Mine and a 1% NSR royalty on the Stawell Mine, located in Victoria, Australia. Aside from its diversified royalty portfolio, AuRico owns (100%) the advanced-stage Kemess Gold-Copper Project in British Columbia, Canada. AuRico Metals' head office is located in Toronto, Ontario, Canada.

Cautionary Statement on Forward-Looking Information

All statements, other than statements of historical fact, contained or incorporated by reference in this news release including, but not limited to, any information as to the future financial or operating performance of AuRico, constitute "forward-looking information" or "forward-looking statements" within the meaning of certain securities laws, including the provisions of the Securities Act (Ontario) and are based on expectations, estimates and projections as of the date of this news release. Forward-looking statements contained in this news release include, without limitation, statements with respect to: our production estimates and timing thereof; estimated production costs, estimated all-in sustaining costs and capital expenditures; expected upside opportunities and de-risking initiatives such as improvements and modifications to the proposed development and operations, the future price of gold, copper and silver, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and mineral resource estimates, costs and timing of the development of projects and new deposits, success of exploration, development and mining activities, permitting timelines, currency fluctuations, requirements for additional capital, government regulation of mining operations, and environmental risks. The words "anticipates", "estimates", "expects", "focus", "forecast", "indicate", "initiative", "intend", "model", "opportunity", "option", "plans", "potential", "projected", "prospective", "pursue", "strategy", "study" (including, without limitation, as may be qualified by "feasibility" and the results thereof), "target", "timeline" or variations of or similar such words and phrases or statements that certain actions, events or results "may", "could" or "would", and similar expressions identify forward-looking statements.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by AuRico as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates, models and assumptions of AuRico referenced, contained or incorporated by reference in this news release, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in our most recently filed Annual Information Form and our 2015 Management's Discussion and Analysis as well as: (1) there being no significant disruptions affecting the operations of the Company; (2) the exchange rate between the Canadian dollar and the U.S. dollar being approximately consistent with assumed levels; (3) certain price assumptions for gold, copper, silver, diesel and electricity; (4) the results of the FS (including but not limited to capital estimates) will be realized within a margin of error consistent with the Company's expectations; (5) estimated future production and cost of sales forecasts for the KUG project meeting expectations; (6) the accuracy of the current mineral reserve and mineral resource estimates of the KUG project as contemplated by the FS (including but not limited to ore tonnage and ore grade estimates); (7) estimated labour and materials costs increasing on a basis consistent with AuRico' current expectations; (8) the viability of the KUG including, but not limited to, permitting, development and expansion, being consistent with AuRico' current expectations; and (9) access to capital markets, including but not limited to identifying financing options and securing partial project financing for the KUG project, being consistent with the Company's current expectations.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: suitability and reliability of existing infrastructure at Kemess, approval of the Environmental Assesment submitted by the Company in a timely manner and on terms acceptable to AuRico, the results of exploration at Kemess East and the accuracy of the mineral resource estimates at Kemess East, effectiveness of measures to minimize risks with respect to KUG; relations with First Nations partners and the Province of British Columbia; exploration for additional mineral resource potential; fluctuations in the currency markets; changes in the discount rates applied to calculate the present value of net future cash flows; changes in the market valuations of peer group companies and the Company, and the resulting impact on market price to net asset value multiples; changes in various market variables, such as interest rates, foreign exchange rates, gold, copper or silver prices; changes in national and local government legislation, taxation, controls, policies and regulations; the security of personnel and assets; political or economic developments in Canada, the United States or elsewhere; business opportunities that may be presented to, or pursued by, us; operating or technical difficulties in connection with mining or development activities; employee relations; litigation against the Company; the speculative nature of mineral exploration and development including, but not limited to, the risks of obtaining necessary licenses and permits; diminishing quantities or grades of reserves; and contests over title to properties. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining. Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, AuRico' actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, AuRico.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this news release are qualified by these cautionary statements and those made in our other filings with the securities regulators of Canada including, but not limited to, the cautionary statements made in the "Risk Factors" section of our most recently filed Annual Information Form and 2015 Management Discussion and Analysis. These factors are not intended to represent a complete list of the factors that could affect AuRico. AuRico disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

SOURCE AuRico Metals

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