Leagold Reports Updated Reserves and Resources at RDM and Fazenda and Recent Fazenda Drill Results

29.11.2018 | CNW

VANCOUVER, Nov. 28, 2018 - Leagold Mining Corp. (TSX:LMC; OTCQX:LMCNF) ("Leagold" or the "Company") repo
mineral reserve and mineral resource estimates at its RDM and Fazenda mines in Brazil and the filing of the associated
technical reports. The Company also reports highlights from the 2018 drill program at Fazenda.

At the RDM mine, Proven and Probable mineral reserves total 24.7 million tonnes (Mt) grading 1.0 grams per tonne (g/t
containing 789 thousand ounces (koz) of gold (see Table 1) and Measured and Indicated mineral resources total 39.3 M
1.0 g/t and containing 1,259 koz of gold (see Table 2). The results at RDM represent a net reduction of 41 koz since th
reserve estimate (effective date of December 31, 2017) which is attributable to depletion. Measured and Indicated reso
increased by 57 koz over the December 31, 2017 mineral resource estimate.

Table 1 – RDM Mineral Reserve Estimates (Effective Date of May 31, 2018)

Classification	Tonnes (kt)	Au Grade (g/t)	Contained Gold (koz)
Proven – open pit	2,510	0.88	71
Proven – stockpiles	3,137	0.61	62
Total Proven	5,647	0.73	133
Probable– open pit	19,079	1.08	656
Probable – stockpiles	0	0	0
Total Probable	19,079	1.08	656
Proven and Probable – open pit	21,589	1.05	728
Proven and Probable – stockpiles	3,137	0.61	62
Total Proven and Probable	24,726	0.99	789

Notes:

1. CIM (2014) definitions were followed for Mineral Reserves.

2. Mineral Reserves were generated using the May 31, 2018 mining surface.

3. Mineral Reserves are reported at an open pit cut-off grade of 0.40 g/t Au.

4. Mineral Reserves are reported using a long-term gold price of US$1,200/oz and exchange rate of R$3.70 = US$1.00.

5. Mining dilution of 5% and 95% mining recovery.

6. Process recovery of 90%.

7. Totals may not add due to rounding.

RDM is a conventional open pit and carbon-in-leach (CIL) operation, which is scheduled to process 7,000 tonnes per day (tpd) and recover over 700,000 oz of gold over a mining life of eight years plus two additional years of stockpile processing, for a total mine life of 10 years. Significant exploration potential has been identified laterally along strike, both north and south of the existing pit, as well as down-dip.

Table 2 – RDM Mineral Resource Estimates (Effective Date of May 31, 2018)

Classification	Tonnes (kt)	Au Grade (g/t)	Contained Gold (koz)
Measured – open pit	3,195	0.77	79
Indicated – open pit	27,731	0.96	853
Measured and Indicated – open pit	30,926	0.94	932
Inferred – open pit	7	1.42	0
Measured – underground	0	0	0
Indicated – underground	5,239	1.58	266
Measured and Indicated – underground	5,239	1.58	266
Inferred – underground	8,297	1.50	401
Indicated – stockpiles	3,137	0.61	62
Total Measured and Indicated	39,303	1.00	1,259
Total Inferred	8,305	1.50	401

Notes:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are inclusive of Mineral Reserves.
3. Open pit Mineral Resources are reported at a cut-off grade of 0.30 g/t Au.
4. Underground Mineral Resources are reported at a cut-off grade of 1.0 g/t Au
5. No minimum thickness was used in the resource estimation.
6. Mineral Resources estimated using US$1,500/oz gold price, exchange rate of R$3.70 = US$1.00 and constrained by a pit shell.
7. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
8. Totals may not add due to rounding.

At the Fazenda mine, Proven and Probable mineral reserves total 5.4 Mt grading 1.84 g/t Au and containing 319 koz of gold (see Table 3), representing a net decrease of 58 koz since the 2017 reserve estimate (effective date of December 31, 2017). The reduction in reserves is attributable to depletion. Measured and Indicated Resources total 7.5 Mt grading 2.3 g/t and containing 558 koz of gold (see Table 4).

At current mining rates, the Fazenda reserves represent a mine life of approximately four years. Fazenda has operated for over 30 years and has a solid track record of successfully replacing production each year with new reserves through drilling and development. The plant is operated as carbon-in-leach (CIL) with a capacity of 1.3 million tonnes per year. The majority of ore is sourced from underground mining with supplemental feed from open pits.

Exploration potential is laterally along strike and at depth below the existing Fazenda operations. The area has seen extensive exploration along the mineral trend and the exploration team has successfully identified additional underground targets in parallel structures to the principal zones that were already being mined. This exploration success is anticipated to continue and will include some deeper targets on known mineralized structures.

Table 3 – Fazenda Mineral Reserve Estimates (Effective Date of May 31, 2018)

Classification	Tonnes (kt)	Au Grade (g/t)	Contained Gold (koz)
Proven – underground	1,456	1.94	91
Proven – open pit	1,176	1.57	59
Total Proven	2,632	1.77	150
Probable – underground	2,726	1.91	168
Probable – open pit	29	1.64	2
Total Probable	2,756	1.91	169
Total Proven and Probable			

5,387

1.84

Notes:

1. CIM (2014) definitions were followed for Mineral Reserves.

2. Mineral Reserves are reported at a cut-off grade of 1.29 g/t Au for underground and 0.64 g/t Au to 0.72 g/t Au for open pit.

3. Mineral Reserves are reported using a long-term gold price of US$1,200/oz and exchange rate of R$3.70 = US$1.00.

4. A minimum mining width of 3.0 m was used for underground Mineral Reserves.

5. Bulk density ranges from 2.72 t/m3 to 3.00 t/m3.

6. Numbers may not add due to rounding.

Table 4 – Fazenda Mineral Resource Estimates (Effective Date of May 31, 2018)

Classification	Tonnes (kt)	Au Grade (g/t)	Contained gold (koz)
Measured – underground	3,700	2.35	280
Measured – open pit	1,170	1.57	59
Total Measured	4,870	2.17	339
Indicated – underground	2,370	2.66	203
Indicated – open pit	300	1.63	16
Total Indicated	2,670	2.55	219
Measured and Indicated – underground	6,070	2.47	483
Measured and Indicated – open pit	1,470	1.59	75
Total Measured and Indicated	7,540	2.30	558
Inferred – underground	5,260	2.58	436
Inferred – open pit	780	1.61	40
Total Inferred	6,040	2.45	476

Notes:

1. CIM (2014) definitions were followed for Mineral Resources.

2. Mineral Resources are reported at a cut-off grade of 0.40 g/t Au for open pit and 1.0 g/t Au for underground.

3. Mineral Resources are inclusive of Mineral Reserves.

4. Mineral Resources are estimated using US$1,500/oz gold price, exchange rate of R$3.70 = US$1.00 and constrained by a pit shell.

5. A minimum mining width of 1.0 m was used for underground Mineral Resources.

6. Bulk density ranges from 2.72 t/m3 to 3.00 t/m3.

7. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

8. Numbers may not add due to rounding.

At Fazenda, Leagold has also completed a 38-hole underground drill program totalling 5,964 metres with the objective of identifying new resources and reserves and upgrading Inferred Mineral Resources to the Indicated category. The program focused on two underground drilling targets accessed from the C-ramp and one target from the E-ramp. Drill holes in the C-ramp area intersected mineralization on extensions to the principal structures including the CLX and Canto sequence mineralization. A preliminary assessment of the drilling results shows an opportunity to increase reserves and resources, however, further analysis is required with updated mineral resource estimates anticipated in 2019. Table 5 below summarizes mineralized intervals from 22 of the 31 holes from the recent drilling program in the C-ramp target areas. These results have not yet been included in the current Mineral Resource estimate. Drilling of 7 holes in the E-ramp target area was not successful.

Table 5 – Summary of Fazenda Drilling Results

Location	Section	Hole ID	From (m)	To (m)	Core Length (m)	True Width (m)	Grade (g/t Au)	Mineralization type
C12/C14	91700	FSS-03434	88.0	100.0	12.0	4.0	4.50	CLX2&TUF-CANTO SEQ
		FSS-03443	90.0	91.0	1.0	0.9	1.29	AGV-CANTO SEQ
		FSS-03444	83.0	86.0	3.0	1.0	1.71	AGV-CANTO SEQ
	92025	FSS-03453	77.0	84.0	7.0	5.0	5.75	CLX2
			135.0	141.0	6.0	5.0	1.89	AGV-CANTO SEQ
		FSS-03454	88.0	92.0	4.0	2.0	1.41	CLX2
			99.0	105.0	6.0	2.0	1.28	AGV-CANTO SEQ
		FSS-03505	136.0	138.0	2.0	2.0	2.15	AGV-CANTO SEQ
	92075	FSS-03456	114.0	116.0	2.0	1.0	1.17	AGV-CANTO SEQ
			135.0	137.0	2.0	2.0	1.51	TUF_CANTO SEQ
		FSS-03457	93.0	95.0	2.0	1.0	1.02	QZ VEIN/CANTO SEQ
	92050	FSS-03507	134.0	135.0	1.0	1.0	2.07	AGV-CANTO SEQ
			146.0	148.0	2.0	2.0	3.38	AGV-CANTO SEQ
		FSS-03461	128.0	131.0	4.0	2.0	22.87	QZ VEIN/CANTO SEQ
		FSS-03463	140.0	143.0	3.0	2.0	1.13	AGV-CANTO SEQ

C RAMP	92375	FS-15184	101.85	109.0	7.15	6.0	1.85	AGV-CANTO SEQ
			114.0	118.0	4.0	2.0	2.22	AGV-CANTO SEQ
		FS-15204	119.0	120.0	1.0	1.0	1.53	AGV-CANTO SEQ
			119.0	120.0	1.0	1.0	2.60	AGV-CANTO SEQ
	92450	FS-15190	158.0	164.0	6.0	6.0	1.02	QZ VEIN/AGV-CANTO SEQ
		FS-15229	83.0	95.0	14.0	13.0	4.60	QZ VEIN/AGV-CANTO SEQ
			105.0	109.0	5.0	4.0	3.14	QZ VEIN/AGV-CANTO SEQ
		FS-15191	76.0	80.0	4.0	1.0	4.33	AGV-CANTO SEQ
			90.0	92.0	2.0	2.0	5.24	AGV-CANTO SEQ
			96.0	115.0	19.0	19.0	2.80	QZ VEIN/CANTO SEQ
			120.0	122.0	2.0	2.0	2.13	QZ VEIN/AGV-CANTO SEQ
			143.0	145.0	2.0	2.0	1.78	GRX-CANTO SEQ
		FS-15230	65.0	66.0	1.0	1.0	13.0	QZ VEIN/AGV-CANTO SEQ
	92425	FS-15187	88.0	92.0	4.0	1.8	2.70	AGV-CANTO SEQ
			116.0	119.0	3.0	2.0	1.42	QZ VEIN/CANTO SEQ
		FS-15188	114.0	117.0	3.0	2.0	2.67	AGV-CANTO SEQ
		FS-15189	68.0	70.0	2.0	1.0	2.94	QZ VEIN/CANTO SEQ
			90.0	92.0	2.0	1.0	1.21	QZ VEIN/CANTO SEQ
	92400	FS-15228	108.0	118.0	10.0	10.0	4.00	QZ VEIN/CANTO SEQ
		FS-15231	96.0	101.0	5.0	5.0	2.17	QZ VEIN/CANTO SEQ
			107.0	116.0	9.0	9.0	1.23	QZ VEIN/CANTO SEQ
			124.00	136.0	12.0	12.0	3.23	QZ VEIN/CANTO SEQ

Notes:	
1.	Results reported are above cut-off grade of 1.0 g/t Au for underground.
2.	Seven holes returned no intercept or low grade intercepts; FSS-03435 and FSS-03438 intercepts were marginal.

Technical Disclosure Regarding Fazenda Drilling Results

The Fazenda mine employs industry standard drilling and sampling procedures. The drill holes were oriented perpendicular to the mineralized structures with the majority of the holes oriented to the north. The holes were drilled with a range of inclinations to provide sufficient spacing to support mineral resource estimation.

Diamond drill holes are used to provide BQ sized core samples. The core is logged and the entire core is sent for assay.

Samples from this 2018 program were sent to the mine site laboratory for sample preparation and analyses by 50-gram fire assay. The laboratory has accreditation to ISO Standard 17025:2005. A full quality control and quality assurance (QAQC) program and protocols are in place and are aligned with best practices including regular insertion of certified reference standards, blanks, and duplicates. External check assays are sent to third party independent laboratories on a regular basis. QAQC data is reviewed on an ongoing basis and reported monthly.

Doug Reddy, P.Geo, Leagold's Senior Vice President – Technical Services, is a Qualified Person and has verified the data disclosed, including the sampling and analytical data, and concludes that there are no known drilling, sampling recovery or other factors that could materially affect the accuracy or reliability of the drilling data.

Technical Reports

For further information regarding the updated mineral resource and mineral reserve estimates at RDM, please see the Company's technical report prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (NI 43-101) entitled "Technical Report on the Riacho dos Machados Gold Mine, Minas Gerais, Brazil" dated November 20, 2018 with an effective date of May 31, 2018 (the "RDM Technical Report"). The RDM Technical Report was prepared by Hugo Miranda, MBA, ChMc (RM), Mark B. Mathisen, C.P.G. and Kathleen Ann Altman, Ph.D., P.E., each of whom is a "qualified person" as that term is defined in NI 43-101 and is independent of the Company.

For further information regarding the updated mineral resource and mineral reserve estimates at Fazenda, please see the Company's technical report prepared in accordance with NI 43-101 entitled "Technical Report on the Fazenda Brasileiro Mine, Bahia State, Brazil" dated November 26, 2018 with an effective date as of May 31, 2018 (the "Fazenda Technical Report"). The Fazenda Technical Report was prepared by Mark Mathisen, C.P.G., Hugo M. Miranda, MBA, ChMC (RM), Robert L. Michaud, P.Eng. and Andrew Paul Hampton, P.Eng., each of whom is a "qualified person" as that term is defined in NI 43-101 and is independent of the Company.

The RDM Technical Report and the Fazenda Technical Report are being filed today under the Company's profile on SEDAR at www.sedar.com and will be available on the Company's website later today at www.leagold.com.

Qualified Persons

Hugo Miranda, MBA, ChMc (RM), Mark B. Mathisen, C.P.G. and Kathleen Ann Altman, Ph.D., P.E., are the qualified persons that prepared or supervised the preparation of the information that forms the basis for the written disclosure regarding RDM.

Mark Mathisen, C.P.G., Hugo M. Miranda, MBA, ChMC (RM), Robert L. Michaud, P.Eng. and Andrew Paul Hampton, P.Eng. are the qualified persons that prepared or supervised the preparation of the information that forms the basis for the written disclosure regarding Fazenda.

Doug Reddy, P.Geo, Leagold's Senior Vice President – Technical Services, is a Qualified Person under NI 43-101, and has reviewed and approved the written disclosure relating to the drill results at Fazenda.

About Leagold Mining Corporation

Leagold is building a mid-tier gold producer with a focus on opportunities in Latin America. The Company is based in Vancouver, Canada and owns four operating gold mines in Mexico and Brazil, along with a near-term gold mine restart project in Brazil and additional expansion and growth opportunities. Leagold is

listed on the TSX under the trading symbol "LMC" and trades on the OTCQX market as "LMCNF".

Cautionary Note Regarding Forward Looking Statements

This news release contains "forward looking information" or "forward looking statements" within the meaning of applicable securities legislation. All statements other than statements of historical fact, included herein, including statements relating to anticipated mine life, exploration potential and anticipated exploration success at each of the RDM and Fazenda mines are forward looking statements. Generally, these forward looking information and forward looking statements can be identified by the use of forward looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "will continue" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". 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. The material factors or assumptions used to develop forward looking information or statements are disclosed throughout this document.

Forward looking information and forward looking statements, while based on management's best estimates and assumptions, are subject to a variety of known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Leagold to be materially different from those expressed or implied by such forward-looking information or forward looking statements, including but not limited to: risks related to international operations; risks related to general economic conditions and credit availability, unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates, increases in market prices of mining consumables, possible variations in mineral reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Company operates, actual resolutions of legal and tax matters, as well as those factors discussed in the section entitled "Description of the Business – Risk Factors" in Leagold's most recent AIF available on SEDAR at www.sedar.com.

Although Leagold has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information and forward looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information or statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information or statements. The Company has and continues to disclose in its Management's Discussion and Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking information and forward-looking statements and to the validity of the information, in the period the changes occur. The forward-looking statements and forward-looking information are made as of the date hereof and Leagold disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements or forward-looking information contained herein to reflect future results. Accordingly, readers should not place undue reliance on forward-looking statements and information.

SOURCE Leagold Mining Corp.

Contact

For more information on Leagold please visit the Company website at www.leagold.com or contact: Meghan Brown - Vice President, Investor Relations, tel: +1-604-398-4525, email: mbrown@leagold.com