

TORONTO, April 2, 2015 /CNW/ - [Roxgold Inc.](#) ("Roxgold" or "the Company") (TSX.V: ROG) today reported its financial results for the twelve months ended December 31, 2014, including development highlights from its Yaramoko Gold Project in Burkina Faso, West Africa.

For complete details of the audited Consolidated Financial Statements and associated Management's Discussion and Analysis please refer to the Company's filings on SEDAR (www.sedar.com) or the Company's website (www.roxgold.com).

1. 2014 HIGHLIGHTS

Over 2014 Roxgold made significant progress on developing the Yaramoko Gold Project. As at December 31, 2014 and for the year then ended, the Company:

- Delivered a positive Feasibility Study outlining compelling economics;
- Completed two equity placements raising over C\$60 million in March and November;
- Secured commitment for US\$75 million in debt financing;
- Received approval for the Yaramoko Exploitation (Mining) Permit from Burkina Faso's Council of Ministers in November, following the approval for the Environmental and Social Impact Assessment ("ESIA") in August;
- Awarded the underground mining contract to experienced underground mining contractors African Underground Mining Services ("AUMS"), which included a US\$15 million shares for services payment option;
- Graduated to the Tier 1 of the TSX Venture Exchange;
- Confirmed high grade gold mineralization in regional exploration drilling at Bagassi South's QV1 Target, extended strike length of QV Prime target and intersected a new hanging wall structure;
- Maintained cash balance with \$45,147,000 in cash and cash equivalents compared to \$17,720,000 as at December 31, 2013; and
- Incurred a net loss for the year ended December 31, 2014 totalling \$5,557,000 compared to \$5,321,000 for the same period in 2013.

2. DEVELOPMENT ACTIVITIES

In April 2014, Roxgold announced the results of a feasibility study for its Yaramoko project, and subsequently filed a technical report in respect of such feasibility study dated June 4, 2014 and entitled "Technical Report for the Yaramoko Gold Project, Burkina Faso" (the "Feasibility Study"). The Feasibility Study is based on an optimized resource model completed by SRK Toronto ("SRK"). The model was completed in conformity with generally accepted Canadian Institute of Mining "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines. The study envisions an underground mining scenario with a mine life of over seven years. The Feasibility Study outlined:

FEASIBILITY STUDY HIGHLIGHTS*:		
	On a 100% basis and a gold price of US\$1,300/oz	On a 100% basis and a gold price of US\$1,100/oz
IRR	- Pre-tax IRR of 53.7% with a 1.5 year payback on initial capital - After-tax IRR of 48.4% - with a 1.6 year payback on initial capital	- Pre-tax IRR of 38.8% with a 2.2 year payback on initial capital - After-tax IRR of 35.2% with a 2.4 year payback on initial capital
NPV	- Pre-tax NPV ^{5%} of US\$300 million - After-tax NPV ^{5%} of US\$250 million	- Pre-tax NPV ^{5%} of US\$201 million - After-tax NPV ^{5%} of US\$168 million

* Presented on a 100% basis. The government of Burkina Faso retains a 10% carried interest.

Production Costs ¹	- Average Total Cash Costs of US\$467/oz (including royalties) - Average All-in Sustaining Costs of US\$590/oz
Capex	- Pre-Production capital of US\$106.5 million
Production	- Estimated average annual gold production of 99,500 ounces
Mine Life	- Current study mine life of 7.4 years
Probable Mineral Reserves	- 1.996Mt @ 11.8 g/t Au containing 759,000 ounces Au
Recoveries	- Average metallurgical recoveries of 96.9% gold

¹ Production costs are presented in accordance with World Gold Council standards and are a non-IFRS financial performance measure with no standard definition under IFRS.

Mineral resources

Resource Estimate Effective Date: April 22, 2014

Resource Estimate (Inclusive of Reserves):

Cut –off	Resource ⁽¹⁾		Grade (capped) Au g/t	Metal Au Oz
	Category	Tonnes		
>5.0g/t	Indicated	1,600,000	15.80	810,000
	Inferred	840,000	10.26	278,000

⁽¹⁾ Mineral resources that are not mineral reserves do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Underground mineral resources are reported at a cut-off grade of 5.0 g/t gold assuming: metal price of US\$1,200 per ounce of gold, mining costs of US\$75 per tonne, G&A costs of US\$20 per tonne, processing costs of US\$24 per tonne, process recovery of 96%, exchange rate of C\$1.00 equal US\$1.00.

Mineral reserves

The mineral reserve estimation used in the Feasibility Study only considered the indicated portion of the resource estimation. The reserve estimation assumed a minimum width of 1.6 metres, a 20.5% global dilution factor at a grade of 1.34 g/t and a base gold price of US\$1,300 per ounce. Reserve Estimate Effective Date: April 22, 2014.

Reserve Estimate:

Ore Type	Probable Mineral Reserves		
	Tonnes	Au (g/t)	Au Oz
Crown Pillar	98,000	23.46	74,000
Development	440,000	11.75	166,000
Stope	1,459,000	11.07	519,000
Total/Avg.	1,996,000	11.83	759,000

More information and the Feasibility Study are available on SEDAR at www.sedar.com.

B. Permitting

In August 2014, the Company's ESIA was approved by Burkina Faso's authorities, furthering its permitting goals.

During the fourth quarter, the Burkina Faso Council of Ministers approved the issuance of the Yaramoko exploitation permit subject to the receipt of an official State Decree. An official State Decree formalizing the exploitation permit was finalized in January 2015 (see "Events Subsequent to December 31, 2014").

C. Award of Underground Mining Contract

In September 2014, Roxgold awarded the underground mining services contract for the Yaramoko project to a subsidiary of AUMS. AUMS is a joint venture between Ausdrill Limited, a leading international mining services business, and Barm [Inco Ltd.](#), a specialist underground mining contractor. AUMS is an experienced contractor having worked with some of the largest resource companies in the world, specifically at underground projects located in Mali, Ghana and Burkina Faso.

The contract has an initial term of four years and includes the provision of a mining fleet and skilled labour force. In connection with the mining agreement, AUMS has agreed to subscribe for US\$5 million of Roxgold common shares upon contract commencement and the Company will have the option to settle up to US\$10 million in payments to AUMS in the form of Roxgold common shares.

Roxgold has not yet provided the notice to proceed to AUMS. The proposed issuance of Roxgold common shares in payment for AUMS services is subject to the prior approval of the TSX Venture Exchange.

3. EXPLORATION ACTIVITIES

A. 2014 Exploration Program

The 2014 regional exploration program budget totalled approximately \$5,200,000 with a focus on regional target generation and drill testing of priority targets such as Bagassi South, Haho, 109 Zone and Boni Shear, each located within the 196 square kilometre Yaramoko permit shown in Figure A. During the year ended December 31, 2014, Roxgold made significant progress on targeting, testing and modelling the mineralized trends and prospective geology on the Yaramoko permit.

The exploration team advanced Bagassi South (1.5 km to the south of the 55 Zone) growing the strike length of the QV1 structure of 350 metres along strike and testing it down to below 200 metres vertically. Two other mineralized structures were discovered in the hanging wall of the QV1 structure. These targets, the HW1 (Hanging Wall 1) and the QV Prime structure both exhibit high grade mineralization and significant widths with results including 39.6 grams per tonne ("gpt") gold over 4.54 metres including 136.0 gpt gold over 1.25 metres in diamond drill hole YRM-14-DD-BGS-056; 21.47 gpt gold over 4.09 metres including 50.33 gpt gold over 1.67 metres in diamond drill hole YRM-14-DD-BGS-067; and 9.47 gpt gold over 9.00 metres including 53.7 gpt gold over 1.5 metres in diamond drill hole YRM-14-DD-BGS-054 in the newly discovered HW1 structure. High grade mineralization was also demonstrated by results including 19.94 gpt gold over 3.7 metres including 43.7 gpt over 1.7 metres in hole YRM-14-BG-037; and 16.24 gpt gold over 3.8 metres including 35.1 gpt over 1.7 metres in diamond drill hole YRM-14-BG-036 at Bagassi South. To date, the Company has not estimated resources or reserves at Bagassi South.

For more information see the Company's press releases dated February 20, 2014 and September 8, 2014 available at www.roxgold.com.

FINANCING ACTIVITIES

A. Bought Deal Financings

The Company announced two bought deal financings during 2014, the first in March and the second in October.

In March 2014, the Company issued 49,680,000 common shares at a price of \$0.58 per common share, raising gross proceeds of \$28,814,000 pursuant to a bought deal financing.

In November 2014, the Company issued 51,948,000 units (the "Units") at a purchase price of \$0.65 per Unit, for aggregate gross proceeds of \$33,766,000, which includes a portion of the overallotment option which was granted to the underwriters. Each Unit consisted of one common share of the Company and one-half of one common share purchase warrant (each full warrant, a "Warrant"). Each Warrant is exercisable to acquire one common share of the Company at a purchase price of \$0.90 until February 4, 2016.

B. Debt Financing

In September 2014, the Company received a financial commitment from Societe Generale Corporate & Investment Banking ("Societe Generale") and Credit Suisse AG (replaced on February 11, 2015 by BNP Paribas; see "Events Subsequent to December 31, 2014") for a \$75 million senior debt facility ("the Facility"). The terms included:

- The Facility of US\$75 million, with a company-funded equity US\$15 million cost overrun account;
- A six year loan term bearing interest at a rate of LIBOR plus 4.75% pre-completion and 4.25% post-completion;
- A hedging component of up to 65,000 ounces of gold, or approximately 8.5% of Yaramoko's current reserves, over the life of the loan.

4. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Stakeholder inclusivity in decision-making and environmental stewardship along with a duty to promote a safe and healthy working environment are important foundational values of the Company's commitment towards corporate social responsibility. In the development of its CSR philosophy, the Company is drawing guidance from a broad spectrum of materials, including the Equator Principles, the IFC's Performance Standards and the Canadian government's official Corporate Social Responsibility Strategy. Furthermore, the Company is developing a Corporate Social Investment framework which, to date, has included the following four pillars:

- Human Capital Development and Education;
- Environment;
- Communal Infrastructure; and
- Sports, Arts & Culture.

A. 2014 CSR Program

During the year ended December 31, 2014, the Company continued its Primary School scholarship program as well as the pilot two-year apprenticeship program benefitting 20 project area youth. The apprenticeship program will provide participants with an international Class A or B certification in rigging, welding, fabricating and mechanical fitting, skills which will facilitate employment at projects such as Yaramoko upon graduation. Roxgold also developed a security agent training program to facilitate the hiring of local community members for the Company's security department and a professional development event for the teachers of the Primary Education system of the commune of Bagassi.

Roxgold continues to support community-driven reforestation and clean-up events, while launching a Roxgold annual reforestation campaign partnered with the local population to collectively plant over 7,000 trees.

The Company also repaired the commune Prefecture, and facilitated the acquisition of a Multi-Functional Platform ("MFP") for the Bagassi women's group. The MFP is a simple diesel powered machine that has a range of uses, primarily facilitating agro-processing. The Company also co-financed a daycare centre.

Finally, the Company sponsored an important local cultural festival and a number of sports tournaments, most notably participating as a 'new' village and finishing second in the Mayor's Cup commune-wide football tournament.

The Corporate Social Responsibility focus for Roxgold in the upcoming year is intended to be on enhancing local stakeholder participation and maximizing local opportunities for involvement in project growth, as development commences. In collaboration with local stakeholders, the Company will work towards cultivating effective, fair and inclusive local recruitment processes, enhancing local procurement opportunities for suppliers in project area communities and furthering participation from local stakeholders in the identification of Corporate Social Investment initiatives.

5. EVENTS SUBSEQUENT TO DECEMBER 31, 2014

A. Receipt of Mining Decree

On January 30, 2015, the Company received its final permitting approval for the Yaramoko project from the government of Burkina Faso.

The issuance of the Exploitation (Mining) Permit, which was previously approved by Burkina Faso's Council of Ministers, was finalized through the endorsement of the Mining Decree by the President of Burkina Faso, and other governmental authorities. The Mining Decree formally grants Roxgold rights to develop and operate the Yaramoko project. This allowed for commencement of compensation of affected landholders on the property, which has since been completed, furthering development activities.

B. Financing Update

On February 11, 2015, BNP Paribas signed a commitment letter to provide, together with Societe Generale Corporate & Investment Banking, a total of US\$75 million in a Debt Facility towards the development of Roxgold's Yaramoko project. (See the Company's February 11, 2015 press release for further details.)

C. Compensation Process Completion

In March 2015, the Company completed the compensation process for affected landholders on the Yaramoko property. No dwellings are affected by the Yaramoko gold project. The completion of the compensation process allows Roxgold to proceed with preparations for early site works, including the construction of the permanent camp and bulk earthworks.

The compensation process for impacted landholders relating to the 90 Kv powerline which is expected to supply the project with electrical power was also completed, allowing this key aspect to also move forward.

D. EPC Contractor Selected

On March 4, 2015, the Company selected the DRA / Group Five Joint Venture ("JV") as its Engineering, Procurement and Construction (EPC) contractor for the Yaramoko project. The fixed price, lump sum contract totals US\$34.9 million. The JV is responsible for the full delivery of Engineering, Procurement, Project Management Services, Construction and Commissioning of the proposed 270,000 tonnes per year gold ore processing plant including performance tests and warranties, as well as the associated plant site infrastructure.

E. Grant of Employee Stock Options

In accordance with its Stock Option Plan, the Company granted 250,000 stock options exercisable at a strike price of \$0.65 and expiring on January 19, 2020. The Company also granted 260,000 RSUs which are subject to the same performance milestones as RSUs granted in 2014.

In accordance with its Stock Option Plan, the Company granted employees and executives an aggregate 3,050,000 stock options exercisable at a strike price of \$0.70 and expiring on February 2, 2020.

In accordance with its Stock Option Plan, the Company granted new employees an aggregate 250,000 stock options exercisable at a strike price of \$0.59 and expiring on April 2, 2020.

6. NEAR TERM CORPORATE OBJECTIVES

Roxgold will continue to advance its Yaramoko project throughout 2015. In the near term, planned activities at the Yaramoko project include:

- Finalizing project financing within the first half of 2015;
- Initiating early stage construction works such as bulk earthworks and construction of the permanent camp in the first half of 2015; and
- Mobilizing underground mining and EPC contractors and commencing underground development in the first half of 2015.

SELECTED FINANCIAL DATA

The following table and contained data is derived from the Company's audited Consolidated Financial Statements for the years ended December 31, 2014, 2013 and 2012, prepared in accordance with IFRS. All amounts are expressed in US dollars unless otherwise stated.

	For the year ended December 31, 2014	For the year ended December 31, 2013	For the fourteen- month period ended December 31, 2012
Cost of operations			
General and administrative expenses	4,328,000	3,380,000	7,503,000
Depreciation	217,000	90,000	38,000
Share-based payments	1,802,000	1,664,000	8,685,000
Impairment of exploration and evaluation assets	-	-	14,850,000
Operating loss for the period	6,347,000	5,134,000	31,076,000
Other expenses (income)			
Interest income and gain on sale of securities	(242,000)	(207,000)	(506,000)
Transactions fees associated with XDM Royalty Corp. acquisition	-	256,000	-
Unrealized foreign exchange (gain)/loss	(728,000)	10,000	-
Indirect tax	180,000	122,000	-
Loss on disposal of assets	-	6,000	-
	(790,000)	187,000	(506,000)
Income/(loss) before income taxes	(5,557,000)	(5,321,000)	(30,570,000)
Income tax expense	-	-	-
Net income/(loss) for the period	(5,557,000)	(5,321,000)	(30,570,000)
Income/(loss) per share (basic and diluted)	(0.02)	(0.03)	(0.26)

2014 vs. 2013

General and administrative expenses increased compared to the same period in 2013 mainly as a result of higher professional fees. The increase is due in part to approximately \$620,000 of expenditures, which were not incurred in 2013, associated with the project finance Facility incurred prior to receiving the commitment letters from the respective lenders as well as non-recurring consultant's costs totalling \$530,000 incurred for various projects, including the corporate reorganization, as the Company moved towards the development stage of the Yaramoko project. Public company expenses increased when compared to the prior period as the Company enhanced its external reporting and incurred legal fees to become a short-form prospectus issuer. The other general and administrative expenses remained stable when compared to the fiscal year ended December 2013. Accordingly, it is expected that general and administrative expenses will decrease in 2015.

Depreciation expenses increased year-over-year as a result of our extended activities which required additional capital investments.

The net increase of share-based payment costs ("SBC") of \$138,000 is due in part to higher stock option and restricted stock unit costs of \$350,000 associated with a larger grant of units during the year ended December 31, 2014 when compared to fiscal 2013 as the Company enhanced its management team. Further adding to SBC was an increase of \$350,000 related to the higher valuation of cash-settled deferred stock units and the higher issuance of deferred stock units to Company directors in

2014 as compared to the same period in 2013. The gross increase totalling \$700,000 includes an increase of capitalized stock-based compensation costs of \$562,000 due to a larger owners' team in Burkina Faso as the Company prepares for the construction of the Yaramoko project.

The other income during year ended December 31, 2014 is mainly due to a foreign exchange gain in relation to the accounts payable and cash on hand as more than 50% of cash was held in USD. Indirect tax relates to withholding taxes on management fees charged to the Company's subsidiary in Burkina Faso.

As a result, the Company's net loss for the year ended December 31, 2014 totalled \$5,557,000 or a loss of \$0.02 per share compared to \$5,321,000 for the year ended December 31, 2013, or a loss of \$0.02 per share.

QUALIFIED PERSONS

Pierre Desautels, P. Geo, of AGP Mining Consultants Inc., and Jean François Couture, P. Geo of SRK Consulting Canada, Qualified Persons within the meaning of National Instrument 43-101 and independent consultants to the company, have verified and approved the technical data disclosed in the press releases included herein by reference. This includes the sampling, analytical and test data underlying the information.

About Roxgold

Roxgold is a gold exploration and development company with its key asset, the high grade Yaramoko Gold Project, located in the Houndé greenstone region of Burkina Faso, West Africa. The Company is currently advancing Yaramoko's 55 Zone through development and expects to commence production in the first half of 2016. Roxgold trades on the TSX Venture Exchange under the symbol ROG.

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

These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the estimation of mineral resources and mineral reserves, the realization of resource estimates and reserve estimates, gold metal prices, the timing and amount of future exploration and development expenditures, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs, the availability of necessary financing and materials to continue to explore and develop the Yaramoko project in the short and long-term, the progress of exploration and development activities, the receipt of necessary regulatory approvals, the completion of the environmental assessment process, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

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 factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined including the possibility that mining operations may not commence at the Yaramoko project, risks relating to variations in mineral resources and mineral reserves, grade or recovery rates resulting from current exploration and development activities, risks relating to changes in gold prices and the worldwide demand for and supply of gold, risks related to increased competition in the mining industry generally, risks related to current global financial conditions, uncertainties inherent in the estimation of mineral resources and mineral reserves, access and supply risks, reliance on key personnel, operational risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and operating costs and the risk of delays or increased costs that might be encountered during the development process, regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, including the risk that the financing necessary to fund the exploration and development activities at the Yaramoko project may not be available on satisfactory terms, or at all, risks related to disputes concerning property titles and interest, and environmental risks. Please refer to the Company's Short Form Prospectus dated October 24, 2014 filed on SEDAR at www.sedar.com for political, environmental or other risks that could materially affect the development of mineral resources and mineral reserves. This list is not exhaustive of the factors that may affect any of the Company's forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking information. The Company does not undertake to update any forward-looking information that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

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