

Commissioning and Production Expected in Q2 2016

TORONTO, April 7, 2015 /CNW/ - [Roxgold Inc.](#) ("Roxgold" or "the Company") (TSX.V: ROG) is pleased to announce that it has commenced construction at its Yaramoko Gold Project in Burkina Faso, advancing towards production in Q2 2016.

HIGHLIGHTS:

- Construction has commenced on the 190 person camp at Yaramoko;
- Bulk Earthworks have commenced which include:
 - Excavation of the boxcut that accesses the underground mine;
 - Clearing and preparation of the processing plant area;
 - Building the project's Water Storage Facility;
 - Building the project's Tailings Storage Facility; and
 - Construction of roads within the project area.
- Fixed price, lump sum EPC contractors, DRA/Group Five, are expected to mobilize and commence construction on the processing plant in Q2 2015;
- Underground contractors, AUMS, are expected to mobilize and begin establishment of the portal to access the deposit in Q2 2015;
- Approximately US\$10.8 million spent to date on long lead items; and
- Commissioning and production at Yaramoko is expected in Q2 2016.

"We are delighted to announce that we have officially broken ground at Yaramoko. In less than three years, Roxgold has advanced the project from a maiden resource through feasibility and permitting and now into construction," said John Dorward, President and CEO. "We remain well-funded and expect to be pouring gold at our high grade, low cost operation in the second quarter of next year."

Development Activities

Roxgold has commenced site works on the project with the mobilization of its camp construction contractors in late March 2015 following the successful completion of compensation arrangements for affected landholders on the property and a formal development decision from its Board of Directors.

De Simone, a contractor with extensive experience at similar operations in West Africa, including the Perkoa underground mine in Burkina Faso, is building a permanent 190 person camp at the project.

Construction of the project's water storage facility, tailings storage facility, roads and terracing for the processing plant has also commenced. DRA/Group Five, the fixed price, lump sum Engineer, Procure and Construct ("EPC") contractor, together with African Underground Mining Services ("AUMS"), the underground mining contractor, are scheduled to mobilize to site later this quarter to enable Roxgold to maintain its target schedule.

"The commencement of construction on the project marks the beginning of another exciting phase in our development, and puts us well on track for first gold in the second quarter of 2016," said Paul Criddle, Roxgold's Chief Operating Officer.

Pre-Production Costs

The expected pre-production capital costs for the project stand at US\$110.8 million, an increase of approximately 4% from the amount in the Feasibility Study published in April 2014 resulting primarily from scope changes. The changes include the adoption of a plastic liner for the project's tailings storage facility, which was a new requirement outlined by Burkina Faso's environmental permitting authority. In addition, the SAG mill and associated equipment were upsized to facilitate a future expansion of the processing plant's capacity and the backup (diesel) power station capacity was also increased, which will provide Yaramoko with full standby capability in support of the grid connected power line.

To date, US\$10.8 million has been spent on long lead project items such as the SAG mill, detailed engineering design, the Armtex tunnel for the underground mine access as well as tower steel and a transformer for the 90 KV power line. The current expected project expenditures remaining stand at US\$100 million with over 50% of total project expenditures either already spent or fixed price in nature.

A breakdown of the project's pre-production costs is provided below.

| | |
|---|----------|
| Pre Production Capital Costs | US\$ (M) |
| Processing Plant (fixed price) | \$34.9 |
| Underground Development | \$24.5 |
| Infrastructure (including Power Supply) | \$17.9 |
| Pre-Production Working Capital | \$10.2 |
| Bulk Earthworks | \$8.1 |
| Detailed Design & Project Management | \$4.5 |
| Other | \$5.3 |
| | |
| Sub-Total | \$105.4 |
| | |
| Contingency | \$5.4 |
| | |
| Total Capex | \$110.8 |
| | |
| Spent to Date | \$10.8 |
| | |
| Remaining Expenditure | \$100.0 |

Financing Update

Roxgold remains well-funded with approximately US\$30 million in cash on hand. The Company's previously announced US\$75 million Senior Debt Facility, with mandated banks Societe Generale and BNP Paribas, is expected to be available for draw down later this quarter, pending the completion of customary conditions precedent, which is expected this quarter. In addition, the Company has an agreement with AUMS which will allow for up to US\$15 million to be raised in the form of direct investment by AUMS and shares for services.

The Company is required to fund a US\$15 million Cost Overrun Account associated with the Senior Debt Facility at financial close. Together with the remaining contingency, the Cost Overrun Account provides a significant buffer for unanticipated delays and costs given the proportion of outstanding capital costs subject to fixed prices and the amount spent to date.

Qualified Person

Craig Richards P. Eng, Principal Mining Engineer for [Roxgold Inc.](#), a Qualified Person within the meaning of National Instrument 43-101, has verified and approved the technical data disclosed in this press release.

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 construction and expects to commence production in the first half of 2016. Roxgold trades on the TSX Venture Exchange under the symbol ROG.

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This news release contains forward-looking information. 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. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, variations in market conditions, the nature, quality and quantity of any mineral deposits that may be located, the Company's ability to obtain any necessary permits, consents or authorizations required for its activities, the Company's ability to be fully able to implement its business strategies and other risk factors described in the Company's annual information form and other filings with the Canadian securities regulators which may be viewed at www.sedar.com.

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