Paramount Gold Nevada's New Preliminary Economic Assessment for Its Sleeper Gold Project in Nevada

27.10.2015 | Marketwired

Demonstrates a Low CapEx, Low Cost of Production Opportunity

At $1250 Gold and $16 Silver, Base Case Predicts: Average Annual Gold Production of 102,000 Ounces; Cash Costs of $529 Per Gold Equivalent Ounce; Rapid Payback of Capital; and IRR of 25%

WINNEMUCCA -- (Marketwired - Oct 27, 2015) - Paramount Gold Nevada Corp. (NYSE MKT:PZG) ("Paramount") announced today that a new Preliminary Economic Assessment ("PEA") on its 100% owned Sleeper Gold Project has been completed by Metal Mining Consultants ("MMC") (www.metalminingconsultants.com) of Denver, Colorado. The report confirms that the Sleeper Gold Project has the potential to be an attractive economic opportunity at current metal prices.

The report incorporates a global mineralized material estimate completed by SRK Consulting (www.srk.com) earlier this year (May 5 news release), the results of new metallurgical tests completed over the last two years (June 23 news release), and updated gold ($1250) and silver ($16) pricing that reflects current pricing and SEC standards.

In their analysis, MMC evaluated several mining rate and processing alternatives for the large mineralized material inventory consisting of oxide, mixed and sulphide ore. Detailed work was then completed on two distinct development scenarios:

1. A heap leach only operation based on mining higher grade open pit oxide and suitable mixed mineral materials, followed by standard heap leaching; and
2. A larger combined heap leach and biological oxidation option based on open pit mining followed by standard heap leaching for all oxide and mixed mineralized materials and a parallel bio-oxidation plant treating sulphide ore with oxidizing bacteria on a reusable pad followed and by standard heap leaching.

MMC concluded that the open pit/heap leach only scenario is the more attractive in the current economic environment and made this development option the Base Case.

The highlights of the Base Case scenario are as follows:

- 30,000 tonnes per day heap leach process facility fed by open pit mining (approximately 11 million tonnes per year throughput with 0.72 strip ratio);
- Mineralized material containing a total 1.02 million ounces of gold and 5.1 million ounces of silver;
- Average annual production of 102,000 ounces of gold and 105,000 ounces of silver for 7 years with additional metal recovered during final leaching of 37,850 ounces of gold and 30,500 ounces of silver;
- Payback period of 2.7 years;
- Average gold grade for the first three years of 0.47 g/T with 0.41 g/T over the life of mine (LOM);
- Low initial CapEx of $175 million and total LOM capital and sustaining costs of $259 million;
- Projected LOM average cash operating costs are US$529 per ounce of equivalent gold produced;
- LOM all-in capital, operating and sustaining costs estimated at $869 per ounce of gold equivalent;
- At a gold and silver price of $1250 and $16 per ounce respectively, the Base Case has a $244 million pre-tax net cash flow, a $167 million net present value at a 5% discount rate and an internal rate of return of 25%.

SLEEPER PEA BASE CASE PRODUCTION PLAN

HEAP LEACH PROCESSING	TOTAL	YEAR 1	2	3	4	5	6	7	8	9
MATERIAL TREATED kT	77,609	10,950	10,950	10,950	10,950	10,950	10,950	10,950	959	

Au Grade	g/T	0.41	0.39	0.50	0.54	0.39	0.32	0.33	0.37	0.74
Contained Au	oz	1,022,541	136,640	176,174	188,696	137,597	112,636	117,906	130,194	22,698
AU PRODUCED	oz	752,100	84,700	114,800	139,600	104,100	89,180	86,750	95,120	25,280 12
Ag Grade	g/T	2.0	1.1	1.5	2.5	2.3	3.2	2.4	1.4	1.6
Contained AG	oz	5,097,891	391,146	511,800	875,030	800,039	1,132,834	851,884	486,964	48,193
AG PRODUCED	oz	743,400	30,770	52,110	121,530	102,090	169,500	145,700	91,200	21,570 8,

The alternative to the Base Case, a combined heap leach and bio-oxidation scenario, was also evaluated to test its economic viability and to guide future metallurgical testing and trade-off analysis during pre-feasibility. This opportunity would result in a 14 year operation incorporating a much larger pit supplying 50,000 tonnes per day to a standard heap leach processing operation for 11 years. A 10,000 tonnes per day bio-oxidation plant would commence operation in year 9 followed by standard heap leaching of this mineralized material. Total LOM production would be 1.7 million ounces of gold and 3.2 million ounces of silver. Total capital and sustaining costs over the LOM would increase to $373 million with a cash operating cost of $758 per gold equivalent ounce. At a 5% discount rate, this scenario would result in a pre-tax NPV of $309 million and an IRR of 25.5%.

Commenting on the results of the PEA, Paramount President and CEO Glen Van Treek stated that "we are very pleased with the depth of the analysis conducted by mmc. the base case scenario achieves the three main economic drivers required of new mines in the current environment -- low initial capital costs, low cash operating costs and rapid payback of capital. This scenario makes use of standard, proven technologies with very low technical risk. The positive economic analysis for the alternative larger pit scenario provides us with a very attractive potential expansion opportunity and sets out for us the further testing required to reduce the risks of heap bio-oxidation and possibly further evaluate within prefeasibility."

This PEA is preliminary in nature and should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Sleeper Gold Project have not been demonstrated at this time. Furthermore, there is no certainty that the PEA will be realized.

In order to continue advancing Sleeper, Paramount and MMC will develop a pre-feasibility plan and budget, which will include a drill plan to convert necessary inferred resources to mineralized material.

BASE CASE DETAILS

Mineral Inventory

In May 2015, SRK completed a National Instrument 43-101-compliant global estimate for the Sleeper project (see news release dated May 5, 2015 for details). The Sleeper database used for SRK's estimate includes more than 4,000 reverse circulation and core drill holes, as well as historical surface mapping and new 3-Dimensional interpretations, to create a comprehensive lithological and structural model over the entire deposit. Additionally, data from more than 378,000 blast holes, collected while the project was in operation, were utilized to define trends, orientations and inclinations for the principal mineral zones. In their analysis, SRK estimated mineralized material for oxide, mixed and sulphide material separately, and reported it at various cut-off grades. The estimate, prepared by SRK, in the form of the 3-D block model, was used by MMC as the basis for determining mineable mineralization in the PEA.

The National Instrument 43-101 compliant global mineralized material estimate by SRK at a cut-off grade of 0.15 grams of gold per tonne are as follows:

Global Measured Material

Cut-off Grade (g/T)	Tonnes (000's)	Gold Grade (g/T)	Gold (000's of ounces)	Silver Grade (g/T)	Silver (000's of ounces)
0.15	200,500	0.39	2,488	3.5	22,368

Global Indicated Material

Cut-off Grade (g/T)	Tonnes (000's)	Gold Grade (g/T)	Gold (000's of ounces)	Silver Grade (g/T)	Silver (000's of ounces)
0.15	93,900	0.31	933	2.8	8,427

Global Measured Plus Indicated Material

Cut-off Grade (g/T)	Tonnes (000's)	Gold Grade (g/T)	Gold (000's of ounces)	Silver Grade (g/T)	Silver (000's of ounces)
0.15	294,400	0.36	3,421	3.3	30,794

Global Inferred Material

Cut-off Grade (g/T)	Tonnes (000's)	Gold Grade (g/T)	Gold (000's of ounces)	Silver Grade (g/T)	Silver (000's of ounces)
0.15	241,800	0.32	2,472	1.9	15,004

Mine Planning

MMC selected an open pit/heap leach mining method as the basis of the analysis and evaluation for the PEA. A production schedule of the leachable material averaging 0.41 g/T gold over life of mine was the result of selecting a gold price pit design of $650/oz.

A Preliminary Economic Assessment provides a basis to estimate project operating and capital costs and establish a projection of the potential mineable resource including measured, indicated and inferred confidence levels as permitted under National Instrument 43-101. Whittle pit optimization was performed using estimates of operating costs typical of operating surface mines using heap leach processing in northern Nevada, using estimates of metallurgical recovery based on test work performed on Sleeper drill core and waste dump material and consideration of historical operating results for heap leaching at the original Sleeper mine. The ultimate pit shell was determined using gold price of $650 per ounce in order to process the higher gold grade material. In-pit mineralized material and mineralized dumps used for production scheduling are as follows:

Resource Category	Mineralized Material (000s Tonnes)	Gold Grade (g/T)	Gold (000s of ounces)	Silver Grade (g/T)	Silver (000s of ounces)
Measured	32,596	0.38	399	3.54	3,714
Indicated	10,089	0.35	112	2.29	744
Measured and Indicated	42,685	0.37	511	3.25	4,458
Inferred	34,924	0.46	511	0.57	640

Note: Rounding may cause apparent discrepancies.

The estimated strip ratio for the economic pit is 0.72.

Paramount notes that the PEA incorporates inferred mineral resources, which are considered too geologically speculative to have economic considerations applied to them that would enable them to be categorized as mineral reserves. Therefore, Paramount advises that there can be no certainty that the estimates contained in the PEA will be realized.

Metallurgy

Paramount has performed scoping level metallurgical testing to provide a basis to project potential process recoveries for oxide, mixed, sulphide and mine dump material. Data was available from bottle roll testing and

column leach testing of drill samples from the mine dumps, Facilities Zone, Sleeper Zone, Westwood Zone and tailings. The tests indicated that materials from the Facilities Zone and mine dumps had generally high gold recovery in cyanide leach tests, while the Westwood Zone and Sleeper tails material had generally lower gold recovery in cyanide leach tests. For the PEA Base Case, no sulphide mineralization was considered and has been left out of the economic analysis.

Four general mining zones were defined and included in the Base Case on the basis of metallurgical testing and historical mining performance: (1) the Facilities Zone (an area on the eastern edge of the Sleeper surface excavation); (2) the Sleeper Zone (a continuation of the original Sleeper Pit); (3) Oxide portions of the West Wood and Wood areas and (4) mineralized mine dumps from past mining operations at Sleeper.

The heap leach process recovery assumptions for both oxide and mixed mineralized material in the "Whittle Pit" optimization were determined based on both historical metallurgical performance and all test data conducted by Paramount. The recovery assumptions are as follows

- Alluvium - 72% for gold and 8% for silver
- Mine Dumps - 72% for gold and 42.5% for silver
- Facilities Zone - 79% for gold and 8% for silver
- Mixed Zones - 67.5% for gold and 20% for silver
- Sleeper Zone - 85% for gold and 10% for silver
- West Wood Zone - 72% for gold and 9% for silver

The processing facilities in the PEA were assumed to be standard cyanide heap leaching with a carbon-in-column and ADR recovery plant. Heap leach material would be crushed to P80 -3/4 inch (19 mm) using a primary and secondary crushing circuit. It was assumed that agglomeration would be required for heap leaching. The crushing circuit would be sized for a throughput of 30,000 tonnes per day. The process facilities would produce a doré for direct sale to a regional refinery. It was assumed that metal produced would be sold at spot prices for gold and silver.

Capital Costs

Capital costs were developed based on scaling costs from similar facilities for production rates and from design basis assumptions including an owner-operated mining fleet. The costs are collected in three separate categories: (i) initial capital (construction costs to initiate mining operations and heap leach processing); (ii) sustaining capital (costs associated with equipment additions/replacements or system rebuilds); and (iii) contingency estimates. The estimated LOM capital costs for the Base Case scenario are summarized as follows:

Life of Mine (LOM) Estimated Capital Costs

Cost Category	Capital Cost (Millions)
Initial	145.5
Expansion	22.6
Sustaining Capital	37.4
Contingency	29.4
Initial Fills & Spares	5.0
Working Capital	18.9
Total Capital Cost	258.8

Operating Costs

Operating cost assumptions were based on similar scale surface mining operations using heap leach processing in northern Nevada, and process cost estimates for key consumables based on the available metallurgical test data, power consumption data and prevailing costs for key materials in similar Nevada mining operations. Operating cost assumptions per tonne of material processed are summarized as follows:

Unit Operating Costs

Cost Category	Cost Per Tonne Processed
Mining Costs (includes waste)	2.41
Heap Leach Processing	1.98
Administrative	0.78
Dewatering	0.20
Reclamation	0.11
Total	5.48

Economic Analysis

The Base Case economic evaluation used $1,250 per ounce of gold and $16 per ounce of silver to reflect the latest year average prices. A Spot Price case was also prepared using October 12, 2015 spot gold and silver prices. The Base Case pre-tax and post-tax economic results for both sets of metal price assumptions are as follows:

Pre-Tax Projected Economic Results

	Base Case	Spot Price Case	Long term Price Case
Gold Price Per Ounce	$1,250	$1,185	$1,400
Silver Price Per Ounce	$16	$16	$19
Net Cash Flow	$290.5 million	$241.6 million	$405.5 million
NPV @ 5% Discount Rate	$201.8 million	$161.7 million	$296.4 million
IRR	28.4%	24.1%	38.1%
Operating Costs Per Ounce of Gold Equivalent Produced (life of mine)	$529	$529	$529
Total Costs Per Ounce of Gold Equivalent Produced (includes all capital)	$869	$869	$869

Post-Tax Projected Economic Results

	Base Case	Spot Price Case	Long term Price Case
Gold Price Per Ounce	$1,250	$1,185	$1,400
Silver Price Per Ounce	$16	$16	$19
Net Cash Flow	$198.5 million	$165.0 million	$277 million
NPV @ 5% Discount Rate	$125.8 million	$98.3 million	$190.5 million
IRR	20%	17 %	27%
Operating Costs Per Ounce of Gold Equivalent Produced (life of mine)	$529	$529	$529
Total Costs Per Ounce of Gold Equivalent Produced (includes all capital)	$869	$869	$869

Infrastructure

Existing infrastructure at the Sleeper mine site will require upgrades for the projected mine configuration, however, the basic components remain in place. The site is currently connected to the regional electrical grid, although substantial capacity upgrade would be required. Gravel road access connecting the Sleeper mine site to paved, all weather highways 140 and 95 is in place and in excellent condition.

Winnemucca, NV, a community of 7,400 people, is immediately to the south of Sleeper at the junction of Highway 95 and Interstate Highway I-80. Mining and industrial skills required by the mining operation are readily available in the area, as Winnemucca supports numerous existing gold mining operations.

Existing shop and office buildings at Sleeper are located on top of the Facilities Zone, and would require

removal and reconstruction. Heap leach pad and process facilities would have to be constructed; however, very favorable flat terrain should result in low cost and rapid completion.

Renewed mining at Sleeper would require the development of a dewatering system to empty the existing mine lake, control inflow to the mine excavations and create a local depression in the hydrologic regime to allow deepening of the mine. The previous mining created a system of dewatering wells, however, only some monitoring wells remain functional. New wells would need to be installed, and a wetlands or rapid infiltration basin constructed.

National Instrument 43-101 Disclosure

The PEA for the Sleeper Gold Project was prepared by Metal Mining Consultants Inc. ("MMC") under the direction of Mr. Scott E. Wilson, CPG, a Qualified Person (as defined under National Instrument 43-101) and is independent of Paramount Gold Nevada Corp. Scott Wilson has reviewed and approved this press release.

Paramount will file the completed NI 43-101 PEA Technical Report on SEDAR within 45 days of this press release.

About Paramount

Paramount Gold Nevada is a U.S. based precious metals exploration company. Paramount owns 100% interest in the Sleeper Gold Project located in Northern Nevada. The Sleeper Gold Project, which includes the former producing Sleeper mine, totals 2,322 unpatented mining claims (approximately 60 square miles or 15,500 hectares).

Paramount's strategy is to create shareholder value through the exploration and development of its mineral properties and then selling to, or entering into joint ventures with, producers for construction and operation.

Cautionary Note to U.S. Investors Concerning Estimates of Indicated and Inferred Resources

This news release uses the terms "measured and indicated resources" and "inferred resources". We advise U.S. investors that while these terms are defined in, and permitted by, Canadian regulations, these terms are not defined terms under SEC Industry Guide 7 and not normally permitted to be used in reports and registration statements filed with the SEC. "Inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or prefeasibility studies, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves", as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in this category will ever be converted into reserves. U.S. investors are cautioned not to assume that any part or all of an inferred resource exists or is economically or legally minable.

Safe Harbor for Forward-Looking Statements

This release and related documents may include "forward-looking statements" including, but not limited to, statements related to the interpretation of drilling results and potential mineralization, future exploration work at the Sleeper Gold Project and the expected results of this work, estimates of resources for the Sleeper including expected volumes and grades and the economic projections included in the Sleeper Gold Project's PEA. Forward-looking statements are statements that are not historical fact and are subject to a variety of risks and uncertainties which could cause actual events to differ materially from those reflected in the forward-looking statements including fluctuations in the price of gold, inability to complete drill programs on time and on budget, and future financing ability. Paramount's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and other applicable securities laws. Words such as "believes," "plans," "anticipates," "expects," "estimates" and similar expressions should also be considered to be forward-looking statements. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including, but not limited to: uncertainties involving interpretation of drilling results, environmental matters, lack of ability to obtain required permitting, equipment breakdown or disruptions, and the other factors described in Paramount's disclosures as filed with

the SEC.

Except as required by applicable law, Paramount disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this document.

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