

# **MONTANA GOLD MINING COMPANY INC.**

## **NEWS RELEASE**

March 17, 2014

CSE SYMBOL: MGM

### **Montana Gold Completes Surface Geochemical Surveys at the Golden Trail Project, Elko County, Nevada**

#### **Values of up to 13.7 grams gold and 105 grams Silver returned in continuous 5 foot surface trench samples**

London, Ontario – Montana Gold Mining Company Inc. (“MGM” or the “Company”) (CSE Symbol: MGM) has completed surface rock-chip line sampling and both ionic leach and conventional soil geochemical surveys on the Company’s Golden Trail Project, Elko County, Nevada (“Golden Trail”) with encouraging results.

The purpose of these surveys was to demonstrate the repeatability and continuity of historic rock chip samples, better understand the structural and lithological controls, and to conduct a pilot soil survey to determine the usefulness of soil sampling at Golden Trail for determining the continuity of gold mineralization in areas of poor outcrop.

Previous surface work at Golden Trail is comprised of detailed geologic mapping, ground based gravity and magnetic surveys, over 900 surface rock-chip (grab) samples and has traced the largest identified surface vein, the Golden Trail Vein (GTV), to over 1,200 meters long, with an associated alteration zone that averages about 30 meters wide. Gold values above 20 ppb are common within the zone and several samples above 9 grams have been taken in the central GTV area including one rock chip sample of decalcified limestone that contained over 28 grams gold.

Highlights of the recent surface geochemical survey programs include:

- 13.7 grams gold and 36.2 grams silver was returned in one 5 foot continuous trench sample of a siliceous Feox-Rich limestone Breccia.
- 3.49 grams gold with 105 grams silver was returned in a another 5 foot continuous trench sample of a jasperoid & limestone contact material.
- Of 44 continuous 5 foot line trench samples taken in various locations on the property for better structural and lithologic understanding, only 2

returned no gold or silver. Twenty percent of the 5 foot continuous line samples contained greater than 0.1 gram gold and fifty percent contained greater than 1.0 gram of silver.

- Both the ionic-leach and conventional soils geochemical surveys correspond to the same north-western trend as the gold values encountered in the previous surface rock-chip sampling.
- These soils analyses correspond with previous surface rock-chip sampling in showing that Au, Ag, As, Sb and Ti are intimately associated at Golden Trail, which is a typical association for sediment hosted gold deposits in the Great Basin and along the Pequop Trend (Eastern Nevada Gold Trend).
- The geochemical surveys will aid in drill targeting and the relationship between the Ionic-leach data and an underlying gravity anomaly is of particular interest.

Gold values up to 13.7 grams and silver values up to 105 grams in the five-foot long (1.5 meters) continuous line samples show good correlation with the historic sampling. These results show that the northwestern-trend of the soil anomalies corresponds with the trend of the historic rock chip assays and pathfinder geochemistry in this area and that higher assay values are along a gently dipping contact between jasperoid and a decalcified marble dissolution breccia. Beneath the jasperoid, lower but consistent gold values are within vuggy ochreous weakly siliceous dissolution collapse breccia. The soil lines demonstrate continuity of the mineralized trend in areas without outcrop. The jasperoid and dissolution collapse breccia are controlled by nearly horizontal bedding planes in the marble and thin banded sub-vertical veins, probable joint and fracture fillings, cutting across the breccia in several outcrops. These relationships suggest that the gold mineralization is relatively late and post-dates the thermal metamorphism and calc-silicate skarn formation at Golden Trail.

Several elements were anomalous in both conventional and ionic leach soil analyses and these are Ag, As, Cd, Cu, Hg, Pb, Sb, Sn, and Zn. These elements probably reflect higher concentrations of secondary minerals present at the surface that are derived from primary sulfides at depth.

The anomalous geochemical patterns associated with the H<sub>3</sub>O and REE concentrations are likely double-peak or rabbit-ear responses typical of actively oxidizing bedrock sulfides beneath the water table. The anomalous gold and pathfinder responses which are adjacent to the H<sub>3</sub>O anomalies and along the northwest trending Golden Trail Vein may be shallower anomalies above the water table. The relationship between these responses and a significant gravity anomaly underlying the Golden Trail is of particular interest.

A report prepared by Richard C. Capps, PhD describing the recent work noted similarities between gold mineralization at Golden Trail and recently discovered gold deposits in the Pequop Range, Elko County, Nevada including:

- Mineralization at Golden Trail is within a thick sequence of Paleozoic carbonate rocks similar to the stratigraphic section in the Pequop Mountains to the south of the Golden Trail and the location of Newmont Mining Company's ("Newmont") Long Canyon Gold Deposit.
- These Paleozoic strata are strongly and complexly deformed by mid-Mesozoic orogenic (compressive) tectonics and subsequent metamorphism at deeper crustal levels.
- Tertiary extension and accompanying magmatism produced focused pathways such as normal faults and detachment zones and repositories for subsequent, regionally mostly Eocene, mineralizing solutions, forming large locally mineralized dissolution cavities and siliceous breccias.
- The intimate association of Au, Ag, As, Sb, and Tl at Golden Trail and at the Long Canyon deposit is a typical association for sediment hosted gold deposits in the Great Basin (Carlin Deposits) and their deposition is considered cogenetic (Example: arsenian pyrite, arsenopyrite, and marcasite co-deposited with gold).

The Golden Trail is 100% owned by the Company and is comprised of 16 continuous mining claims that total about 320 acres. The Golden Trail is situated on the Pequop Trend (also called the Eastern Nevada Gold Trend), a recently identified gold trend in north-eastern Nevada that in 2011 saw Newmont Mining Company ("Newmont") take over the former owner of the Long Canyon property, 52 miles south of Golden Trail for a reported \$US2.3 Billion. **Subsequent to Newmont's acquisition of Long Canyon, Newmont staked 211 mineral claims totaling some 4,300 acres that completely surround the Company's Golden Trail Property.**

Richard C. Capps, PhD., a qualified person as defined by National Instrument 43-101, has reviewed and approved the disclosure of technical information contained in this news release.

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Montana Gold Mining Company Inc. is a reporting issuer in good standing in the Province of Ontario whose common shares are listed on CSE (Symbol: MGM). There are 39,281,007 common shares issued and outstanding in the capital of the Company.

***CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.***