

NEWTON GOLD CORP
Suite 400 – 409 Granville Street
Vancouver, BC, V6C 1T2
Telephone: (604) 678-2531

NEWS RELEASE

Trading Symbol TSX-V: NWG FSE: HR2N

Newton Gold signs option to acquire kaolin deposit in Nova Scotia

Vancouver, British Columbia (December 4th, 2012) – Newton Gold Corp (“Newton Gold” or the “Company”) is pleased to announce that it has signed a Letter of Intent to earn a 100% interest in the Sibley Road property located in Halifax County, Nova Scotia. The Sibley Road property, host to a kaolin clay and silica sand deposit with potential economic products including alumina, titanium, and white silica sand. The property covers 648 hectares and is immediately north of, and contiguous with, the Chaswood property that was recently acquired by Orbite Aluminae Inc. (TSX-ORT).

Highlights of the Sibley Road property are:

- an advanced stage property with over \$12 million in previous exploration with over 400 drill holes and 14 line kilometers of high resolution reflection seismic data
- a deposit model with greater than 160 million tonnes (non 43-101 historic resource) created using only 40 % of drill data and without incorporating the seismic data.
- a majority of drill holes require analyses for alumina, silica and titanium
- an environmental scoping study is in place
- excellent access and close to existing natural gas pipeline
- neighbour is a recognized industry leader in alumina exploration and extraction

In Nova Scotia, Cretaceous aged clay and sand deposits occur in basins hidden below glacial sediments across the province and several are currently being mined at a small scale for industrial uses. Extensive exploration in the region, which includes the current Sibley Road property, was carried out during the 1990’s after white ‘paper grade’ kaolin was identified within the Chaswood Formation. Over \$12 million in exploration development had been spent during this period on the Sibley property - including 416 drill holes, approximately 14 line kilometres of seismic lines and an environmental scoping study.

Of the 416 drill holes, a deposit model for Sibley Road was created using only 161 drill holes that were drilled in an area measuring approximately 2,100 metres by 1,200 metres. The current estimated (non NI 43-101) resource of approximately 90 million tonnes of kaolin clay and approximately 70 million tonnes of silica sand. Only a few drill holes on the property were sampled for chemical analysis and in order to evaluate all potential economic minerals within the property a significant sampling and analytical program needs to be conducted.

A compilation of the logged drill holes has identified five cycles of alternating clay and silica-rich beds with an average total thickness of 42 metres and a maximum thickness of greater than 140 metres. Several independent studies indicate that the clay sediments of the Chaswood Formation average between 20 and 23 % alumina. However, lab test work has confirmed that the kaolin rich clay fraction alone contains 25-38% alumina and the silica-rich fraction in the silica sand contains 95-99% silica.

“Having an option to acquire a 100% interest in an advanced stage property that continues on to land belonging to the recognized industry leader in alumina exploration is a unique situation. Our first

priority is to calculate a resource using the vast amount of historic data followed by a drill program in the summer”, stated Mark McLeary, president of Newton Gold. “We are in the process of establishing a team of industry leaders whom will manage and run the exploration and development of this property.”

The property’s excellent access combined with its strategic location (being near a natural gas pipeline and a nearby railway right of way in proximity to the Port of Halifax) add to the economic potential of the Sibley Road deposit.

Newton Gold has agreed to a two stage option in order to acquire a 100% undivided interest in the Sibley Road property. Newton must pay \$150,000 on signing of the definitive agreement and spend \$12,000,000 over four years to earn an initial 50% and then issue \$12,000,000 in capital stock in Newton to earn the remaining 50%, for a total of 100%. The Option Agreement remains subject to the approval of regulatory authorities, including the TSX Venture Exchange.

NOTE: Although the Company intends to calculate a new resource estimate, there is insufficient NI 43-101 compliant data to define a NI 43-101 compliant mineral resource at this time. The grades provided in this news release may not represent the entire deposit and should be considered preliminary in nature. All data for this news release are taken from the report “NI 43-101 Technical Report: Evaluation of Kaolin, Silica Sand and Titanium Resources in the Musquodoboit Valley of Nova Scotia” authored by Dr. Rudolf Stea, P.Geol.

About Newton Gold Corp

Newton Gold Corp. is an exploration company with advanced exploration projects and a royalty interest in a further project. The Company has an experienced management team with a growth strategy to develop a diversified portfolio of exploration projects that can be taken into production. The Company's main objective is to add shareholder value through cost efficient exploration, strategic acquisitions, joint ventures, and effective marketing while maintaining a lower risk profile through project diversification and sound financial management.

Dr. Rudolf Stea, P.Geol, is Newton Gold’s Qualified Person, according to National Instrument 43-101, for the Sibley Road Property and has reviewed the technical data contained in this news release.

ON BEHALF OF THE BOARD OF DIRECTORS

“Mark A. McLeary”

President

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

Forward Looking Statements: The above contains forward looking statements that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward looking statements. Factors that could cause such differences include: changes in world commodity markets, equity markets, costs and supply of materials relevant to the mining industry, change in government and changes to regulations affecting the mining industry. Forward-looking statements in this release include statements regarding future exploration programs, operation plans, geological interpretations, mineral tenure issues and mineral recovery processes. Although we believe the expectations reflected in our forward looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements.