

**News Release** 

No. 77-2015 27<sup>th</sup> November, 2015

# WEST KIRKLAND OBTAINS FEDERAL PERMIT TO CONSTRUCT AND OPERATE THREE HILLS MINE

**VANCOUVER, BRITISH COLUMBIA, November 27, 2015 –** West Kirkland Mining Inc. (WKM:TSXV) ("West Kirkland") announces receipt of a Decision Record (DR) and Finding of No Significant Impact (FONSI) for the Environmental Assessment (EA) of the Three Hills Mine Project located approximately one mile west of Tonopah in Esmeralda County, Nevada. The DR signifies completion of the National Environmental Policy Act (NEPA) and EA process, and is the final major permitting step for construction to begin.

"We are very happy to have completed both a pre-feasibility study and permitting at the Three Hills Mine since acquiring the property in April, 2014. Construction permits significantly add to the value of any property – this is a big step forward for West Kirkland. We appreciate the professionalism and hard work of the BLM staff, the staff at all involved state agencies, and our consultants for making this happen so quickly. We will now consult with our major shareholders on the next steps for the project," said R. Michael Jones, President and CEO of West Kirkland Mining.

#### About the NEPA and EA Process

The EA for the Three Hills Mine is required under the National Environmental Policy Act (NEPA). The acts sets up the procedural requirements for all federal governmental agencies to prepare environmental assessments in response to proposed major activities on federal lands. Part of Three Hills Mine is on federal lands administered by the BLM, therefore NEPA requires the BLM to prepare an EA to analyze potential environmental consequences of the planned project and any reasonable alternatives. West Kirkland has advanced through baseline studies, the draft EA, the final EA, and has now completed the process with the issuance of a Decision Record. Various state permits are also required and have either been obtained or are in the final stages of being processed by state agencies.

# **Technical Report Filed**

The EA is based on the technical report that West Kirkland filed on SEDAR on July 17<sup>th</sup>, 2015, entitled "Technical Report and Preliminary Feasibility Study: Hasbrouck and Three Hills Gold-Silver Project, Esmeralda County, Nevada," effective June 19, 2015 and prepared in conformance with NI 43-101 by Thomas L. Dyer, P.E. and Paul Tietz, C.P.G. of Mine Development Associates (MDA), who are West Kirkland's Independent Qualified Persons as defined under NI 43-101.

The project's base case has an after-tax internal rate of return (IRR) of 26% and \$75 million net present value at 5% discount rate (NPV 5%) using \$1,225/oz gold and \$17.50/oz silver (all reported values are in US dollars and based on 100% of the project). Initial capital to construct the Three Hills Mine is estimated at \$54.3 million, with an additional \$34.8 million required in Year 1 of the project to commence construction of the Hasbrouck Mine. Processing is planned

at an average 6.1 million ore tons per year for 71,000 ounces annual gold production for eight years.

An alternative to the base case is to delay construction of the Hasbrouck Mine for four months which would allow cash flow from the Three Hills Mine to fully fund the construction of the Hasbrouck Mine while only slightly reducing after-tax IRR from 26% to 24% and NPV from \$75 million to \$71 million.

## **About the Hasbrouck Gold Project**

Located near Tonopah, Nevada, the Hasbrouck Gold Project consists of two oxidized gold deposits eight kilometers apart, Three Hills and Hasbrouck. West Kirkland has a 75% controlling interest in the project. In 2015, Waterton Precious Metals Fund II Cayman, LP bought a 25% interest in the Hasbrouck Gold Project and certain exploration assets from Allied Nevada Gold Corp for US \$17.5 million.

Sandy McVey, P.Eng., Chief Operating Officer for West Kirkland, and a non-independent Qualified Person as defined by NI 43-101, has reviewed the information contained in this news release and has verified the data.

# **About West Kirkland Mining Inc.**

West Kirkland was formed in 2010 to focus on gold exploration along major geological trends in North America. The Company has consolidated significant mineral rights positions within known gold trends of Nevada and Utah, including the Hasbrouck and Three Hills properties in southern Nevada. The founders, management, and board members of West Kirkland have extensive experience in gold discovery, mine development, and mine operations in Nevada and other gold producing jurisdictions in North America.

For more information, contact: Sandy McVey, Chief Operating Officer, at (604) 685-8311

### Disclaimer for Forward-Looking Information

This press release contains forward-looking information or forward-looking statements (collectively "forward-looking information") within the meaning of applicable securities laws. Forward-looking information is typically identified by words such as: "believe", "expect", "anticipate", "intend", "estimate", "postulate" and similar expressions, or are those, which, by their nature, refer to future events. Forward-looking information in this news release includes, without limitation, the statements regarding the ability to achieve the recoveries and the processing capacity of the mines; regulatory processes and permitting; estimates of gold or other minerals grades; anticipated costs, anticipated sales, project economics, the realization of expansion and construction activities and the timing thereof; production estimates and other statements that are not historical facts. Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in the prefeasibility study are also forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining it, if a mineral deposit were developed and mined. Although West Kirkland believes that such timing and expenses as set out in this press release are reasonable, it can give no assurance that such expectations and estimates will prove to be correct. The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various factors, including, but not limited to, the state of the financial markets for the Company's equity securities, the state of the market for gold or other minerals that may be produced generally, significant increases in any of the machinery, equipment or supplies required to develop and operate a mine, a significant change in the availability or cost of the labor force required to operate a mine, a significant increases in the cost of transportation for the Company's products, variations in 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, to raise the necessary capital or to be fully able to implement its business strategies and

other risks associated with the exploration and development of mineral properties. The reader is referred to the Company's public filings for a more complete discussion of such risk factors and their potential effects which may be accessed through the Company's profile on SEDAR at www.sedar.com.

#### Cautionary Note to U.S. Investors Regarding the Use of Mining Terms

This press release has been prepared in accordance with the securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. Unless otherwise indicated, all resources and reserve estimates included in this press release have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards on Mineral Resources and Mineral Reserves. NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the U.S. Securities and Exchange Commission (the "SEC") Industry Guide 7, and resource or reserve information contained herein may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, "resources" and "reserves" established under NI 43-101 standards may not qualify as "resources" and "reserves" under U.S. standards. Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. In addition, under U.S. standards, a "Final" or "Bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in-place tonnage and grade without reference to unit measures. Accordingly, information concerning mineral deposits set forth in this press release may not be comparable with information made public by companies that report in accordance with U.S. standards.

Neither the 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.