

Carlisle Goldfield's Lynn Lake joint venture with AuRico Gold – a strong vote of confidence

Carlisle Goldfields Limited ('Carlisle', TSX: CGJ | OTCQX: CGJCF), which has full ownership of the Lynn Lake Gold Camp (Lynn Lake), a highly prospective 20,000 acre past-producing gold property that includes five near surface deposits backed by full infrastructure, has announced the establishment of a joint venture partnership with AuRico Gold Inc. ('Aurico', TSX: AUQ | NYSE: AUQ). Aurico Gold is a Canadian gold mining company with projects in Canada and Mexico (its core operations include the Young-Davidson gold mine in northern Ontario, and the El Chanate mine in Sonora State, Mexico).

Aurico will acquire a 25% interest in Lynn Lake, contributing an initial sum of CAD\$ 5 million, while retaining an option to (earn additional 35% in interest) fund CAD\$ 20 million over a three-year period, facilitating the completion of the feasibility study. Carlisle has completed a Preliminary Economic Assessment (PEA) using a conservative pricing estimate based on a USD\$ 1,100/oz. gold price. Even at that price, **Carlisle would still enjoy a 34% internal rate of return**; these are favorable project economics, which have no doubt continued to drawing Aurico's attention.

Aurico has also subscribed for 70,600,000 common shares of Carlisle at a price of CAD\$ 0.08/share (about CAD\$ 5.6 million representing some 20% of Carlisle's issued and outstanding common shares of Carlisle on a non-diluted basis. Aurico's strategy is to target highly prospective mining assets in North America. Carlisle completed a preliminary economic assessment (PEA) for the Farley Lake project on April 15,

showing intersections of 20.3g/t gold at over 6.0m of depth, which is higher than expected. The PEA covers two of the five deposits being explored by Carlisle and it suggests the project will be characterized by very favorable economics including a 34% internal rate of return and a very significant asset value of about CAD\$ 250 million. Moreover, the mine itself has the potential to produce 145,000 ounces per year at an average grade of 2.2 grams, which makes it one of the highest grade open pit deposits in North America.

The idea that the cost of mining and producing gold (and silver) is too high to derive any meaningful profit from gold at prices below the current lowest acceptable 'floor' price (now USD\$ 1,100/oz. – today it is trading at USD\$ 1170/oz.) is a deeply rooted concept. However, based on the activities of some of the largest gold companies, such as Goldcorp, the price of gold will be rising rather than falling despite the high value of the US Dollar. Goldcorp's CEO, Chuck Jeannes, suggested that 2015 will see the rise of the phenomenon he unoriginally calls 'peak gold', quite simply a 'gold' equivalent of the theory of "peak oil" based on the fact that gold production is heading toward a decline rather than an increase; the decline will be slow but irreversible. "Whether it's this year or next year, I do not think we will ever see gold production reach those levels again," said Chuck Jeannes. This is because few new gold mines are being discovered and even fewer developed to any kind of potential. Moreover, some 70% of gold is being mined less for direct profit than as a way to finance the production of other wider market metals such as, for example, copper, zinc or even rare earths in some cases.

In the case of individual companies and gold juniors, this suggests that any investment, taken as a sign of confidence in the future, is significant and carries far more weight than its monetary value. In this optic, the fact that Aurico has invested in Carlisle suggests that the former Company's

management has great confidence in the latter's ability to deliver a profitable project at the current, or any other, gold price.

