

Carpathian's RDM Gold Project Receives Authorization to Proceed with Gold Production to Become Brazil's next Gold Producer

December 13, 2013 (Source: Marketwired) – **Carpathian Gold Inc. (TSX:CPN)** (the “**Corporation**” or “**Carpathian**”) the Corporation, is pleased to announce that its wholly owned subsidiary, Mineração Riacho dos Machados Ltda. (“**MRDM**”), which owns and operates the RDM gold project, Brazil (the “**Project**”), has received from SUPRAM, the state environmental agency, the Autorização Provisória de Operação (“**APO**”), a provisional permit, allowing it to proceed with the full operation of its gold producing facilities. The APO provides the same legal rights as the Licença de Operação (“**LO**”) and allows the Project to proceed in the interim while arrangements are being performed by the government agencies and related entities for the issuance of the LO.

As allowed under the previously granted Licença Instalação (“**LI**”), the open-pit mining operations have proceeded as planned. A total of 19 million tonnes of material have been extracted with daily rates at approximately 80,000 tonnes. Mining operations have demonstrated that the 7,000 tonnes per day of ore production that was proposed in the Feasibility Study, can easily be exceeded, thereby representing an opportunity to increase gold production due of the extra processing capacity of the process plant that is rated in excess of 9,000 tonnes per day.

Wet commissioning and start-up of the process plant has taken place and, with the granting of the APO, the processing and

leaching of ore can commence to produce gold. During the commissioning and start-up phase, the process plant has been operating on a continuous basis at a feed rate of 8,500 to 9,000 tonnes per day, which is well above the initial planned rate of 7,000 tonnes per day. During the start-up period, the grinding mill consumed energy at approximately 65% of the estimated power to generate a final product at the design particle size of 80% passing 53 microns. This reduction in power consumption may represent a major opportunity for a reduction of the estimated operating cost of the plant.

The Corporation will provide further information on its forecasted gold production and cash costs once the operation has ramped up over the next few months. With gold now in the circuit it is anticipated that the first gold pour will be in December and that the project will produce in excess of 100,000 ounces of gold per year.

“While the unfortunate delay in the start-up of the operation may have affected the outlook for the Company and led to a cash shortfall situation, it is nonetheless a pleasure to report that with the receipt of the APO the RDM gold project can now commence gold production and be Brazil’s next gold producer”, said Dino Titaro, Chairman and CEO. *“With the wet commissioning of the mill and process plant, the Project is now ready to receive and process ore from the mine, with the expectation of its first gold pour within two weeks. The entire Corporation is grateful for the support it has received from all of its stakeholders during the last three months of uncertainty. In particular, the financial support of Macquarie Bank through this period has been crucial and is highly appreciated by the management team and the board of directors”.*

As previously announced, the Corporation is conducting a review of strategic alternative options. Even though the Project is now up and running, this process remains on-going with continued discussions with a number of parties that have

indicated an interest, and which are presently carrying out due diligence at all levels, including visits to our operation in Brazil. The Corporation intends to keep moving forward expeditiously with the strategic review process but there can be no assurance that any transaction will result. The Corporation does not intend to disclose further details with respect to the process unless and until the Board of Directors has approved a specific transaction or such disclosure is otherwise appropriate.

About Carpathian

Carpathian is an exploration and development company whose primary business interest is developing near-term gold production at its 100% owned Riacho dos Machados (“**RDM**”) Gold Project in Brazil. In addition it is also focussed on advancing its exploration and development plans on its 100% owned Rovina Valley Au-Cu Project (“**RVP**”) located in Romania.

On a company wide basis, Carpathian currently hosts NI 43-101 proven plus probable reserves of 830,200 ounces of gold (proven reserves of 2,300 Kt at 1.30 g/t Au and probable reserves of 18,500 Kt at 1.23 g/t Au) and NI 43-101 mineral resources (inclusive of reserves) of approximately 8.1 million ounces of gold in the measured plus indicated categories (RVP: 405.9 million tonnes at 0.55 g/t Au for 7.19 million ounces, RDM: 19.36 million tonnes at 1.50 g/t Au for 0.936 million ounces) and approximately 0.9 million ounces of gold in the inferred category (RVP: 26.8 million tonnes at 0.38 g/t Au for 0.33 million ounces, RDM; 9.447 million tonnes at 1.93 g/t Au for 0.587 million ounces), as well as 1.4 billion pounds of copper in the measured plus indicated category (RVP: 405.9 million tonnes at 0.16% Cu) and 97.0 million pounds of copper in the inferred category (RVP: 26.8 million tonnes at 0.16% Cu) (see press releases dated July 17, 2012 and April 6, 2011 for further details on resources and reserves). The RDM Gold Project is targeted to produce in the order of +/-100,000 ounces of gold per annum with an anticipated goal for the

commencement of production in the fourth quarter of 2013. The Rovina Valley Project will enhance Carpathian's growth profile as a mid-tier gold producer.

Mr. Dino Titaro is the qualified person (as defined in National Instrument 43-101) and is responsible for preparing the technical information contained in this news release.

Forward-Looking Statements: Statements and certain information contained in this press release and any documents incorporated by reference may constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation which may include, but is not limited to, information with respect to the Corporation's expected production from, and further potential of, the Corporation's properties; the Corporation's ability to raise additional funds; the future price of minerals, particularly gold and copper; the estimation of mineral reserves and mineral resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Often, but not always, forward-looking statements/information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements/information is based on management's expectations and reasonable assumptions at the time such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration and development activities are based on assumptions underlying mineral reserve and mineral resource estimates and the

realization of such estimates are set out herein. Capital and operating cost estimates are based on extensive research of the Corporation, purchase orders placed by the Corporation to date, recent estimates of construction and mining costs and other factors that are set out herein.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Carpathian and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include: uncertainties of mineral resource estimates; the nature of mineral exploration and mining; variations in ore grade and recovery rates; cost of operations; fluctuations in the sale prices of products; volatility of gold and copper prices; exploration and development risks; liquidity concerns and future financings; risks associated with operations in foreign jurisdictions; potential revocation or change in permit requirements and project approvals; competition; no guarantee of titles to explore and operate; environmental liabilities and regulatory requirements; dependence on key individuals; conflicts of interests; insurance; fluctuation in market value of Carpathian's shares; rising production costs; equipment material and skilled technical workers; volatile current global financial conditions; and currency fluctuations; and other risks pertaining to the mining industry. Although Carpathian has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein or incorporated by reference are made as of the date of this presentation or as of the date of the documents incorporated by reference, as the case may be, and Carpathian does not undertake to update any such forward-looking information,

except in accordance with applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers are cautioned not to place undue reliance on forward-looking information. The forward-looking information contained or incorporated by reference in this document is presented for the purpose of assisting shareholders in understanding the financial position, strategic priorities and objectives of the Corporation for the periods referenced and such information may not be appropriate for other purposes.

The TSX does not accept responsibility for the adequacy or accuracy of this news release.