

# **Columbus Gold Announces Resource Estimate at Montagne d'Or; Obtains Permit For and Commences Drilling on Principal Gold Zone**

June 30, 2014 (Source: Marketwired) – Columbus Gold Corporation (TSX VENTURE:CGT) (“Columbus Gold”) announces the results of a resource estimate, dated June 28, 2014, prepared by independent consultant Coffey Mining Pty Ltd (“Coffey”) on Columbus Gold’s Montagne d’Or gold deposit, Paul Isnard Project, French Guiana.

Utilizing a cut-off grade of 0.4 g/t gold, the estimate yields 140.1 million tonnes at an average grade of 1 g/t gold for a total of 4.31 million contained Inferred ounces of gold. See the table below for 0.3 and 0.5 g/t cut-offs. Based on the current drilling density, the estimate does not fully take into account the potential of the high grade zones occurring within the low grade envelopes. Coffey strongly recommends infill drilling to define these high grade zones.

The best mineralised and most consistent zones on the Montagne d’Or deposit, based on current interpretation, are located in the principal Upper Felsic Zone (“UFZ”). The drilling permits required to drill the UFZ were very recently obtained on June 16<sup>th</sup>, and the present 26,600 metre Phase II drilling program, designed to complete a tighter drill pattern at 50 metre spacing, commenced on the UFZ on June 23<sup>rd</sup>, and on a 24 hour basis. There are approximately 19,000 metres remaining in the planned Phase II program, which on deployment of a second drill rig, expected to arrive imminently in French Guiana,

will take approximately 4 months to complete.

**Robert Giustra, CEO of Columbus Gold, commented:** “The new estimate by Coffey has been helpful in gaining a better understanding of the inferred nature of the deposit, but with more than 70% of Phase II drilling still to occur and with nearly all that drilling targeting the UFZ (which is the principal mineralised zone) with denser spacing, it’s reasonable to anticipate that the next resource update planned for completion by the end of this year, could better reflect the potential of the high grade zones and convert a significant portion of the Inferred resources to Indicated and Measured.”

### **Montagne d’Or Updated Resource Estimate**

The NI 43-101 compliant resource estimate was prepared by Coffey’s Perth, Australia office as a result of comments from SRK Consulting (U.S.) Inc. on the appropriateness of certain methodologies previously employed by Coffey International Ltd (Toronto) in their 2012 resource estimate (see February 5<sup>th</sup>, 2013 and May 5<sup>th</sup>, 2014 press releases).

The updated Inferred Mineral Resources are tabulated following at the reportable 0.3, 0.4 and 0.5 g/t Au cut-off grade. Columbus Gold is aiming to file an updated NI 43-101-compliant technical report on SEDAR in July.

<b>PAUL ISNARD PROJECT</b>			
<b>Montagne d’Or Inferred Resource Report</b>			
<b>Cut-off Grade</b>	<b>Million Tonnes</b>	<b>Average Grade (g/t Au)</b>	<b>Contained Gold (M oz)</b>
0.3	169.2	0.9	4.6
0.4	140.1	1.0	4.3
0.5	116.0	1.1	4.0

**Technical Information on Resource Estimate and Qualified**

## Person

The current modelling and updated mineral resource estimate were prepared by independent consultants Coffey Mining Pty Ltd ("Coffey") in Perth, Western Australia, in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). The estimation is based on 56 historical drill holes (10,916m) together with the results of 100 diamond drill holes (22,905m) completed by Columbus Gold from November, 2011, to June, 2014. Drilling core diameter was HQ for the saprolite zone, changing to NQ for fresh rock.

The Montagne d'Or deposit consists of closely-spaced sub-parallel east-west-striking and steeply south-dipping mineralised horizons. A total of eight (8) elongated gold mineralised domains were defined along the strike length of the deposit with the latest drill hole information. The domains were wire-framed by snapping to drill holes at a mineralisation cut-off of 0.25 g/t Au. Care was taken to minimize the amount of internal dilution. The average dilution (values <0.25 g/t Au) was estimated at 18.7%. An additional and separate domain was created for the saprolite horizon defined by the boundary between fresh rock and the topography surface.

The mineral resource estimation were prepared from a geostatistical block modelling method based on the drill hole data. The resource was classified as an Inferred resource due to available drill hole density and distance between drill holes. The resource remains open in several directions. Additional infill drilling to a nominal spacing of 50m between drill holes along strike as well as down-dip drilling may convert some or all of the existing Inferred Mineral Resource to an Indicated Mineral Resource.

Parameters used for the evaluation mineral resources are:

Drill hole samples were composited into 3m composite lengths

within the mineralised domains and coded with the domain number. All samples were combined for the definition of a variogram model to define the spatial distribution of the gold mineralisation; a reasonably well-defined correlogram model was fitted. The spatial model follows the trend of the mineralisation along strike with a rotation of 85 degrees east of north and a dip of 70 degrees towards the south. The major directions of continuity occur along strike and down-dip. The gold data shows a high nugget and the model was fitted with a nugget effect of 50%. Cross validation of the variogram indicates that the model is relevant. Separate omnidirectional models were defined for waste and the saprolite horizon and used for modelling waste for areas in between the main mineralised domains.

A density model was generated by a kriging interpolation of the raw data that was coded with average density values based on the results of the available density measurements.

A top-cut of 16 g/t Au has been applied to the 3m composite data before use in block interpolation, which is based on standard linear Ordinary Kriging. Only data within the mineralised domain was used to inform blocks within the domain. All available grade values are used within the domains but unwanted smearing of high grades was controlled in the Ordinary Kriging process.

A number of different block model sensitivities with different parent cell sizes, composite lengths and differing kriging neighbourhoods were run, validated, and compared to ensure that sensitivity to high grade populations, search strategy and parent cell size is monitored. The maximum search radius was set at 150m along strike and 150m down dip and interpolation of high grades above a value of 10 g/t Au was limited to a distance of maximum 35m along strike and down dip, and 10m across strike to avoid unwanted smearing of high grades during block estimation. The final block model is generated at a parent cell size of 25m along strike, 10m

across strike and 10m down depth.

The block model is not rotated but search and interpolation directions follow the geological dip at 70 degrees towards the south. The model is extended to a depth of approximately 350m below topography and the estimation interpolation is allowed to run to its maximum depth within the mineralised zones. The model is then truncated by defining a wire-frame shell that encloses a relative distance of approximately 150m from available drill hole data. Only portions of the mineralised domains that lie within this shell have been classified as an Inferred Mineral Resource.

Louis Voortman, Principal Consultant – Resources, at Coffey Mining Pty Ltd, Qualified Person for the resource estimation, has reviewed and approved the contents of this news release as far as it relates to their work.

Rock Lefrançois, P.Geo. (OGQ), Columbus Gold's COO and Qualified Person has reviewed and approved the technical content of this news release.

ON BEHALF OF THE BOARD,

Robert F. Giustra, Chairman & CEO

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*This release contains forward-looking information and statements, as defined by law including without limitation Canadian securities laws and the "safe harbor" provisions of the US Private Securities Litigation Reform Act of 1995 ("forward-looking statements"), respecting a new 43-101-compliant report being completed by Coffey; that the new 43-101-compliant report will be completed and filed on SEDAR in July 2014, that a second drill rig will arrive imminently,*

that an additional 19,000 meters of Phase II drilling will be completed and take approximately 4 months to complete and that such additional drilling will improve average grade or convert a significant portion of the inferred resources to indicated and measured, and that another resource update will be completed by the end of the year. Forward-looking statements involve risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by the forward-looking statements, including without limitation: whether a new 43-101-compliant report will be completed by Coffey; whether the new 43-101-compliant report will be completed and filed on SEDAR in July 2014; whether a second drill rig will arrive imminently; whether an additional 19,000 meters of Phase II drilling will be completed and take approximately 4 months to complete; whether such additional drilling will improve average grade or convert a significant portion of the inferred resources to indicated and measured; whether another resource update will be completed by the end of the year ; cost increases; availability of qualified workers and drill equipment; risks associated with exploration projects, mineral reserve and resource estimates (including the risk of assumption and methodology errors); dependence on third parties for services; non-performance by contractual counterparties; title risks; and general business and economic conditions. Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including without limitation assumptions: that the conclusions provided by Coffey and reported herein are accurate and that new 43-101-compliant reports will be able to be provided within the target timeframe or at all; general business and economic conditions; the timing and receipt of required approvals; availability of financing; power prices; ability to procure equipment and supplies including without limitation drill rigs; that political risk will remain on current levels; and ongoing relations with employees, partners and joint venturers.

*Although Columbus Gold 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 not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Columbus Gold undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking statements.*