



## Pershing Gold Announces Positive Preliminary Feasibility Study for Relief Canyon

LAKEWOOD, Colo., June 5, 2017 (PR NEWSWIRE)— Pershing Gold Corporation (NASDAQ:PGLC) (TSX:PGLC) (FWB:7PG1) ("Pershing Gold" or the "Company"), the emerging Nevada gold producer, today announces the completion of a NI 43-101 compliant resource and Preliminary Feasibility Study ("PFS") on its Relief Canyon Mine in Pershing County, Nevada.

Mine Development Associates ("MDA"), Kappes Cassidy & Associates, of Reno, NV and Jorgensen Engineering and Technical Services, of Centennial, CO, completed the PFS for the Company's Relief Canyon gold mine with an effective date of May 26, 2017. **The positive PFS by MDA recommends that Pershing Gold advance the Relief Canyon Project to a production decision.** Highlights from the PFS include a pre-tax net present value ("**NPV**") of **\$144.6 million**, an internal rate of return ("**IRR**") of **89%** and **Net Cash Flow of \$192.7 million**. This NPV, IRR and Net Cash Flow assume pre-tax economics using \$1,250 per ounce ("/oz") of gold ("Au"), \$16.75/oz of silver ("Ag") and a 5% discount rate. Further highlights from the PFS are listed below in Table 1 (showing updates to the Preliminary Economic Assessment ("PEA") the Company announced on June 24, 2016), and PFS gold price sensitivities are listed below in Table 2.

"The PFS is a major milestone for Pershing Gold. We announced an upgraded mineral resource that includes proven and probable reserves of approximately 635,000 ounces of gold and 1.6 million ounces of silver," stated Stephen D. Alfors, Pershing Gold's Chairman and CEO. "The PFS is based on a mine plan and financial model with an annual average production of over 90,000 ounces of gold per year over a mine life of approximately six years. The Relief Canyon deposit remains open in three directions, presenting the opportunity for continued expansion and extension of this mine," Alfors explained.

**Table 1: Relief Canyon PFS vs. PEA Highlights**

	PFS	PEA
Life of mine ("LOM")	5.6 years	5.8 years
Average LOM production	93,900 oz Au/year	88,500 oz Au/year
Cash Cost	\$770/oz Au	\$772/oz Au
AISC	\$802/oz Au	\$804/oz Au
Initial CAPEX	\$23.6 million	\$12.2 million
Sustaining CAPEX	\$22.8 million	\$16.6 million
Working Capital	\$11.0 million	\$14.9 million
Pre-tax NPV, 5%	\$145 million	\$159 million
Pre-tax IRR	89%	125%
Pre-tax Net Cash Flow	\$192.7 million	\$206 million
After-tax NPV, 5%	\$126 million	\$121 million
After-tax IRR	85%	109%
After-tax Net Cash Flow	\$167.7 million	\$157.6 million



\*The PEA evaluated the economics of two alternative mining scenarios: self-mining by the Company with its own manpower and equipment, and mining through mine contractors who supply the manpower and equipment to deliver material to the Company’s processing facilities. The results shown are based on the contractor mining estimates.

"The Company will be reviewing various options to cover future capital needs, including debt, royalty or stream financing, gold off-take agreements, investment from strategic investors, or combinations of those approaches," said Alferts.

"Pershing Gold thanks MDA, its staff, and its associated engineering and metallurgical groups assisting in the development of this PFS. The quality of the work and effort put into this study is apparent in the excellent report they have produced," stated Alferts.

### **Operating Cost and CAPEX**

The favorable economics of Relief Canyon are reinforced throughout the PFS. The PFS indicates the viability of **contract-mining** and **conveyor stacking** to bring the project into production. Under the PFS, 525,790 oz Au are expected to be produced with average life of mine ("LOM") **production of 93,900 oz Au/year** over the 5.6 year LOM. The PFS highlights the low cost nature of this project with an average **cash cost of \$770/oz Au** and All in Sustaining Cost ("**AISC**") of **\$802/oz Au**. The modest capital expense ("CAPEX") nature of this project is reaffirmed with the PFS **Initial CAPEX of \$23.6 million**. The full PFS will be posted within the next 45 days on the Company’s website at [www.pershinggold.com/relief-canyon/technical-reports](http://www.pershinggold.com/relief-canyon/technical-reports).

**Table 2: PFS Gold Price Sensitivity Analysis, Before Tax**

<b>Gold Price / oz Au</b>	<b>PFS Plan NPV, 5%</b>	<b>PFS IRR</b>
\$1,450	\$226 million	140%
\$1,400	\$206 million	127%
\$1,350	\$185 million	114%
\$1,300	\$165 million	102%
<b>\$1,250</b>	<b>\$145 million</b>	<b>89%</b>
\$1,200	\$124 million	77%
\$1,150	\$104 million	65%
\$1,100	\$84 million	53%

### **Mineral Reserve and Resource Estimate**

The PFS also allows for the categorization of approximately **80% of the gold ounces and 73% of the tons within the NI 43-101 measured and indicated resource at Relief Canyon as proven and probable reserves** (Table 3). This conversion percentage from resource to reserve highlights the quality and quantity of work in 2016 to upgrade the Relief Canyon deposit. To date more than 1,100 holes and approximately 500,000 feet of drilling have been completed at Relief Canyon. This includes 430 core holes and nearly 290,000 feet of drilling completed by Pershing Gold.

**Table 3: 2017 Relief Canyon Oxide Reserve**

<b>Classification</b>	<b>Cutoff (opt Au)</b>	<b>Tons 000's</b>	<b>Gold Grade</b>		<b>Total Gold (Ounces)</b>
			<b>(opt)</b>	<b>(gpt)</b>	
<b>Proven</b>	0.005	13,095,400	0.024	0.822	308,500
<b>Probable</b>	0.005	17,434,300	0.019	0.651	326,500
<b><i>Proven &amp; Probable</i></b>		<i>30,529,700</i>	<i>0.021</i>	<i>0.719</i>	<i>634,900</i>

This PFS has calculated Proven and Probable reserves for the deposit based on the estimated resources that have an effective date of November 1, 2016. A designed PFS three-phase pit contains the Measured and Indicated material shown in Table 3, which constitute the reserves for the property using a gold price of \$1,250 per ounce, a cutoff grade of 0.005 ounces per ton (“opt”) Au, and the detailed mine economics outlined in the PFS. In addition, a silver reserve grade can be reported for a portion of the deposit shown in Table 4 below.

**Table 4: 2017 Relief Canyon Reserve with Silver Grade**

<b>Classification</b>	<b>Tons 000's</b>	<b>Silver Grade</b>		<b>Total Silver (Ounces)</b>
		<b>(opt)</b>	<b>(gpt)</b>	
<b>Proven</b>	4,123,900	0.095	3.253	391,300
<b>Probable</b>	10,268,600	0.121	4.144	1,241,300
<b><i>Proven &amp; Probable</i></b>	<i>14,392,500</i>	<i>0.113</i>	<i>3.87</i>	<i>1,632,600</i>

The Mineral Reserves have an effective date of May 26, 2017. The Proven and Probable reserves are contained in the designed PFS final pit and include only oxide materials. The Measured and Indicated oxide resources are inclusive of the estimated PFS reserves.

**Table 5: 2016 Relief Canyon Gold Resource**

<b>Classification</b>	<b>Cutoff (opt Au)</b>	<b>Tons</b>	<b>Gold Grade</b>		<b>Total Gold (Ounces)</b>
			<b>(opt)</b>	<b>(gpt)</b>	
<b>Measured-Oxide</b>	0.005	14,232,000	0.022	0.753	312,000
<b>Measured-Mixed</b>	0.010	259,000	0.058	1.990	15,000
<b><i>Measured-Total</i></b>	<i>variable</i>	<i>14,491,000</i>	<i>0.023</i>	<i>0.788</i>	<i>327,000</i>
<b>Indicated-Oxide</b>	0.005	26,854,000	0.016	0.548	439,000
<b>Indicated-Mixed</b>	0.010	162,000	0.033	1.130	5,000
<b>Indicated-Sulfide</b>	0.020	369,000	0.050	1.712	18,000
<b><i>Indicated-Total</i></b>	<i>variable</i>	<i>27,385,000</i>	<i>0.017</i>	<i>0.582</i>	<i>462,000</i>
<b><i>Meas. + Ind Total</i></b>	<i>variable</i>	<i>41,876,000</i>	<i>0.019</i>	<i>0.651</i>	<i>789,000</i>
<b>Inferred-Oxide</b>	0.005	5,238,000	0.009	0.308	45,000
<b>Inferred-Mixed</b>	0.010	4,000	0.018	0.616	100
<b>Inferred-Sulfide</b>	0.020	4,000	0.028	0.959	100
<b><i>Inferred-Total</i></b>	<i>variable</i>	<i>5,246,000</i>	<i>0.009</i>	<i>0.308</i>	<i>45,200</i>



\* Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The mineral resources at Relief Canyon were modeled and estimated by evaluating the drill data statistically, utilizing the geologic interpretations provided by Pershing Gold to interpret mineral domains on cross sections spaced at 50-foot intervals, rectifying the mineral-domain interpretations on long sections spaced at 10-foot intervals, analyzing the modeled mineralization geostatistically to establish estimation parameters, and estimating grades into a three-dimensional block model.

The Relief Canyon gold mineral resource is listed in Table 5 using a cutoff grade of 0.005 opt Au for oxide material, 0.01 opt Au for mixed material, and 0.02 opt Au for sulfide material. The oxide and mixed cutoffs were chosen to capture mineralization potentially available to open-pit extraction and heap-leach processing, with the higher cutoff for mixed material reflecting the expected reduction in recovered gold. The sulfide cut-off was chosen to reflect the potentially higher costs associated with sulfide processing. The effective date of the mineral resources estimate is November 1, 2016, and these Measured and Indicated resources are inclusive of the estimated PFS reserves.

**Table 6: 2016 Relief Canyon Silver Resource**

Classification	Tons	Silver Grade (opt) (gpt)		Total Silver (Ounces)
Measured-Oxide	10,550,000	0.119	4.075	1,260,000
Measured-Mixed	259,000	0.251	8.600	65,000
<i>Measured-Total</i>	<i>10,809,000</i>	<i>0.123</i>	<i>4.212</i>	<i>1,325,000</i>
Indicated-Oxide	6,236,000	0.094	3.219	584,000
Indicated-Mixed	162,000	0.206	7.055	33,000
Indicated-Sulfide	369,000	0.313	10.720	115,000
<i>Indicated-Total</i>	<i>6,767,000</i>	<i>0.108</i>	<i>3.700</i>	<i>732,000</i>
<i>Meas. + Ind Total</i>	<i>17,576,000</i>	<i>0.117</i>	<i>4.007</i>	<i>2,057,000</i>
Inferred-Oxide	781,000	0.066	2.260	52,000
Inferred-Mixed	4,000	0.125	4.281	1,000
Inferred-Sulfide	4,000	0.164	5.616	1,000
<i>Inferred-Total</i>	<i>789,000</i>	<i>0.068</i>	<i>2.323</i>	<i>54,000</i>

**Metallurgical Testing**

Additional metallurgical testing incorporated into the PFS resulted in **average gold recovery rates of approximately 83%** on crushed and agglomerated material, an improvement from the recovery rate of 80% identified in the PEA. The Relief Canyon ore deposit contains an oxidized and partially oxidized gold mineral resources and reserves that metallurgical testing and historical mining experience indicate are amenable to cyanide heap-leach processing. In 2015 and 2016, Pershing Gold conducted metallurgical test work on drill core and bulk samples to confirm heap-leach processing on additional resources and reserves that have been



identified within the existing pit. The metallurgical test work was based on identifying three distinct zones on cross-section identified as the Main, Lower, and Jasperoid zones.

Results from column leach testing demonstrate that the major Relief Canyon ore types (limestone breccia, clay matrix breccia, and jasperoid) contained in the Main Zone, as well as the Jasperoid and Lower Zones, generally would be amenable to heap-leach cyanidation treatment.

The column-leach and permeability tests indicate that agglomeration is required in order to achieve hydraulic conductivity and a corresponding gold recovery on a consistent basis. There is also evidence that blending of low and high fines content material will aid hydraulic conductivity.

The planned processing method is heap-leach cyanidation of primary crushed ore (80% passing three inch) that has been agglomerated using eight pounds per ton of cement as a binder.

### **Permitting**

Currently, **Pershing Gold has all of the state and federal permits necessary to start** the Phase I mining and heap-leach processing operations. Pershing Gold is planning a two-phase permitting and development scenario for the project. Phase I, which has been approved, is the re-purposing of previously approved disturbance for expanded mining to a pit bottom elevation of 5,080 feet, partial backfilling of the Phase I pit to approximately 20 feet above the historical groundwater elevation to eliminate a pit lake, expanded exploration operations, full build-out of the heap leach pad to accommodate leaching of the Phase I ore, and construction of a new waste rock storage facility. Phase II will include additional mine expansion activities and allow mining further below the water table. Pershing Gold will use the mine plan in the PFS as the basis for the Phase II permit application, and anticipates it will submit the Phase II permit applications in the second half of 2017.

### **Opportunities**

Resource growth opportunities remain available through additional exploration and/or development drilling. The deposit is open to the west, and offers opportunity for growth. Additional opportunities could include:

- Converting inferred resource tons to measured and indicated resource or proven and probable reserves
- Utilizing historic low-grade stockpile
- Expanding and/or demonstrating continuity of the high-grade gold grade shells
- Expanding on the 2016 Phase 2 drilling that identified new zones of mineralization southeast of the Lightbulb Pit, with potential to elevate these zones of mineralization to a mineral resource status
- Increasing silver credit

Greenfields exploration activity has taken place over approximately 20% of the 40 square miles of Pershing Gold's land package. It has already identified growth opportunities including the



Blackjack Project, which is a potential satellite deposit southeast of the Relief Canyon Mine. Drilling is currently in progress at Blackjack.

### **About Pershing Gold Corporation**

Pershing Gold is an emerging gold producer whose primary asset is the Relief Canyon Mine in Pershing County, Nevada. Relief Canyon includes three historic open-pit mines and a state-of-the-art, fully permitted and constructed heap-leach processing facility. Pershing Gold is currently permitted to resume mining at Relief Canyon under the existing Plan of Operations.

Pershing Gold's landholdings cover approximately 25,000 acres that include the Relief Canyon Mine asset and lands surrounding the mine in all directions. This land package provides Pershing Gold with the opportunity to expand the Relief Canyon Mine deposit and to explore and make new discoveries on nearby lands.

Pershing Gold is listed on the NASDAQ Global Market and the Toronto Stock Exchange under the symbol PGLC and on the Frankfurt Stock Exchange under the symbol 7PG1.

### **Cautionary Note to United States Investors Regarding Estimates of Measured, Indicated, and Inferred Resources**

This press release uses the terms "Measured," "Indicated" and "Inferred" mineral resources, which are defined in Canadian Institute of Metallurgy guidelines, the guidelines widely followed to comply with Canadian National Instrument 43-101-- Standards of Disclosure for Mineral Projects ("NI 43-101"). We advise U.S. investors that these terms are not recognized by the United States Securities and Exchange Commission (the "SEC"). The estimation of measured and indicated resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. Mineral resources are not mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. U.S. investors are cautioned not to assume that measured or indicated mineral resources will be converted into reserves. Inferred mineral resources have a high degree of uncertainty as to their existence and their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource exists, or is economically or legally viable. Under Canadian rules, estimates of "inferred mineral resources" may not form the basis of feasibility studies, pre-feasibility studies or other economic studies, except in prescribed cases, such as in a preliminary economic assessment under certain circumstances.

Pershing is a reporting issuer in the United States and is required to discuss mineralization estimates in accordance with US reporting standards. The estimates of proven and probable mineral reserves used in this press release are in reference to the mining terms defined in the Canadian Institute of Mining, Metallurgy and Petroleum Standards, which definitions have been adopted by NI 43-101. The definitions of proven and probable reserves used in NI 43-101 differ from the definitions in the United States Securities and Exchange Commission's Industry Guide 7. In the United States, a mineral reserve is defined as a part of a mineral deposit, which could be economically and legally extracted or produced at the time the reserve determination is made. Accordingly, information contained in this press release containing descriptions of our mineral deposits in accordance with NI 43-101 may not be comparable to similar information made public by other U.S. companies under the United States federal securities laws and the rules and regulations thereunder. Moreover, the SEC normally only permits issuers to report



mineralization that does not constitute "reserves" as in-place tonnage and grade without reference to unit measures. US investors are urged to consider closely the disclosure in our Form 10-K for the year ended December 31, 2016 and other SEC filings. You can review and obtain copies of these filings from the SEC's website at <http://www.sec.gov/edgar.shtml>.

### **Scientific and Technical Data**

All scientific and technical information related to drill and surface samples, resource estimate, mineral processing, metallurgy and recovery methods, and mining for the Relief Canyon project has been reviewed and approved by either Paul Tietz, Certified Professional Geologist #11720, Neil Prenn, P.E. #7844, Carl Defilippi, registered member SME#775870RM, or Mark Jorgensen, MMSA#01202QP who are each Qualified Persons under the definitions established by Canadian National Instrument 43-101. Drill core at Relief Canyon is boxed and sealed at the drill rig and moved to the Relief Canyon logging and sample preparation facilities by trained personnel. The core is logged and split down the center using a typical table-fed circular rock saw. One half of the core is sent for assay while the other half is returned to the core box and stored at Relief Canyon in a secure, fenced-off, area. Pershing Gold quality assurance/quality control (QA/QC) procedures include the regular use of blanks, standards, and duplicate samples.

### **Non-GAAP Measures**

Cash costs is a non-GAAP financial measure calculated by the Company as set forth below, and may not be comparable to similar measures reported by other companies. Cash costs include all direct and indirect costs that would generate gold ounces for sale to customers, including mining of mineralized materials and waste, leaching, processing, refining and transportation costs, on-site administrative costs and royalties, net of by-product credits for silver ounces sold. Cash costs do not include depreciation, depletion, amortization, exploration expenditures, reclamation and remediation costs, sustaining capital, financing costs, income taxes, or corporate general and administrative costs not directly or indirectly related to the Relief Canyon project. Cash costs are divided by the number of gold ounces produced for the period to arrive at cash costs per gold ounce produced.

Cost of sales is the most comparable financial measure, calculated in accordance with GAAP, to cash costs. As compared to cash costs, cost of sales includes adjustments for changes in inventory and excludes net revenue from by-product, refining and transportation costs, which are reported as part of revenue in accordance with GAAP.

AISC is a non-GAAP financial measure calculated by the Company as set forth below, and may not be comparable to similar measures reported by other companies. AISC includes cash costs, as defined above, plus exploration costs at the Relief Canyon project and sustaining capital expenditures (including additional leach pads, permitting and customary improvements to the operations over the life of the project). AISC are divided by the number of gold ounces produced for the period to arrive at all-in sustaining costs per gold ounce produced.

### **Legal Notice and Safe Harbor Statement**

This press release contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, including the timing of the release of the full PFS and those statements with respect to the expected project economics for Relief Canyon, such as estimates



of life of mine, average production, cash costs, AISC, initial CAPEX, sustaining CAPEX, working capital, pre-tax IRR, pre-tax NPV, net cash flows and recovery rates, the viability of contract mining and conveyor stacking, gold price sensitivity analysis, the timing to obtain necessary permits, the submission of the project for final investment approval and the timing of initial gold production after investment approval and full financing, metallurgy and processing expectations, the gold and silver mineral reserve (including proven and probable reserves) and resource estimates, assumptions regarding available processing methods, plans regarding additional permitting and phased development of the mine, expectations regarding the ability to expand the mineral resource through future exploration or drilling and the anticipated results of further drilling, and development potential of satellite areas, are "forward-looking statements." Although the Company's management believes that such forward-looking statements are reasonable, it cannot guarantee that such expectations are, or will be, correct. These forward-looking statements involve a number of risks and uncertainties, which could cause the Company's future results to differ materially from those anticipated. Potential risks and uncertainties include, among others, interpretations or reinterpretations of geologic information, unfavorable exploration results, inability to obtain permits required for future exploration, development or production, general economic conditions and conditions affecting the industries in which the Company operates; the uncertainty of regulatory requirements and approvals; fluctuating mineral and commodity prices, final investment approval and the ability to obtain necessary financing on acceptable terms or at all. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in the Company's filings with the Securities and Exchange Commission, including the Annual Report on Form 10-K for the year ended December 31, 2016. The Company assumes no obligation to update any of the information contained or referenced in this press release.

### **Contact Information**

For more information, please contact:

Stephen Alfors, Executive Chairman, President and CEO

Jack Perkins, Vice President, Investor Relations

720.974.7254

[investors@pershinggold.com](mailto:investors@pershinggold.com)

[www.PershingGold.com](http://www.PershingGold.com)