

## Trans-Siberian Gold plc

("TSG" or the "Company")

### Q4 & FY17 Production Update

Trans-Siberian Gold plc (TSG.LN) announces its production update at the Asacha Gold Mine for the three months to 31 December 2017 ("Q4") and for the 12 months ended 31 December 2017 ("FY17").

#### Q4 Highlights

- Record quarterly gold production of 12,244oz
- 33.3% increase in gold production (Q4 2016: 9,188oz)
- 16.2% increase in grade: 8.6g/t (Q4 2016: 7.4g/t)
- 15.1% increase in ore extracted: 55,992 tonnes (Q4 2016: 48,658 tonnes)
- Two (minor) lost time injuries in Q4

#### FY17 Highlights

- Total gold production slightly exceeded FY2017 production guidance: 36,714oz
- Total gold produced stable Y-on-Y (FY16: 36,225oz)
- Significant Y-on-Y increases in mine development and ore processed
- Estimated gold sales amounted to \$42.7million
- Favourable estimated average selling price of \$1,262/oz vs. average gold price of \$1,266/oz<sup>1</sup> for 2017
- Three (minor) lost time injuries in FY17. Notwithstanding TSG maintains its strong track record of operating one of the safest gold mining operations among its peers.

<sup>1</sup> Source: World Gold Council

#### Dmitry Khilov, Chief Executive Officer of TSG, commented:

*"Having faced a few operational challenges during the year I am pleased that we have slightly exceeded our production guidance. We are continuing to work hard at the Asacha Gold Mine to efficiently mine this high grade ore body. We look forward into 2018 with confidence to continue to deliver stable gold production at low cost levels".*

#### Production Summary

Mining and production data for Q4 and FY17 at the Asacha Gold Mine is shown in the following table:

Metric	Q4	Q3	Q-on-Q	Q4	Y-on-Y	2016	2017	Y-on-Y
	2017	2017	%Change	2016	%Change	Total	Total	%Change

<b>Mine development (m)</b>	1,656	1,499	10.4%	1,498	10.5%	4,926	5,780	17.3%
<b>Ore extracted, tonnes</b>	55,992	48,663	15.1%	48,658	15.1%	179,258	198,349	10.6%
<b>Ore processed, tonnes</b>	46,752	47,504	-1.6%	40,765	14.7%	162,892	184,433	13.2%
<b>Grade, gold, g/t</b>	8.6	7.4	16.5%	7.4	17.0%	7.2	6.6	-9.1%
<b>Grade, silver, g/t</b>	17.6	13.3	32.3%	15.2	15.6%	12.7	12.3	-3.5%
<b>Recovery, gold, %</b>	94.7	94.5	0.2%	95.2	-0.5%	95.2	94.4	-0.8%
<b>Recovery, silver, %</b>	81.2	78.6	3.3%	83.9	-3.2%	81.7	78.7	-3.7%
<b>Gold in dore (oz)</b>	12,244	10,573	15.8%	9,188	33.3%	36,225	36,714	1.3%
<b>Silver in dore (oz)</b>	21,291	15,703	35.6%	16,666	27.8%	54,595	57,072	4.5%
<b>Gold refined (oz)</b>	9,858	9,006	9.5%	8,356	18.0%	35,366	33,872	-4.2%
<b>Silver refined (oz)</b>	16,315	14,219	14.7%	14,262	14.4%	51,428	52,745.72	2.6%

## Commentary

Refined gold production for the year was slightly down as adverse weather conditions at the mine site prevented most of the gold produced in December being sent to the refinery. It is expected that the metal will be refined and sold in January as soon as the weather conditions become more favourable.

TSG expects to report Asacha's first quarter 2018 gold production in April 2018.

## Potential Environmental Claim

The Company's wholly owned subsidiary, ZAO Trevozhnoye Zarevo ("TZ") has received a claim from the Federal Service for Supervision of Use of Natural Resources, RosPrirodNadzor ("RPN") over the payments for disposal of waste materials following a site inspection in 2016. Having taken appropriate advice, the management believe that they have a strong legal position and as such, dispute the claim made by RPN. The claim could potentially amount to approximately \$2.5m. Further announcements will be made as appropriate.

## Contacts

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## About TSG

TSG is focused on low cost, high grade mining operations and stable gold production from its 100% owned Asacha Gold Mine in Far East Russia.

Additional information is available from the Company's website: [www.trans-siberiangold.com](http://www.trans-siberiangold.com)

## **Market Abuse Regulations**

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

## **Abbreviations**

g/t     grammes per tonne  
oz     ounce  
m     metre

## **Disclaimer**

This announcement contains "forward-looking statements" - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets, fluctuations in interest and/or exchange rates and metal prices; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements.

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