27 July 2017

Georgian Mining Corporation

Significant Copper Resource Upgrade at Kvemo Bolnisi East

Georgian Mining Corporation ('GEO' or the "Company') is pleased to announce a 41% tonnage increase in the global In-Pit Optimised constrained copper-gold sulphide Mineral Resource for the Kvemo Bolnisi Project ('KB') to 1.7Mt @ 1.05% Cu from 1.2Mt @ 1.03% Cu.

This upgrade was based upon the recently discovered breccia pipe situated beneath the base of the gold oxide mineralisation at Gold Zone 2 ('GZ2'), one of three zones currently being developed at KB which may form one large epithermal copper-gold system. A three phase programme is underway to deliver a total resource in excess of 50Mt at KB, which is located in an established copper-gold region in Georgia along the highly prospective Tethyan Belt.

- **Increased In-Pit optimised constrained copper-gold sulphide Mineral Resource of 1.7Mt @ 1.05% Cu (from 1.2Mt @ 1.03%) comprises:**

	Tonnage (kt)	Average Grade (% Cu)	Copper (t)	Average Grade (g/t Au)	Gold (oz)
Indicated	101	0.45		0.50	
Inferred	1,607	1.09		0.13	
Total (Indicated & Inferred)	**1,708**	**1.05**	**17,934**	**0.20**	**11,100**

- The In-Pit constrained Mineral Resource has been derived from a global Mineral Resource estimated in accordance with the guidelines of the JORC Code (2012) of 3.154Mt @ 0.82% Cu & 0.14g/t Au (from 2.22Mt @ 0.8% Cu and 0.1 g/t Au)comprises:

	Tonnage (kt)	Average Grade (% Cu)	Copper (t)	Average Grade (g/t Au)	Gold (oz)
Indicated	101	0.50		0.50	
Inferred	3,053	0.83		0.13	
Total (Indicated & Inferred)	**3,154**	**0.82**	**25,860**	**0.14**	**14,430**

- The In-pit parameters to constrain the optimised Mineral Resource were produced in-house and are based on mining, haulage and processing costs provided by the Company's local partner, a 5% dilution factor, a production rate of 60Kt per month, a 10% discount rate and a long-term copper price of $6,000 per tonne of copper metal. The cut-off grades used are 0.3% Cu and 0.3g/t Au

- Upgraded Mineral Resource now includes two separate high-grade copper-gold breccia pipes at Copper Zone 1 ("CZ1") and GZ2 – See Image 1

- Significant scope for further upgrades to the Mineral Resource as the GZ2 pipe is close to surface, extends to a depth of 200m and remains open at depth – additional drilling to commence in the coming weeks. The CZ1 breccia pipe also remains open at depth.

GEO Managing Director Greg Kuenzel said, "Together with the initial Mineral Resource estimate of 2.29Mt @ 0.85g/t Au, including an optimised In-Pit Mineral Resource of 1.14Mt @ 1.10g/t Au, we recently announced for the gold oxide deposit at GZ2, the discovery of the new breccia pipe at GZ2 has pushed us closer to the Phase 2 target of a 5Mt optimised in-pit combined gold-copper Mineral Resource within the KB project area during 2017. The copper mineralisation is augmented by a gold 'kicker' that in some cases is as high as 0.5g/t Au which will also report to the final copper-gold concentrate as a credit and add significant value.

"The Company has allocated funds to test the depth extension of the two breccia pipes at GZ2 and CZ1, as the low to intermediate sulfidation epithermal environment that characterises Kvemo Bolnisi has the potential to "blow-out" at depth and contribute to a more substantial bulk tonnage copper-gold resource in line with the 50Mt being targeted by the Company. Further gold oxide and copper-gold sulphide targets are regularly being generated and, as previously announced, additional anomalies and drill targets have already been defined. These will be drilled during the current programme as we continue to expand the Kvemo Bolnisi Mineral Resource development strategy."

Image 1 – KB Cross Section

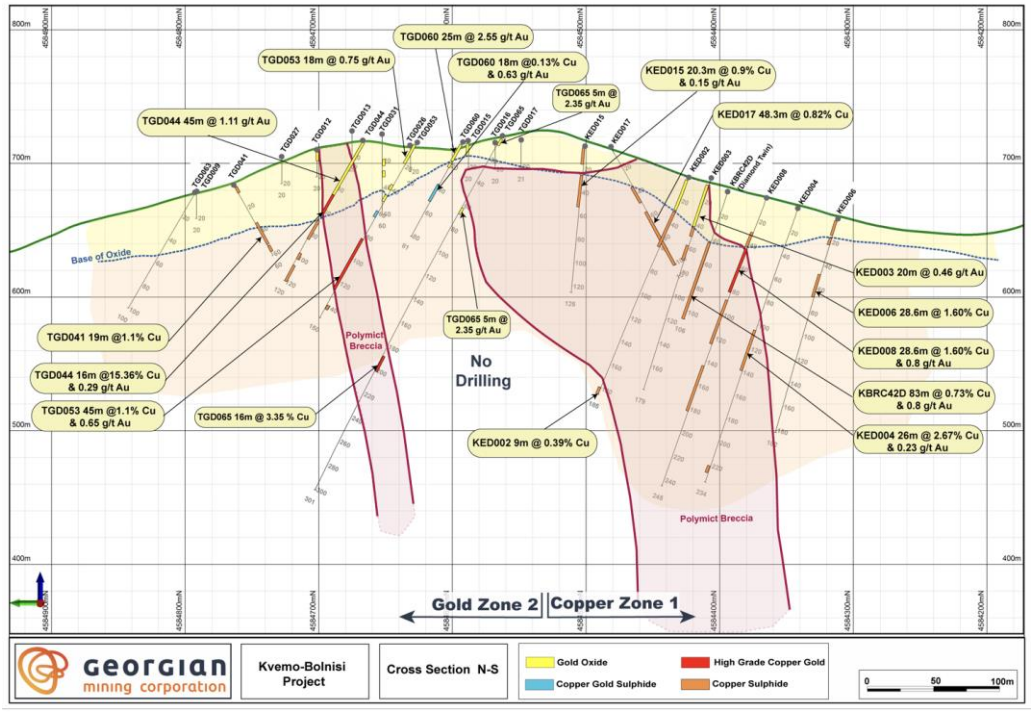
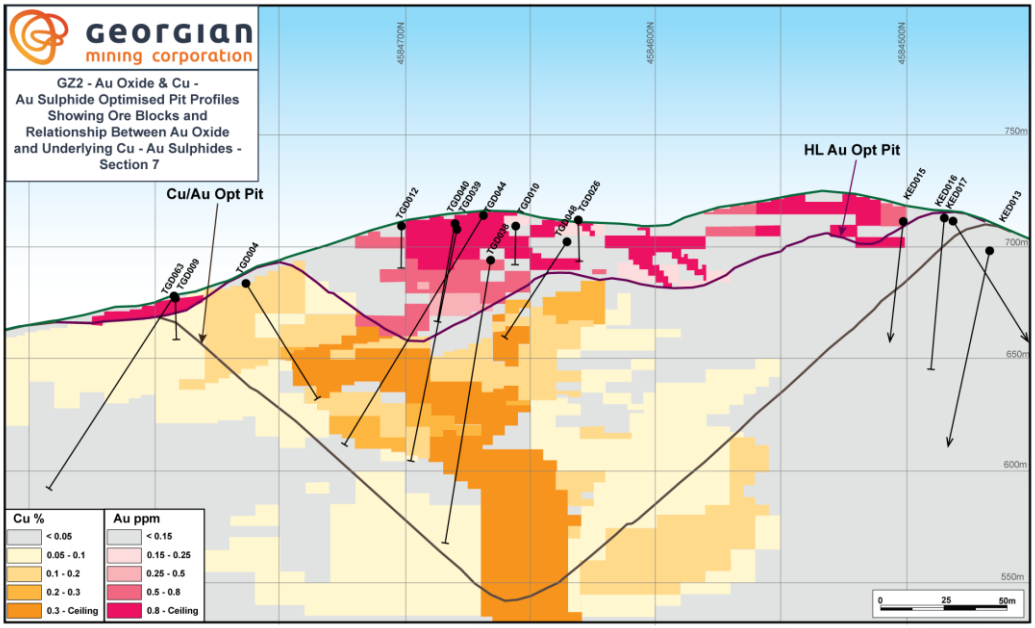


Image 2 – Gold Zone 2 Cross Section 7 – Au Oxide and Cu-Au Sulphide Optimised Pit Profiles



Global Mineral Resource Estimate for Cu-Au Sulphide Mineralisation
(Estimated In accordance with the guidelines of the JORC Code (2012)

		Indicated			Inferred			Indicated & Inferred		
Zone	Cut-off	Tonnes (Kt)	Cu (%)	Au (g/t)	Tonnes (Kt)	Cu (%)	Au (g/t)	Tonnes (Kt)	Cu (%)	Au (g/t)
CZ1	0.3% Cu	-	-	-	2,226	0.77	0.10	2,226	0.77	0.10
GZ2	0.3% Cu	101	0.50	0.45	827	0.99	0.22	928	0.94	0.25

In-Pit Constrained Optimised Mineral Resources - Cu-Au Sulphide Mineralisation (In-house)

		Indicated			Inferred			Indicated & Inferred		
Zone	Cut-off	Tonnes (Kt)	Cu (%)	Au (g/t)	Tonnes (Kt)	Cu (%)	Au (g/t)	Tonnes (Kt)	Cu (%)	Au (g/t)
CZ1	0.3% Cu	-	-	-	956	1.17	0.13	956	1.17	0.13
GZ2	0.3% Cu	101	0.50	0.45	651	0.97	0.26	752	0.91	0.28

The optimised in-house input parameters are based on up to date unit costs provided to the Company relating to mining and haulage using recognised local contractors and both heap leach and flotation ore processing based on actual costs incurred in local plants. It has therefore been assumed that there will be no major capital items required in the budget. The detail of the unit costs and other parameters used in optimisation cannot be provided in detail as these remain confidential and the property of third parties. Other Input parameters include cut-offs of 0.3% Cu and 0.3g/t Au, long-term gold price of US$1,250 per oz Au, long-term copper price of US$6,000 per tonne metal, discount factor of 10% and

an assumed production rate of 60ktpm. A conservative 45 degree pit slope angle has been used in all optimisation of pits.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by James Royall, who is a Member of the Australian Institute of Geoscientists. James Royall has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and as a qualified person as defined in the Note for Mining and Oil & Gas Companies which form part of the AIM Rules for Companies. James Royall has reviewed this announcement and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources or Ore Reserves is based on information compiled by Adam Wheeler, who is a fellow (FIMMM) of the Institute of Materials, Minerals and Mining and a registered Chartered Engineer (C. Eng and Eur. Ing) with the Engineering Council (UK) and reviewed by Mark Owen, BSc, MSc, MCSM, Chartered Geologist, a member of the European Federation of Geologists and a Fellow of the Geological Society. Both Mr Wheeler and Mr Owen have sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mark Owen and Adam Wheeler have reviewed this announcement and consent to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

****ENDS****

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About Georgian Mining Corporation

Georgian Mining Corporation has 50% ownership and operational control of the Bolnisi Copper and Gold Project in Georgia, situated on the prolific Tethyan Belt, a well-known geological region and host to many high-grade copper-gold deposits and producing mines. The Bolnisi licence covers an area of over 860 sq km and has a 30-year mining licence with two advanced exploration projects; Kvemo Bolnisi and Tsitel Sopeli. These projects are nearby existing mining operations owned by the Company's supportive joint venture partner. Georgia has an established mining code and is a jurisdiction open to direct foreign investment.

The Company is developing the project in three phases:

- Phase 1: H1 2017 target to delineate a minimum of 1-2 Mt to support initial spare capacity (now achieved and exceeded)
- Phase 2: 2017 target to delineate a 3-5 Mt resource of combined copper-gold sulphide and gold oxide mineralisation (on target)
- Phase 3: Long term target - to delineate a resource of 50Mt+

Quality Assurance and Quality Control

Drill hole sampling consists of half core ranging from 0.5m to 1.5m in length that are prepared at an onsite preparation lab operated by the company's partner. Samples were analysed at ALS Global laboratory in Loughrea, Ireland. Gold concentrations determined by 50gm Fire assay (Au-AA26) and multi-element data by 4 acid digest ICP (ME-MS61) Over grade samples are analysed using ICP AES (OG-62). Field duplicates are collected and blanks and CRMs are routinely inserted to all batches at a suitable frequency.