

# MAWSON

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NEWS RELEASE

FEBRUARY 24, 2016

## MAWSON DRILL UPDATE AT PALOKAS GOLD PROJECT IN FINLAND

Vancouver, Canada – Mawson Resources Limited (“Mawson”) or (the “Company”) (TSX:MAW) (Frankfurt:MXR) (PINKSHEETS: MWSNF) provides an update on the 4,000 metre winter drill program at Palokas in Finland.

### Key Points:

- Drill results from the first four holes from the Palokas prospect and one hole from Hirvimaa are now available;
- All holes at Palokas have intersected the mineralized sequence. Only lower tenor gold mineralization has been discovered down dip and along strike from previous drilling, where marginal-style talc alteration predominates;
- Results from Palokas include **4 metres @ 1.2 g/t gold from 152.0 metres in PAL0009**, drilled 65 metres down dip from PRAJ0110 (9.2 metres @ 3.2 g/t gold from 82 metres) - refer to Mawson New Release [Sept 24 2015](#) and **3.1 metres at 1.4g/t gold from 150.6 metres in PAL0012**, drilled 90 metres down dip from PRAJ0117 (2.0 metres @ 2.8 g/t gold from 66.4 metres, 3.0 metres @ 1.6g/t gold from 65.6 metres and 3.0 metres @ 1.9g/t gold from 109.9 metres) – refer to Mawson New Release [Dec 18 2015](#).
- Results from the first deep drill hole drilled at Hirvimaa, PAL0008, located 680 metres north of Palokas, include **3.0m @ 1.4g/t gold from 31 metres**;
- Mineralization remains open down plunge to the north and appears to be truncated down-dip and to the south by these new results;
- The broad mineralized and altered zone has been confirmed with these drill holes, which continues over 1,000 metres along strike and 250 metres down dip. Distribution of higher gold grades is yet to be understood outside the main Palokas mineralized zone;
- The Company continues to drill test the immediate extensions of Palokas, as well as the broader mineralized trend that extends over at least 3 kilometres;
- The three dimensional induced polarization and resistivity survey (“3D IP/resistivity”) is now complete and extends coverage over Palokas to 2.7 kilometres.

*Mr Hudson, President & CEO states, “While we would have preferred a stronger start to the winter drill program at Palokas, we remain mindful these holes are only the start of the first deeper drilling program that tests an extensive gold-bearing system. Our targeting methods using the low resistivity IP and VTEM geophysics are working and clearly define the mineralized host horizon, which we have now drilled over 1,000 metres of strike and intersected in every drill hole. Further away from Palokas, we see broad intervals of lower grade gold, within a 40 metre wide zone (ie drill hole PAL0009) of prospective rocks. As always, high-grade gold distribution is complex, and our drilling continues to help build up a picture of this extensive gold system.”*

To date six holes have been completed at the Hirvimaa and Palokas prospects for 1,260 metres. Drilling has been slower than anticipated due to longer ramp up and cold conditions during January, however the program is now on track to complete 4,000 metres as planned, should winter conditions last until mid-April. The first five holes from the program as reported here are PAL0008, PAL0009, PAL0010, PAL0012 and PAL0013 (Table 2). PAL0008 was drilled at Hirvimaa (Figure 5). PAL0009-PAL0013 were drilled at Palokas (Figures 1-4). PAL0011 was a short test hole of 11.8 metres to commission a drill rig outside the Natura 2000 areas and PAL0014 was abandoned at 19.9 metres due to drilling issues. PAL0015 has yet to be cut and assayed. PAL0016 and PAL0017 remain in progress (Table 1).

Tables 1 and 2 include collar and assay results to date from the winter drill program. The true thickness of mineralized intervals is interpreted to be approximately 90% of the sampled thickness. A plan map of drilling at Palokas is shown in

Figure 1, with representative cross sections shown in Figures 2-4. Figure 5 shows a plan map of the Rajapalot project area which shows the drill plan over the broader prospect area.

The remainder of the winter drill program (Figure 5) will target:

- The down plunge and open northerly extensions of the Palokas mineralization below drillholes PRAJ0113 and PRAJ0114 which respectively intersected 20.6 metres @ 2.7g/t gold from 56.8 metres and 7.0 metres @ 7.2 g/t gold from 61.1 metres;
- The two largest low resistivity IP anomalies 350 metres south of Palokas;
- The undrilled 600-metre-long mineralized trend between Palokas and Hirvima;;
- The area located 1,000 to 1,200 metres south of Palokas, to follow up geophysical targets, gold mineralized boulder fields and shallow drilling results which include 0.3 metres @ 49.6 g/t gold from 17.7 metres in PRAJ0097 and 3.9 metres @ 3.3 g/t gold from 24.1 metres in PRA0076 – refer to Mawson News Release [Dec 16 2014](#);
- A series of drill hole fences through the 400-metre-long by 100-metre-wide Rumajärvi boulder field, located 1,500 metres south of Palokas, where 68 boulders assay >0.1g/t gold with an average of 149g/t gold and range from 0.11g/t gold to 3,870g/t gold - refer to Mawson News Release [Feb 18 2014](#).

Mawson, in conjunction with all environmental authorities, are ensuring that all parts of the exploration programs are undertaken with minimal environmental impact. Baseline mapping of habitats and vegetation were completed during the summer and autumn. Mapping and identifying the nature values of the area ensures that threatened and endangered species are not negatively affected by exploration activities.

In other news on August 24 2015, the Company announced that it had requested a police investigation into certain accusations made by an NGO about the Company in their re-appeal to the Supreme Administrative Court. On December 18 2015, Mawson was informed by the Rovaniemi police that it will not proceed with the case. The Rovaniemi police have subsequently informed the Company that they have reassessed the case and have commenced interviewing members of the NGO.

### **Technical and Environmental Background**

The qualified person for Mawson's Finnish projects, Mr Michael Hudson, President & CEO for Mawson and Fellow of the Australasian Institute of Mining Metallurgy has reviewed and verified the contents of this release.

Two Energold Group ("Energold") EGD Series III rigs which have been modified to meet environmental requirements and climate conditions were used for the drill program. Core diameter is NTW (56 mm) diameter core. Core recoveries were excellent and average close to 100% in fresh rock. After photographing and logging, core intervals averaging 1 metre in length for mineralized samples and 2 metres for barren samples were cut in half at the Geological Survey of Finland (GTK) core facilities in Rovaniemi, Finland. The remaining half core is retained on site for verification and reference purposes. Analytical samples were transported by Mawson personnel from site to the CRS Limited facility in Kempele, Finland. Samples were prepared at Kempele and analyzed for gold at Raahe using the PAL1000 technique which involves grinding the sample in steel pots with abrasive media in the presence of cyanide, followed by measuring the gold in solution with flame AAS equipment. The QA/QC program of Mawson consists of the systematic insertion of certified standards of known gold content, and blanks at the within interpreted mineralized rock. In addition, CRS inserts a number of blanks and standards into the analytical process.

### **About Mawson Resources Limited (TSX:MAW, FRANKFURT:MXR, PINKSHEETS:MWSNF)**

[Mawson Resources Limited](#) is an exploration and development company. Mawson has distinguished itself as a leading Nordic Arctic exploration company with a focus on the flagship Rompas and Rajapalot gold projects in Finland.

On behalf of the Board,

**"Michael Hudson"**

Michael Hudson, President & CEO

### **Further Information**

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### **Forward-Looking Statement**

This news release contains forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "forward-looking statements"). All statements herein, other than statements of historical fact, are forward-looking statements. Although Mawson believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: aim, believe, expect, anticipate, intend, estimate, postulate, and similar expressions, or are those, which, by their nature, refer to future events. Mawson cautions investors that any forward-looking statements are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, capital and other costs varying significantly from estimates, receipt of shareholder approval of the Placement, successful completion of the Placement, timing and the successful completion of an initial mineral resource estimate at the Rompas-Rajapalot prospect in Finland, changes in world metal markets, changes in

equity markets, planned drill programs and results varying from expectations, delays in obtaining results, equipment failure, unexpected geological conditions, local community relations, dealings with non-governmental organizations, delays in operations due to permit grants, environmental and safety risks, and other risks and uncertainties disclosed under the heading "Risk Factors" in Mawson's most recent Annual Information Form filed on www.sedar.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Mawson disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

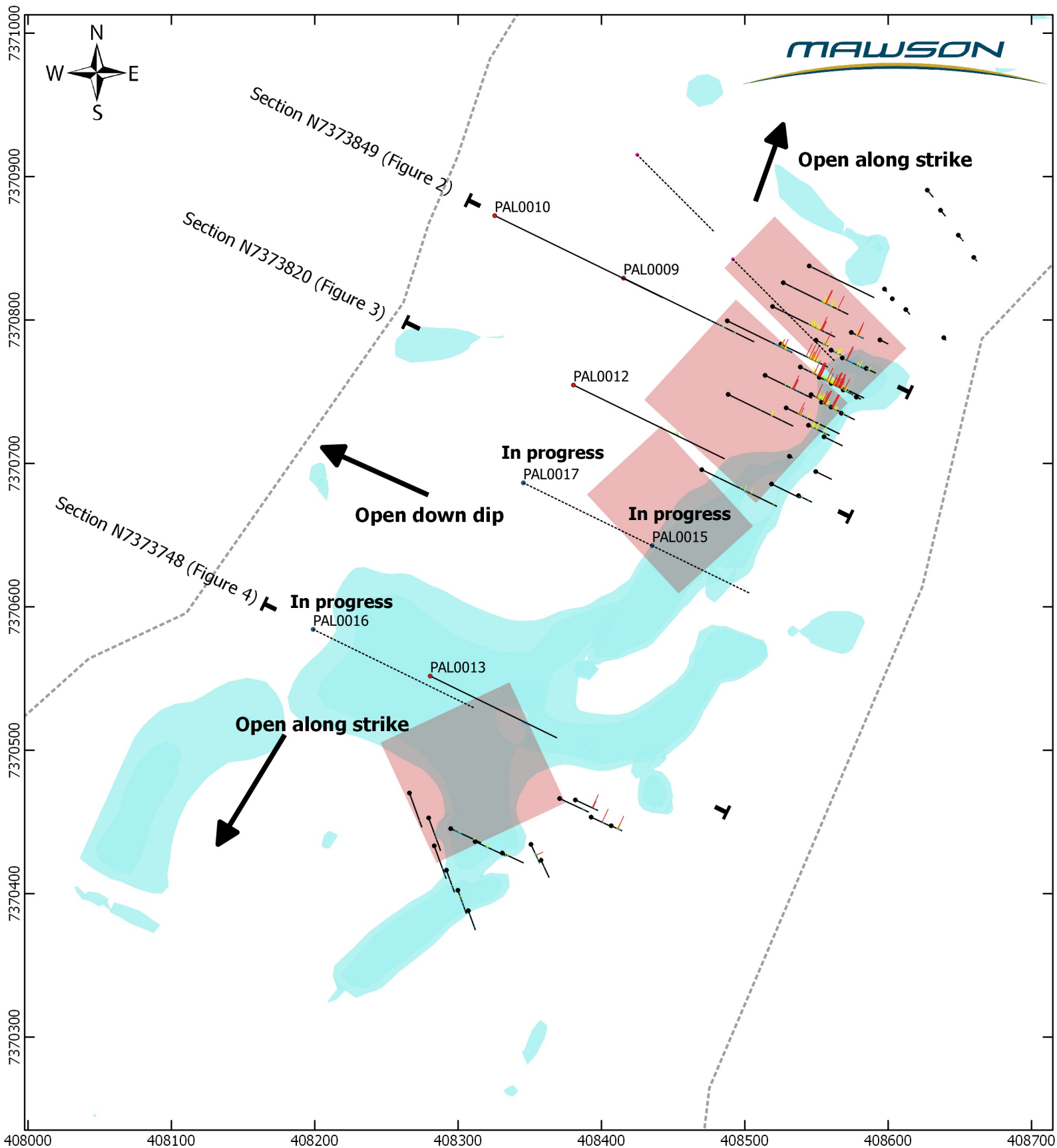
Table 1: Collar Information from Energold drill program to date at the Palokas and Hirvimaa Prospects

Hole_id	UTME	UTMN	RL	Dip	AzimUTM	Overburden Depth (m)	Depth (m)	Comment
PAL0008	3409235	7374248	175	-60	130	4	158.4	Assay reported here
PAL0009	3408550.6	7373912	174	-60	116	5.7	201.5	Assay reported here
PAL0010	3408460.7	7373955.6	173.9	-60	116	5.3	285.95	Assay reported here
PAL0011	3409405.7	7374222	176.143	-60	130	6.5	11.8	Short test hole
PAL0012	3408515.6	7373837.4	173.983	-60	116	4.9	233.55	Assay reported here
PAL0013	3408415.7	7373634.4	174.104	-60	116	4	196.8	Assays not yet available
PAL0014	3408333.1	7373666.1	173.955	-60	116	0.8	19.9	Abandoned
PAL0015	3408570.6	7373725.4	174.6	-60	116	4.05	151.9	Assays not yet available
PAL0016	3408322	7373670	173.955	-60	116			In progress
PAL0017	3408480	7373768	173.9861	-60	116			In progress

Table 2: Bulk weighted assay data from the Palokas Prospect for Aug-Nov 2015 drill program  
A lower cut of 0.5 g/t over 2 metres was applied except hole PAL0013 where no lower cut was applied for 131.0-140.8m.

Hole_id	From (m)	To (m)	Width	Au g/t	Comments
<b>PAL0008</b>	31.0	34.0	3.0	1.4	
<b>PAL0009</b>	135.0	136.0	1.0	0.7	
<b>PAL0009</b>	148.0	149.0	1.0	0.7	
<b>PAL0009</b>	152.0	156.0	4.0	1.2	
<b>PAL0009</b>	157.0	158.0	1.0	0.5	
<b>PAL0009</b>	173.0	174.0	1.0	1.1	
<b>PAL0010</b>					No significant mineralization
<b>PAL0011</b>					Shallow test hole
<b>PAL0012</b>	150.6	153.7	3.1	1.4	
<b>PAL0013</b>	138.5	139.5	1.0	0.6	
<b>PAL0013</b>	131.0	140.8	9.8	0.3*	

**Figure 1. Palokas drill plan showing new results**



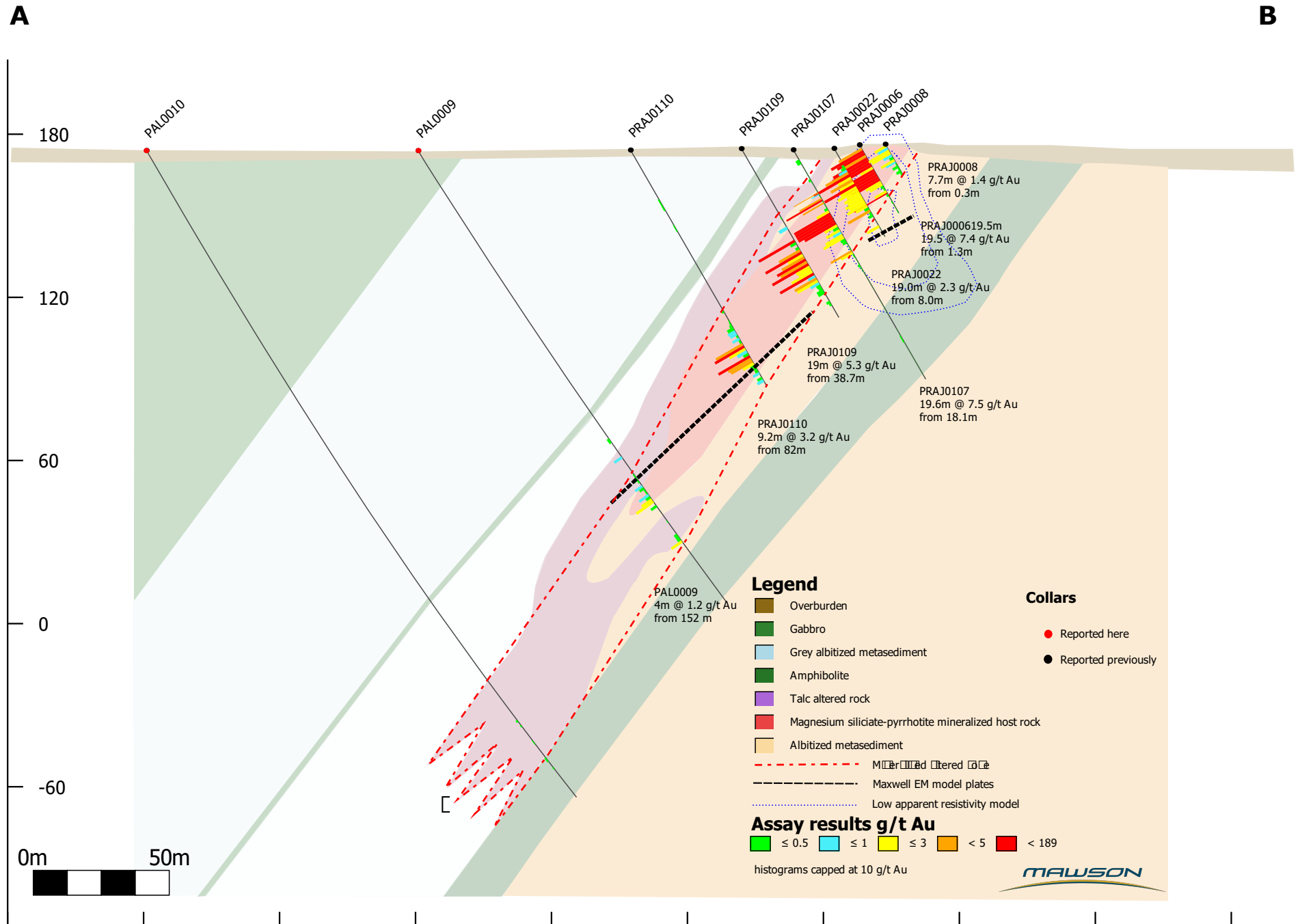
**Legend**

- Collars reported here
- Previously reported collars
- Planned drill holes
- Currently drilling or waiting for assays
- Surface projection of Maxwell EM model plates
- Surface projection of low apparent resistivity
- Program area

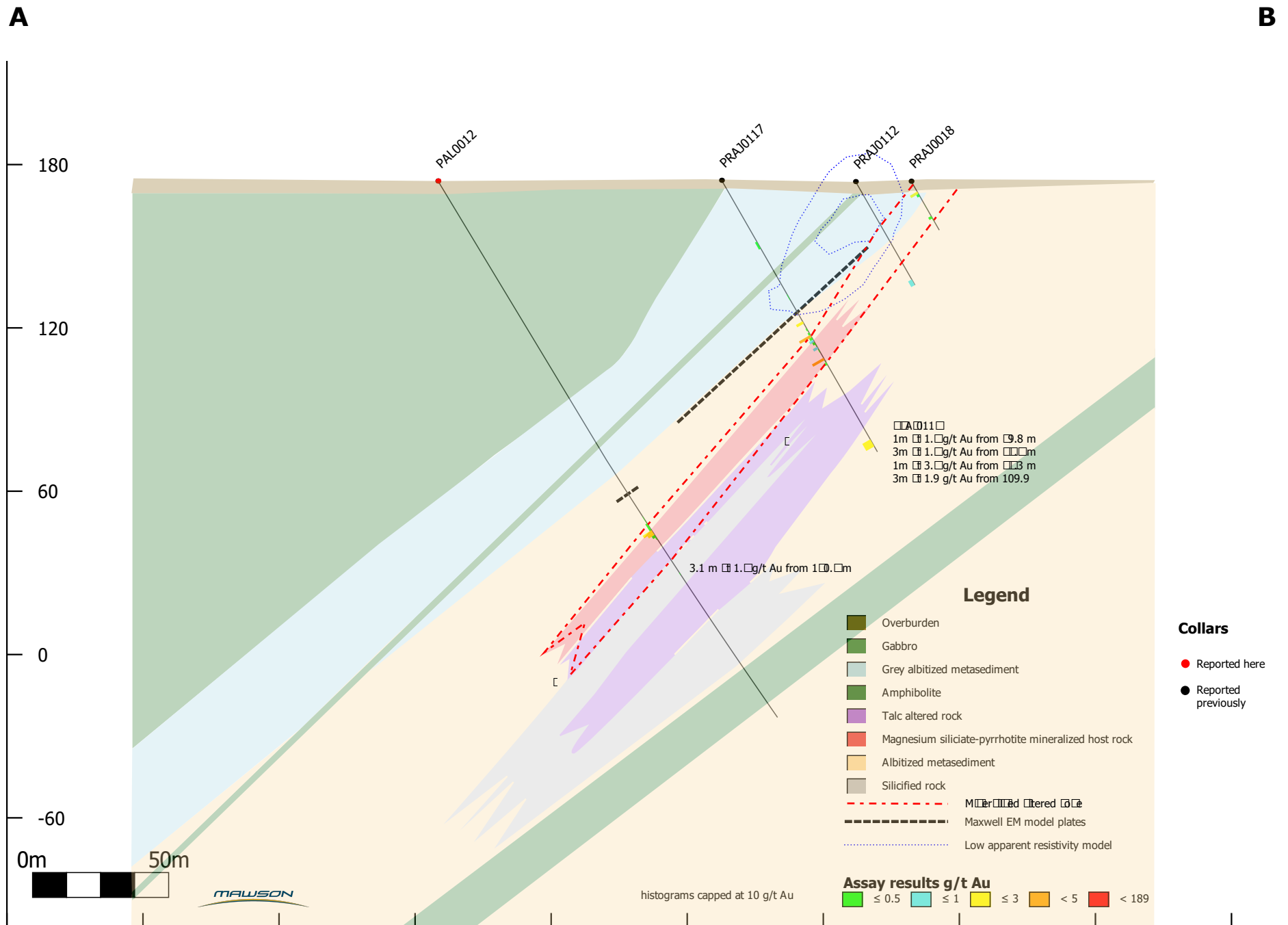
0 50 100 m

Histograms capped 10 g/t Au

**Figure 2. Section N7373820 showing new results from drill hole PAL0009 and PAL0010**



**Figure 3. Section N737748 showing new results from drill hole PAL0012**



**A** Figure 4. Section N737748 showing new results from drill hole PAL0013

**B**

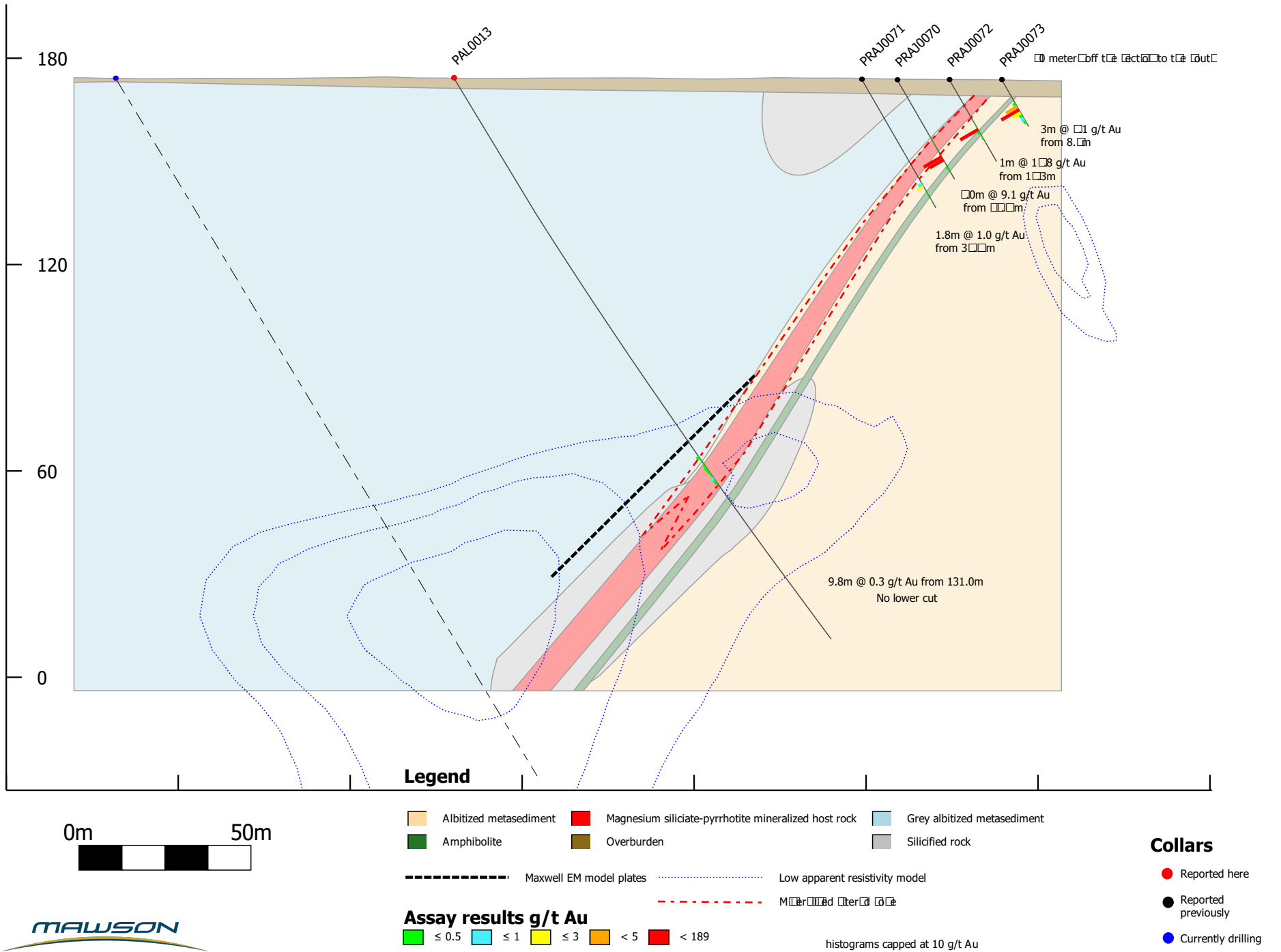


Figure 5. Overview of the Rajapalot Gold Project

**Legend**

- Shallow Drilling (PRAJ/LD) average 18m depth
- Planned drill hole 2016
- ⦿ Engergold drill hole
- Boulder field

**Boulder Results**

- < 1 g/t
- < 3 g/t
- < 5 g/t
- < 10 g/t
- < 25 g/t
- > 25 g/t

