



IMPORTANT TAX NOTICE TO U.S. SHAREHOLDERS OF NEWCASTLE GOLD LTD.

This statement is provided for shareholders who are United States persons for purposes of the U.S. Internal Revenue Code. It is not relevant to other persons.

PFIC ANNUAL INFORMATION STATEMENT

NewCastle Gold Ltd. (the "Company" or "NewCastle Gold") may be deemed to be classified as a Passive Foreign Investment Corporation ("PFIC") as defined in Section 1297(a) of the IRC for the year ended December 31, 2016. NewCastle Gold is hereby making available a PFIC Annual Information Statement for the year ended December 31, 2016 pursuant to Treasury Regulations 1.1295-1(g)(1).

1. This information Statement applies to the taxable year of NewCastle Gold beginning January 1, 2016 and ending December 31, 2016 (the "Taxable Year").
2. The total ordinary earnings and net capital gain of NewCastle Gold for the Taxable Year were:
 - Ordinary earnings: NIL
 - Net capital gains: NIL
3. The amount of cash and fair market value of property distributed to shareholders of NewCastle Gold during the Taxable Year were:
 - Cash distributed: NIL
 - Fair Value of Property distributed: NIL

NewCastle Gold will permit you, to the extent required by U.S. federal income tax law, to inspect and copy its permanent books of account, records and other such documents as may be maintained that are necessary to establish that PFIC ordinary earnings and net capital gains, as provided in Section 1293(e) of the IRC are computed in accordance with U.S. income tax principles, and to verify these amount and the shareholders' pro rata shares thereof.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, YOU ARE HEREBY NOTIFIED THAT ANYTHING CONTAINED IN THIS NOTICE CONCERNING ANY U.S. FEDERAL TAX ISSUE IS NOT INTENDED OR WRITTEN TO BE USED, AND IT CANNOT BE USED BY A U.S. HOLDER, FOR THE PURPOSE OF (i) AVOIDING FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER OR (ii) PROMOTING, MARKETING OR RECOMMENDING TO ANY PARTY ANY MATTERS ADDRESSED HEREIN.

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. THE U.S. TAX LAWS REGARDING PFICS ARE EXTREMELY COMPLEX AND SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISOR CONCERNING THE OVERALL TAX CONSEQUENCES OF THEIR RESPECTIVE INVESTMENT IN, AND OWNERSHIP OF SHARES OF NEWCASTLE GOLD UNDER UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN LAW.



Further information on PFIC rules is available on the internet at the Internal Revenue Service website, including the following pages:

- Detailed information about PFICs and the QEF election: www.irs.gov/instructions/i8621/ch01.html
- Instructions to complete Form 8621: www.irs.gov/pub/irs-pdf/i8621.pdf
- Form 8621: www.irs.gov/pub/irs-pdf/f8621.pdf

NewCastle Gold Ltd.

By: "Paul J. Ireland"
Chief Financial Officer
September 27, 2017