

**NIOGOLD MINING CORPORATION**

Equity Research | Metals & Mining

Ticker

Recommendation

12-month Target

Please see important disclosures at the end of this document

**TSXV:NOX**  
\$0.36

**SPEC. BUY**  
(unchanged)

**\$0.85**  
(unchanged)

**Final Drill Results For The First Phase Program At Marban Block**

November 16, 2011

**Market Data**

52-week High-Low	\$0.55-\$0.19
Shares Outstanding	
– Basic	97.1 million
– Fully Diluted	117.7 million
Market Capitalization	\$35.0 million
Enterprise Value	\$25.4 million
Cash & ST Investments	\$7.0 million
Marketable Securities	\$2.6 million
90-Day Avg. Daily Volume	200,000
Fiscal Year End	August 31
Major shareholders:	Management: 1.2%
	Pinetree Capital Ltd.: 8.3%

**Event**

This morning, Aurizon and NioGold announced final results from the 2011 drill campaign. Results were released on 31 drill holes; 14 on the Marban deposit and 17 step out holes testing between the Marban and Norlartic deposits.

NioGold and Aurizon will carry on with the \$5-million second phase program, which will include 34,000 metres of diamond drilling on the Marban deposit (starting in November), updated resource estimates and basic technical studies.

**Highlights**

Highlights included some near surface showings including MB-11-206 (0.72 g/t over 25.9 metres) and NL-11-046 (1.23 g/t over 21.2 metres (previously released) which were in the area between the Norlartic and Marban deposits. Holes MB-11-224 (9.8 g/t over 5.8 metres and 6.6 g/t over 3.5) and MB-11-247 (1.8 g/t over 16.7 metres) were from the Marban deposit and also near surface.

**Comments**

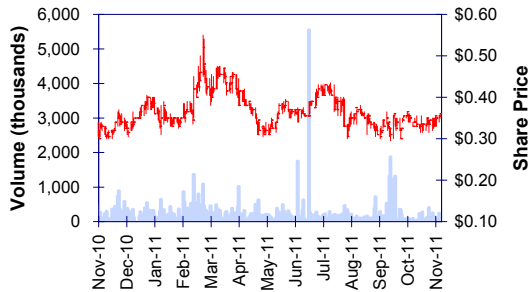
While there were no holes with bonanza grade intercepts like some prior releases, results are encouraging since we believe upside will come from delineating near surface resources that will make Marban amenable to open pit mining. Using a 0.5 g/t cut-off, the Marban Block, which includes Norlartic, Kierens and Marban deposits, has 2.3 million ounces in a resource block model but mineralization thins out near surface. It has not been determined if these ounces are economically minable.

As mentioned previously, the Marban Block is most advanced development project for Aurizon after Joanna (feasibility study expected 2Q-2012) but, in our opinion, could jump ahead on additional positive results.

**Conclusion**

**We reiterate our \$0.85 target price and SPECULATIVE BUY recommendation.**

**Trading History (TSXV:NOX)**



Source: Bloomberg

**Company Description**

**NioGold Mining Corporation** is a gold exploration company with land holdings in northern Quebec's most prominent gold mining region, the Malartic, Cadillac and Val-d'Or gold camps. Its principal properties include the Marban Block, Malartic Hygrade, Malartic H, Camflo West, and Siscoe East located in the Abitibi Greenstone belt. The Company controls a 20 km segment of this prospective fault zone with gold resources defined over a 3 km segment in and around three former mines: Marban, Norlartic and Kierens, which collectively produced 600,000 ounces gold.

**Key Project**

**Marban Block – JV with Aurizon Mines Ltd.**

Indicated	598,000 oz Au	8.1Mt @ 2.3 g/t
Inferred	361,000 oz Au	5.8Mt @ 1.9 g/t
Historic*	145,050 oz Au	0.8Mt @ 5.8 g/t

\*non NI 43-101 compliant

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