

- [Montan Mining Corp.](#) (TSXv: MNY) to acquire operating gold ore processing facility and a mining operation in southern Peru.
- Plant personnel will be assisted by Mr. Michel Robert, B.A., B.A.Sc. (Hons), M.A.Sc. (Hons), Metallurgist and Mining Engineer, Director of Montan and former Senior Vice President of Pan American Silver.
- Plant is in production ramp up from 30 tpd to 150 tpd, with the required equipment already installed, and is in proximity to a high concentration of artisanal miners to provide mill feed for tolling.
- Peruvian small-scale gold mining industry is undergoing government supported formalization to strengthen the environmental, safety and fiscal practices of the industry increasing demand for permitted mills.

VANCOUVER, April 27, 2015 /CNW/ - [Montan Mining Corp.](#) (TSXv: MNY) is pleased to announce the signing of a binding letter agreement with Goldsmith Resources SAC, a Peruvian company, for the acquisition of the producing Mollehuaca Ore Processing Plant in Peru as well as mining rights for the nearby Eladium Gold Mine and the Saulito Property.

The Mollehuaca Plant was recently expanded and has both a carbon-in-pulp (CIP) circuit as well as a flotation circuit with a total capacity of approximately 150 tpd. The operating circuits provide flexibility for processing of mixed metal ores, a feature unique among toll mills in the district.

The plant is located in the region of Arequipa, the most active region of Peru for small scale gold mining. The mill is currently operating with a start-up throughput of 30 tpd. Montan plans to make application for commercial permits to incrementally increase capacity up to 350 tpd from the currently permitted 180 tpd when Montan assumes operatorship.

Initially on Montan taking over management, operations and optimization will be directed by the experienced local staff already at site, advised by Mr. Michel Robert, B.A., B.A.Sc. (Hons), M.A.Sc. (Hons), metallurgist, mining engineer and Director of Montan. Mr. Robert was Senior Vice President of [Pan American Silver Corp.](#) from 1995 to 2001: he was responsible for the management of operations in Latin America and oversaw expansion of the company in Peru, Mexico and Bolivia. In Peru, Mr. Robert's experience includes managing the start up of the Tintaya Mine, advising Minerio Peru in its privatization process, and the due diligence, acquisition, rehabilitation, and expansion of several mines, including those of Pan American Silver in country. Mr. Robert is a Member of the Society of Mining Engineers, the Canadian Institute of Mining and Metallurgy, American Institute of Mining Engineers as well as the Order of Engineers of Québec and speaks fluent Spanish, French and English.

"The acquisition of a cash flowing gold processing plant strategically located at the epicenter of the Peruvian small scale gold mining industry will be the springboard for growth of this company and the creation of shareholder value," stated Mr. Ian Graham Chief Executive Officer of Montan.

"There are currently an estimated 550,000 informal and artisanal miners in Peru all of whom fall under the 2012 formalization legislation meant to strengthen the environmental, safety and fiscal practices of this multi-billion dollar industry," stated Mr. Luis Zapata, Executive Chairman. "As such, our plant will provide a crucial and needed service for the mining community of Peru and establish a business unit of Montan which is relatively independent of gold price changes to maintain its strong operating margins."

The acquisition also includes the operating Eladium Mine as well as the Saulito Project. The two projects are located in the Nazca-Ocona metallogenic belt in close proximity to the Mollehuaca Gold Plant. Mineralization at both projects is hosted by a system of quartz-sulphide veins which contain high grades of gold and accessory silver and copper. Eladium is currently built to produce 10-25 tpd of high grade gold ore (15-30 g/t Au). Montan will undertake a review of the Eladium operation as well as the Saulito Property. The Company's Alicia Project remains an asset with near term cash flow potential.

Photos of the Mollehuaca Plant as well as an updated corporate presentation and fact sheet will be posted on the company's website: <http://www.montanmining.ca>

The acquisition will make Montan the third TSX listed company in operation / production in the gold ore processing business in Peru alongside [Inca One Gold Corp.](#) (currently ramping to 100 tpd at its Chala operation) and [Dynacor Gold Mines Inc.](#) (currently producing at 250 tpd at its Huanca operation).

Acquisition Terms:

The acquisition of an existing permitted, operating and producing gold ore processing facility saves the Company significant capital, time and resources by eliminating the construction and permitting process which building a new gold processing plant would entail.

Total consideration for the assets and operations being purchased is US\$3,300,000, US\$50,000 of which has been paid and with the remainder payable as follows:

- US\$750,000 in cash and 8,000,000 Montan common shares (the "Montan Shares") at a deemed price of \$0.125 per share upon closing.
- US\$1,500,000 on the first anniversary of Closing. Montan may choose that payment of US\$750,000 be in cash or in additional Montan Shares priced at the VWAP price of Montan's shares on TSXV for the 20 trading days up to and including the day prior to the payment date. The vendor will get security while this payment remains outstanding, including the right to a Montan board member.
- The Montan Shares issued will be subject to TSXV escrow requirements.

Since incorporation, Goldsmith has spent in excess of US\$4 million permitting, building, operating and developing the mill and properties.

Pursuant to the binding letter agreement with Goldsmith, the structure of the transaction and the exact assets to be acquired may be determined by Montan during the 30 day due diligence period, although the purchase price will remain the same.

From the date the Definitive Agreement is executed by the Parties (the "DA Date") until the Closing, Montan will take over operations and management of the business of Goldsmith and provide all working capital as it deems necessary to continue the day to day operations of the business. All income and expenses from the DA Date to Closing will accrue to Montan. Post-Closing, Montan will continue as the operator and manager of the business. In the event the Acquisition does not close, Montan may terminate its operation of the business and will only be responsible for actions that it took while operating the business.

Upon the transaction closing, compensation will be paid to certain Montan management personnel in the form of equity in recognition of uncompensated activities to deliver the acquisition.

The purchase and operations can be financed with equity, debt or alternatives. Montan is currently working with its advisors in Peru and North America to structure the optimum financing arrangement(s) and will report further and on completion of due diligence.

Closing of the transaction is conditional upon TSX Venture Exchange approval.

The technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed on behalf of the company by Ms. Jenna Hardy, M.Sc., P.Geo., of Nimbus Management Ltd., a Qualified Person.

MONTAN MINING CORP.

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About Montan Mining Corp.

[Montan Mining Corp.](#) (TSXv: MNY) is positioned for growth in Peru through the acquisition and development of advanced and/or cash flow mining opportunities. Montan is backed by an experienced and high-energy management team with diverse technical, market and finance strengths and expertise and is supported by committed and sophisticated investors focused on building value for the long term.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Forward-Looking Statements Certain statements in this press release are forward-looking statements within the meaning of applicable securities laws. Forward-looking statements in this press release include that we will acquire the Peruvian businesses from Goldsmith. Such forward-looking statements and information are subject to risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement. Specific risks included that we may not be satisfied with our due diligence, we may not be able to agree on definitive terms, we may not be able to finance our intended acquisition and we may not obtain regulatory approval. General risks include the reliance on available data and assumptions and judgments used in the interpretation of such data, the speculative and uncertain nature of exploration and development, exploration and development costs, capital requirements and the ability to obtain financing, volatility of global and local economic climates, share price volatility, estimate price volatility, changes in equity markets, increases in costs, exchange rate fluctuations and other risks involved in the mineral exploration and development industry. There can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate, as actual results and future events could

differ materially from those anticipated in such statements or information. Also, many of the factors are beyond our control. Accordingly, readers should not place undue reliance on forward-looking statements or information. We undertake no obligation to reissue or update any forward-looking statements or information except as required by law.

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Contact

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