

Calgary, Alberta (FSCwire) - [Morro Bay Resources Ltd.](#) (Morro Bay; or the Company) (TSX-V: MRB) is pleased to announce it has closed the first tranche (the First Tranche) of the non-brokered private placement (the Private Placement) announced April 6, 2015. The First Tranche consisted of the issuance of a total of 3,590,000 Units at a price of \$0.05 per unit for gross proceeds of \$179,500. The Private Placement remains open for further subscriptions.

Each Unit is comprised of one common share (share) of the Company and one common share purchase warrant ("Warrant"). Each Warrant will be exercisable for one common share of the Company for a period of 24 months from the closing date of their issuance at an exercise price of \$0.05 per share for the first 12 months and at an exercise price of \$0.10 for the second 12 months. The Warrants will not be listed for trading.

In connection with the Private Placement, the Company may pay finder's fees to arm's-length third parties consisting of: (i) cash commission of up to 10% of the gross proceeds of the Offering; and (ii) broker warrants ("Broker Warrants") in an amount up to 10% of the total number of Units under the Offering. Each Broker Warrant is on the same terms the Warrants described above. As a result of the First Tranche of subscriptions a total of 299,000 Broker Warrants were issued.

John Zang, a member of the Board of Directors and CEO of Morro Bay, subscribed for 600,000 Units. There will be no fee payable on that portion of the Private Placement.

Proceeds from the Private Placement will be used for the exploration work at the Peñoles property and for general corporate purposes.

The Private Placement is subject to TSX Venture Exchange approval. The securities issued in the Private Placement will be subject to a hold period of four months plus one day following the issue date, under applicable Canadian securities legislation.

As announced on May 5, 2015, Morro Bay exercised its option on the Peñoles property and delivered to [Riverside Resources Inc.](#) 15 million common shares. As a result of the issuance under the Private Placement and the issuance to Riverside, Morro Bay currently has 82,035,233 shares outstanding and 4,522,000 Warrants outstanding.

Further Information

For further information please contact:

[Morro Bay Resources Ltd.](#)

John C. Zang

President and Chief Executive Officer

E: jzang@morrobayresources.com

T: 403 680 9264

Investors Relations:

Patrick Piette

E: ppiette@morrobayresources.com

T: 416 526 9911

Or

CHF Investor Relations

Robin Cook, Account Manager

E: robin@chfir.com

T: +1 416 868 1079 x228

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

Information in this news release may contain forward looking information. Statements containing forward looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the company.

There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information.

The forward-looking information contained in this news release is as of the date hereof and Morro Bay does not undertake any obligation to update publicly or to revise any of the included forward looking statements contained herein, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

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