TORONTO, ONTARIO--(Marketwired - Dec. 17, 2015) -

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Red Pine Exploration Inc. (TSX VENTURE:RPX) ("Red Pine") and Augustine Ventures Inc. (CSE:WAW) ("Augustine") announce that they have entered into a non-binding letter of intent dated the date hereof in respect of a transaction pursuant to which Red Pine will acquire all of the outstanding securities of Augustine (the "Transaction"). It is expected that Augustine will merge with a wholly-owned subsidiary of Red Pine pursuant to the plan of arrangement provisions of the *Business Corporations Act* (Ontario) (the "Plan of Arrangement"). Red Pine and Augustine each hold a 30% interest in the Wawa Gold Project, a gold project located near Wawa, Ontario. Upon completion of the Transaction, the combined entity (the "Resulting Issuer") is expected to continue to explore with a view to developing the known resource contained in the Wawa Gold Project.

Benefits of the Transaction

Red Pine and Augustine believe the Transaction will be accretive and will add to shareholder value, with benefits that include the following:

- consolidation of the Wawa Gold Project into one leading exploration company with an experienced exploration and development management team;
- reduced corporate costs by merging two publicly listed companies into one publicly listed company; and
- increased liquidity and exposure for the Resulting Issuer.

Robert Dodds, President & CEO of Augustine, said "The quality and strength of our combined technical teams led by Quentin Yarie, the proposed COO of the resulting company, will ensure robust advances in the further development of our known gold resource, and the merged entity will be financially stronger and should realize economies of scale by reducing public company costs, including legal, audit, listing and administrative and our shareholders will participate in the future growth as shareholders of the combined entity."

Quentin Yarie, President & CEO of Red Pine, added "The transaction will enable us to focus our combined resources into the exploration and development of the Wawa Gold Project, which we believe will continue to enhance long-term shareholder value and a more diverse and larger shareholder base should enhance the liquidity of the shares of the combined entity."

Terms of the Transaction

Under the terms of the non-binding letter of intent between Red Pine and Augustine, each Augustine shareholder will receive 0.8 common shares of Red Pine for each Augustine common share held (the "Exchange Ratio"). The Transaction is an arm's length transaction and will constitute a "reviewable transaction" by Red Pine pursuant to TSX Venture Exchange ("TSXVE") Policy 5.3 - *Acquisitions and Dispositions of Non-Cash Assets*. Upon completion of the Transaction, it is expected that Augustine will delist its securities from the Canadian Securities Exchange and apply to the applicable securities regulators in the Provinces of Alberta, Ontario and Nova Scotia to cease its status as a reporting issuer in those jurisdictions.

It is intended that the Transaction will result in Augustine becoming a wholly-owned subsidiary of Red Pine or otherwise combining its corporate existence with a wholly-owned subsidiary of Red Pine. While the final structure of the Transaction will be subject to the receipt of tax, corporate and securities law advice for both Red Pine and Augustine, it is currently anticipated that the Transaction will be completed by way of a "three-cornered amalgamation" pursuant to the plan of arrangement provisions of the OBCA, whereby:

1. Augustine will amalgamate with a newly-incorporated wholly-owned subsidiary of Red Pine;
2. the holders of common shares of Augustine, including those purchasers of the WAW FT Units and WAW Units, will receive Resulting Issuer common shares based on the Exchange Ratio (as defined below); and
3. all of the currently outstanding warrants of Augustine will be exercisable pursuant to the terms of such warrant certificates for common shares of the Resulting Issuer based on the Exchange Ratio.

If a definitive agreement is reached, Augustine will prepare an information circular (the "Information Circular") to be mailed to shareholders of Augustine in connection with a shareholder meeting to be called to consider the plan of arrangement, which the Superior Court of Justice of Ontario (the "Court") is expected to require, among other things, pursuant to the interim order of the Court in connection with the Plan of Arrangement. Red Pine shall provide to Augustine such information with respect to itself as may be required for inclusion in the Information Circular and the Definitive Agreement will provide that it will indemnify Augustine for any misrepresentation contained in such information.

As part of an ongoing process by Augustine to review strategic alternatives in light of market conditions over the past year, Augustine engaged IBK Capital ("IBK") to act as its financial advisor in connection with one or more possible transactions, including any financings, joint venture, merger, or other business combination. In this capacity, IBK has assisted Augustine in various capacities, including with the analysis and review of various potential transactions.

Augustine has formed a special committee of independent directors following an approach by Red Pine. The special committee's mandate included the review and consideration of, among other things, the Transaction. Goodmans LLP is providing legal advice to the special committee and Mackie Research Capital Corporation has been retained by Augustine to assess the fairness of the Transaction from a financial point of view. It is expected that the special committee will request a fairness opinion regarding the Transaction prior to entering into a definitive agreement.

Red Pine currently has 69,237,343 common shares issued and outstanding, as well as 6,389,000 stock options and 24,698,370 common share purchase warrants (each of which is exercisable to acquire one common share of Red Pine). Augustine currently has 77,325,526 common shares issued and outstanding, as well as 38,173,136 common share purchase warrants (each of which is exercisable to acquire one common share of Augustine). Augustine expects that all currently outstanding stock options will be cancelled prior to the completion of the Transaction.

	Red Pine	Augustine (pre-exchange ratio)	Augustine (post exchange ratio) (multiply by 0.8)
Shares currently outstanding	69,237,343	77,325,526	61,860,420
Warrants currently outstanding	24,698,370	38,173,136	30,538,509
Stock options	6,389,000	0	0
Totals (fully diluted)	100,324,713	115,498,662	92,398,929
Totals (undiluted)	69,237,343	77,325,526	61,860,420

Prior to completion of the RPX Offering and WAW Offering (as each of such terms are defined below - see "Financing"), the current Red Pine shareholders will hold 69,237,343 (52.81%) common shares of the Resulting Issuer and current Augustine Shareholders will hold 61,860420 (47.18%) on a non-diluted basis (100,324,713 (52.05%) and 92,398,929 (47.95%), respectively, on a fully diluted basis). The RPX Financing and the WAW Financing are expected to be completed prior to the closing of the Transaction; however, it is not expected that the current Red Pine shareholders will hold less than 50% of the issued and outstanding common shares of the Resulting Issuer on either a non- or fully-diluted basis.

Financing

In conjunction with the Transaction, each of Red Pine and Augustine will use their best efforts to complete, on or prior to the completion of the Transaction, a private placement of units of each of the two entities.

Red Pine Financing

Red Pine is expected to conduct a non-brokered private placement of securities (the "RPX Offering") for aggregate gross proceeds of up to $750,000. The RPX Offering will consist of a flow-through unit (the "RPX FT Unit"), each such RPX FT Unit being comprised of a "flow-through" share (within the meaning of the *Income Tax Act* (Canada)) and one-half of one non-flow through common share purchase warrant (the "RPX Warrant") for aggregate gross proceeds of up to $250,000, and units (the "RPX Unit") comprised of a non-flow through common share and one-half of one RPX Warrant, for aggregate gross proceeds of up to $500,000. The pricing of the RPX FT Units and RPX Units and the terms of the RPX Warrants will be determined in the context of the market.

Augustine Financing

Augustine is expected to conduct a brokered private placement of securities (the "WAW Offering") for aggregate gross proceeds of up to $1,000,000. The WAW Offering will consist of a flow-through unit (the "WAW FT Unit"), each such WAW FT Unit being comprised of a "flow-through" share (within the meaning of the *Income Tax Act* (Canada)) and one-half of one non-flow through common share purchase warrant (the "WAW Warrant") for aggregate gross proceeds of up to $250,000, and units (the "WAW Unit") comprised of one non-flow through common share and one WAW Warrant for aggregate gross proceeds of up to $750,000. The pricing of the WAW FT Units and WAW Units and the terms of the WAW Warrants will be determined in the context of the market. Augustine has retained IBK to assist it with the WAW Offering.

Proposed Name Change

At the upcoming annual meeting of shareholders of Red Pine, scheduled to be held January 29, 2016, the shareholders will be asked to approve a special resolution authorizing the Board of Directors to amend the articles of Red Pine to change its name to "Wawa Gold Inc." or such other name as the Board of Directors of Red Pine deems appropriate (the "Name Change"). The Name Change is subject to the approval of the TSXVE.

Board of Directors and Senior Management of the Resulting Issuer

It is expected that the Board of Directors of the Resulting Issuer will consist of seven members, including Robert Dodds, the

current CEO of Augustine, Quentin Yarie, the current CEO of Red Pine, two independent director nominees of Red Pine, expected to be Elgin Wolfe, the current Chair of Red Pine who will remain as Chairman of the Resulting Issuer and Brent Nykoliation, a current director of Red Pine and two independent director nominees of Augustine, expected to be John Sadowski and Michael Newman plus one additional director to be named later. Senior management of the Resulting Issuer is expected to consist of, among others, Robert Dodds as Chief Executive Officer, Quentin Yarie as President and Chief Operations Officer and Marc Johnson (the current CFO of Red Pine) as Chief Financial Officer.

Closing Conditions

Completion of the Transaction is subject to a number of conditions, including but not limited to completion of the RPX Offering and the Augustine Offering, the satisfaction of Red Pine and Augustine in respect of the due diligence investigations to be undertaken by each party, the entering into by the parties of a definitive agreement with respect to the Transaction (such agreement to include representations, warranties, conditions and covenants typical for a transaction of this nature), the receipt of approval of the directors of each of Red Pine and Augustine, the approval of the Court of the Plan of Arrangement, the approval of the shareholders of Augustine, the determination of a new board of directors of the Resulting Issuer, the receipt of all necessary approvals of all regulatory bodies having jurisdiction in connection with the Transaction, including the TSXVE and CSE. The Transaction cannot close until the required conditions are satisfied or waived, and there can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular of Augustine to be prepared in connection with the Transaction, any information released or received with respect to the Transaction, the RPX Offering and the WAW Offering, and/or other associated transactions may not be accurate or complete and should not be relied upon. Trading in the securities of the Red Pine and Augustine should be considered highly speculative.

If and when a definitive agreement between Red Pine and Augustine is executed, Red Pine and Augustine will issue a subsequent press release in accordance with the policies of the TSXVE and CSE containing the details of the definitive agreement and additional terms of the Transaction, and to the extent not contained in this press release, the proposed directors, officers, and insiders of the Resulting Issuer upon completion of the Transaction. The letter of intent is not binding on either party, except with respect to the confidentiality and exclusivity obligations. Each of Red Pine and Augustine caution that no definitive agreement has been entered into and accordingly no assurance can be given that the negotiations between Red Pine and Augustine will lead to a transaction that is consistent with Red Pine's proposal or to any transaction at all.

Wawa Gold Project

The Wawa Gold Property consists of four contiguous mining claim groups totalling 5.338 hectares located approximately 2 kilometres southeast of the Town of Wawa in Northern Ontario.

To view Figure 1 - Map showing the locations of adjacent mines and exploration projects, please visit the following link: http://media3.marketwire.com/docs/rpe_map.jpg

The Wawa property includes gold mineralization in the Surluga gold deposit, a Precambrian-age structurally complex gold deposit hosted in the Michipicoten greenstone belt. The gold mineralization occurs in quartz veins and silica-altered fractures associated with shear zones, with the Jubilee shear zone representing the primary structure. From the early 1900s until 1991, numerous small underground mines have extracted approximately 500,000 tonnes of gold mineralization at an average grade of 8.9 grams of gold per tonne (g/t gold).

An updated NI 43-101 Technical Report was received by Red Pine on June 5, 2015 resulting in an inferred resource estimate for the Surluga deposit of 1.088 million oz Au at grade of 1.71 grams per tonne within 19.824 million tonnes using an average 0.5 g/t gold cut off grade:

Table 1. Mineral Resource Statement* for the Surluga-Jubilee Gold Deposit, Wawa Gold Project, Ontario

Resource Category	Cut-off Gold (g/t)	Quantity ('000 t)	Grade Gold (g/t)	Contained Metal Gold ('000 oz)
Inferred**Pit-Constrained	0.40	10,239	2.05	676
Outside Pit-Constrained	0.40	8,630	1.07	298
Underground	2.50	955	3.73	114
Total	0.50	19,824	1.71	1,088

* Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate.

** Open pit mineral resources are reported at a cut-off grade of 0.40 g/t gold in relation with a conceptual pit shell constructed by

SRK. Underground mineral resources include classified modelled blocks below the conceptual pit shell and above a cut-off grade of 2.50 g/t gold. Cut-off grades are based on a gold price of US$1,250 per once and a gold recovery of 95 percent.

The Technical Report was prepared by Ronacher McKenzie Geoscience in collaboration with SRK Consulting (Canada) Inc. The mineral resource estimate has an effective date of May 26, 2015 and is based on the exploration database up to January 19, 2015 consisting of 2,007 historical boreholes totaling 126,067 meters and 26 boreholes drilled by the Company during 2014 and 2015 totaling 5,594 meters that were designed to verify and validate parts of the historical data and the position of underground excavations. The complete Technical Report is available on SEDAR and on Red Pine's website.

More information about the Wawa Gold Project can be found in the technical report dated June 5, 2015 filed by Red Pine on www.SEDAR.com under it's profile entitled "Independent Technical Report, Wawa Gold Project, Ontario".

Technical Information

The technical information in this news release has been reviewed and approved by Quentin Yarie, P.Geo., a Qualified Person as defined by NI 43-101 guidelines.

About Red Pine

Red Pine Exploration Inc. is a gold and base-metals exploration company headquartered in Toronto, Ontario, Canada. Red Pine's common shares trade on the TSX Venture Exchange under the symbol "RPX".

For more information about Red Pine, visit www.redpineexp.com

About Augustine

Augustine Ventures Inc. is a junior gold exploration company headquartered in Toronto, Ontario, Canada. Augustine's common shares trade on the CSE under the symbol "WAW". Augustine has a 30% interest in the Wawa Gold Project, which is also owned 40% by Citabar and 30% by Red Pine. Under the terms of the JVA, Red Pine is the Operating Manager.

Cautionary Statements

Disclosure Regarding Forward-Looking Statements: This press release contains certain "Forward-Looking Statements" within the meaning of applicable securities legislation relating to the proposal to complete the Transaction and associated transactions, including statements regarding the terms and conditions of the Transaction, the Plan of Arrangement, the RPX Offering, the WAW Offering, and the use of proceeds in connection with each of the RPX Offering and the WAW Offering. The information about Augustine contained in the press release has not been independently verified by Red Pine and vice versa. We use words such as "might", "will", "should", "anticipate", "plan", "expect", "believe", "estimate", "forecast" and similar terminology to identify forward looking statements and forward-looking information. Such statements and information are based on assumptions, estimates, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments as well as other factors which it believes to be reasonable and relevant. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause our actual results to differ materially from those expressed or implied in the forward-looking statements and information and accordingly, readers should not place undue reliance on such statements and information. Although each of Red Pine and Augustine believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because neither Red Pine nor Augustine can give any assurances that they will prove to be correct. In evaluating forward-looking statements and information, readers should carefully consider the various factors which could cause actual results or events to differ materially from those expressed or implied in the forward looking statements and forward-looking information depending on, among other things, the risks that the parties will not proceed with the Transaction, the Plan of Arrangement, the RPX Offering, the WAW Offering and/or other associated transactions, that the ultimate terms of the Transaction, the Plan of Arrangement, the RPX Offering, the WAW Offering, tand/or other associated transactions will differ from those currently contemplated, and that the Transaction, the Plan of Arrangement, the RPX Offering, the WAW Offering and/or other associated transactions will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The statements in this press release are made as of the date of this release. Neither Red Pine nor Augustine undertakes any obligation to comment on analysis, expectations or statements made by third parties in respect of the Red Pine, Augustine, their respective securities, or their respective financial or operating results (as applicable).

The TSXVE has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Neither the TSXVE nor its Regulation Services Provider (as that term is defined in the policies of the TSXVE) accepts

responsibility for the adequacy or accuracy of this release.

This press release is intended for distribution in Canada only and is not intended for distribution to United States newswire services or dissemination in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

Contact

Red Pine Exploration Inc.
Quentin Yarie
President & CEO
(416) 364-7024
qyarie@redpineexp.com

Augustine Ventures Inc.
Robert (Bob) Dodds
President & CEO
(416) 363-2528
bdodds@augustineventures.com