Lac Barry Prospect - Exploration Expenditures of $2,000,000

VAL-D'OR, QUEBEC--(Marketwired - Mar 11, 2016) - Golden Valley Mines Ltd. ("Golden Valley" or the "Company") (TSX VENTURE:GZZ) is pleased to announce that it has entered into an option agreement with BonTerra Resources Inc. ("BonTerra") with respect to Golden Valley's 100% owned Lac Barry Prospect located in the Abitibi Greenstone Belt. The Lac Barry Prospect is located to the southwest along the projected strike extension of mineralization on the West Arena Property of BonTerra's 100% owned Gladiator Gold Project, which is currently being drilled on by BonTerra. In addition, the Lac Barry Prospect is adjacent to and immediately south of BonTerra's Coliseum Property.

Transaction Terms:

Golden Valley has granted an option to BonTerra to acquire an 85% interest in the Lac Barry Prospect, located in the Abitibi Greenstone Belt of northwestern Québec.

The option agreement specifies, among other things: (i) BonTerra must issue to Golden Valley such number of common shares in the capital of BonTerra, having an aggregate value of $200,000 based on the closing price of BonTerra's shares on the TSX Venture Exchange the day prior to the date that the TSX Venture Exchange issues its written acceptance of the option agreement and the transaction contemplated thereby; (ii) BonTerra must incur expenditures in an aggregate amount of $2,000,000 over a 3 year period on the Lac Barry Prospect.

Upon the exercise of the option, Golden Valley shall retain a 15% free carried interest in the Lac Barry Prospect and a 3% net smelter royalty ("NSR"), with 1% of the NSR being subject to a buyback in favour of BonTerra for $1 million payable by BonTerra to Golden Valley.

The option agreement is subject to TSX Venture Exchange approval.

Property Details:

The Lac Berry Prospect is comprised of 35 claims covering 1,431.65 hectares. A property map can be viewed at: http://goldenvalleymines.com/maps/Lac-Barry-Prospect.pdf.

The Lac Barry Prospect is located approximately 1.5 kilometers southwest of BonTerra's current drill program that's underway on its West Arena Property, details of which are contained in BonTerra's news release dated March 2, 2016.

In 2013, Golden Valley completed an eight-hole drill program totaling 999 meters testing two separate target areas separated by a distance of approximately 5 kilometres (please refer Golden Valley's October 10, September 11, and May 16, 2013 news releases). This initial drill program on the Lac Barry Prospect succeeded in confirming three target categories:

1. Shear zone-hosted gold mineralization;
2. Intrusion-hosted disseminated gold (similar intrusion-hosted gold mineralization has been encountered in BonTerra's current drill program at the West Arena Property.); and
3. VMS (volcanogenic massive sulphide) mineralization hosted in a unit containing copper, gold silver and zinc mineralization.

Work Program:

BonTerra's exploration strategy with respect to the Lac Barry Prospect is to perform a detailed evaluation of all existing technical data, fulfill its first year $250,000 work commitment as soon as possible and evaluate results with a view to accelerating Lac Barry Prospect exploration expenditures.

Glenn J. Mullan, the Chairman, President and Chief Executive Officer of Golden Valley, is the Qualified Person (as that term is defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*) who approved the technical disclosure included in this news release.

About Golden Valley Mines Ltd.: The Company typically tests initial grassroots targets while owning a 100% interest therein and then seeks partners to continue exploration funding. This allows the Company to carry on its generative programs and systematic exploration efforts at other majority-owned grassroots projects. The Company (together with its various subsidiaries) holds property interests in projects in Canada (Saskatchewan, Ontario and Québec).

Forward-Looking Statements:

This news release contains certain statements that may be deemed "forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or realities may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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.

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