

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Mar 17, 2016) - [Strongbow Exploration Inc.](#) (TSX VENTURE:SBW) is pleased to announce that it has reached an agreement whereby Strongbow has the right to acquire, from administration, a 100% interest in the South Crofty Tin Project and associated mineral rights in Cornwall, UK.

Richard Williams, President and CEO of Strongbow states; "Cornwall is a world class tin district with a rich mining history spanning over 400 years, and South Crofty is one of the best known past producing mines in the district. We believe that South Crofty represents one of the best tin opportunities currently available globally. Strong support for new mine development locally, and in the UK in general, is demonstrated by the recent start-up of the Drakelands tungsten-tin mine, owned by Wolf Minerals and located in the neighbouring county of Devon, the development of Dalradian Resources' Curraghinalt gold project in Northern Ireland, and Sirius Minerals' York Potash project in North Yorkshire. We view these developments as extremely positive for the potential future re-development of South Crofty. We are very pleased to announce today's acquisition, which fits into our objective of acquiring high quality mining assets in the strategic metals space."

Highlights

- South Crofty has an active mine permit valid until 2071, subject to certain planning conditions being addressed.
- The mine permission area includes 26 former producing mines.
- Some of the tin lodes have been mined over a strike length of approximately 4km, and from surface to a depth of 1km. The lodes remain open along strike and to depth.
- Existing mine infrastructure that is potentially useable includes 4 vertical shafts with a combined depth of 2,940m.
- An area has been set aside for construction of a new process plant, if and when required.
- A new National Instrument ("NI") 43-101 Mineral Resource Estimate is pending.

Background

Western United Mines Ltd. (in Administration) and Cornish Minerals Limited (Bermuda) (collectively the "Companies") hold the rights to the South Crofty underground mine permission area, plus an additional mineral rights over a further 7,500 Ha located in various parts of Cornwall, UK. The Companies were placed into administration in 2013 to protect the assets.

An agreement has been signed between Strongbow, Galena Special Situations Fund (the only secured creditor) ("Galena"), and Tin Shield Production Ltd. (a private company that will forego its option with Galena to acquire the project) ("Tin Shield").

The material terms of the agreement are as follows, all references to currency being in Canadian dollars unless otherwise specified:

- Strongbow to enter into a purchase and sale agreement with the administrator managing the affairs of the Companies to acquire the shares of the Companies and to fund the exit of the Companies from administration by settling a proportion of claims owed to unsecured creditors. The exit from administration is budgeted to cost up to \$350,000.
- Galena, the only secured creditor, will convert all debt owed to it into common shares of Western United Mines Ltd which shares will be acquired by Strongbow, which will complete the acquisition of 100% of the shares of the Companies.
- Strongbow to reimburse Tin Shield for the operating costs incurred for the project from November 1, 2015 in an amount not to exceed \$340,000. In addition, Strongbow will make a payment of US\$80,000 to Tin Shield and will assume responsibility for operating costs to a maximum of \$85,000 per month until the earlier of: a) Closing, and b) the sixtieth day following the agreement.
- Strongbow to issue 2,000,000 common shares to Galena on TSX Venture Exchange approval of the agreement.
- Strongbow to issue 1,000,000 common shares to Galena upon receipt of a permit to increase water discharge from the old mine workings from 10,000m³ per day to 25,000m³ per day.
- Strongbow to make a payment to Galena totaling \$2,000,000 (cash and / or common shares at Strongbow's election) on the second anniversary of the successful exit from administration.
- Strongbow to issue 2,000,000 common shares to Galena on delivery of a positive feasibility study or commencement of commercial production, whichever occurs first.
- Strongbow to make a cash and / or common share payment to Galena equal to 25% of the NPV of the project upon making a decision to go into production. In the event that Strongbow's market capitalization is less than the NPV of the project when a production decision is made, Strongbow will pay the equivalent of 25% of its market value to Galena and the balance (between the 25% of market value and 25% of the NPV of the project) will be paid out as a 5% Net Profits Interest from production.
- In the event that Strongbow transfers any assets, rights, or entitlements to certain mineral rights which are not part of the core mineral rights (the "Other Mineral Rights") to a third party before the agreed consideration has been paid to Galena, then Galena will be entitled to receive a payment equal to 10% of any consideration received for the Other Mineral Rights, to a maximum of \$1,000,000.
- Subject to certain conditions, Galena shall direct Strongbow to pay 47.5% of the consideration payments to Tin Shield.

About South Crofty

The South Crofty tin project is located in the towns of Pool, Camborne, and Redruth in the county of Cornwall, SW England, approximately 465km drive west of London.

There has been tin mining in Cornwall since at least 2300 BC. The South Crofty commenced large scale production in the mid 17th century. The mine managed to continue operations until it shut down in 1998 following the tin price collapse of 1984.

Several companies attempted to revive the mine between 2001 and 2013. Significant advances were made, primarily the agreement to secure a site for future mill construction, and the grant of a mining permit which is valid until 2071, subject to certain planning conditions being met. Unfortunately, the timing of the mine permit grant coincided with the current poor market conditions in the resource sector and the assets were put into administration in 2013.

The mine has seen production from near-surface copper mineralization and deeper tin-only mineralization. The focus for Strongbow will be to evaluate the deeper tin-only mineralization that occurs primarily from a depth of 400m below surface.

NI 43-101 Mineral Resource Estimate

Strongbow has commissioned a NI 43-101 Mineral Resource Estimate, which is expected to be published within 2 weeks of this news release.

Required Approvals

Completion of the transaction is subject to a number of conditions, including Galena having provided an unconditional and absolute discharge and release of its security, the Companies having exited administration and approval of the TSX Venture Exchange.

Qualified Person

Richard Williams, P.Geol. (BC), President & CEO of Strongbow and a Qualified Person under NI 43-101, has reviewed and approved the contents of this news release.

ON BEHALF OF THE BOARD OF DIRECTORS

Richard D. Williams, P.Geol.

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 release.

This news release contains "forward-looking statements" including but not limited to statements with respect to Strongbow's plans to acquire the South Crofty tin project, Strongbow's ability to reach agreement for the settlement of secured and unsecured creditor claims which are a condition to the Companies exiting administration, the timing to complete an updated NI 43-101 technical report for the project, Strongbow's ability to obtain an increase to the water discharge permit for the South Crofty tin project, its ability to deliver a positive feasibility study on the project, the commencement of commercial production from the South Crofty tin project and the estimated future net present value of the South Crofty tin project, the availability of financing for future cash payments, ongoing maintenance costs and future development work at the South Crofty tin project, in addition to the estimation of a mineral resource and the success of exploration activities.

Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to receipt of regulatory approvals, the successful integration of acquisitions; risks related to general economic and market conditions; risks related to the availability of financing; the timing and content of upcoming work programs; actual results of proposed exploration activities; possible variations in mineral resources or grade; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; changes in national and local government regulation of mining operations, tax rules and regulations.

Although Strongbow has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Strongbow undertakes no obligation or responsibility to update forward-looking statements, except as required by law.

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