TORONTO, ONTARIO--(Marketwired - May 5, 2016) - Kerr Mines Inc. ("Kerr Mines") (TSX:KER) is pleased to announce that further to a joint press release with BonTerra Resources Inc. (TSXV: BTR, US: BONXF, FSE: 9BR1) ("BonTerra") dated March 17, 2016, the parties have completed the transaction pursuant to which BonTerra can acquire from Kerr Mines a 100% interest in the Larder Lake Property.

Pursuant to the terms of the acquisition agreement dated March 16, 2016, between BonTerra and Kerr Mines, as amended, BonTerra has paid CDN$200,000 and issued an aggregate of 10,000,000 common shares in the capital of BonTerra. In addition, BonTerra is obligated to make the following payments: (a) CDN$300,000 on or before December 26, 2016; (b) CDN$350,000 on or before April 26, 2017; and (c) CDN$300,000 on or before October 26, 2017. The shares issued are to be voted with management for the forthcoming two years' of annual general and special meetings of BonTerra. Kerr Mines is now deemed an Insider of BonTerra, as per TSX Venture Exchange policies.

Please visit www.bonterraresources.com for information on the Larder Lake Property, its location, and other general information. The Larder Lake Property 43-101 technical report, completed by P&E Mining Consultants, is currently available on Kerr Mines' website www.kerrmines.com.

This news release contains forward-looking statements, including current expectations on the timing of the commencement of production and the rate of production, if commenced. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, the strength of the Canadian economy; the price of gold; operational, funding, and liquidity risks; the degree to which mineral resource estimates are reflective of actual mineral resources; and the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with underground operations. Risks and uncertainties about Kerr Mines' business are more fully discussed in the Company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Kerr Mines assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law.

Contact

Kerr Mines Inc.
Greg Gibson
President and CEO
ggibson@kerrmines.com