

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 12, 2016) - [Cap-Ex Iron Ore Ltd.](#) (TSX VENTURE:CEV) ("Cap-Ex" or the "Company") is pleased to announce it has entered into a mineral property option agreement dated July 12, 2016 (the "Agreement") with Pacific Empire Minerals Corp. (the "Optionor") whereby Cap-Ex is granted the option (the "Option") to acquire up to a 70% interest in the Later Property (the "Property"), 50 kilometres (km) northwest of the Mt. Milligan Copper-Gold mine in Central British Columbia.

The Later Property consists of 16 mineral claims covering approximately 5,700 hectares within the prolific Quesnel Terrane in Central B.C. The Property is accessible by vehicle and within 50km of hydroelectric power and railway. Interest in the region has been renewed by increased metal prices and the recent acquisition of the Mt. Milligan mine by [Centerra Gold Inc.](#)

The Property encompasses two distinct targets areas approximately 6 kilometers apart, each with the potential to host significant copper-gold mineralization. Recent geophysical surveys outlined two chargeability anomalies with the larger being at least 3 kilometres across. The chargeability anomalies are coincident with two separate resistivity anomalies which are each approximately 2 kilometres across and are interpreted to represent intrusive centers or clusters of multiple phases of intrusions. Recent drilling by the Optionor in 2015 tested the highest chargeability area on the outskirts of one of the interpreted intrusive centers and intersected a pyrite dominated, lower temperature portion of a large hydrothermal system. The 2015 drilling included DD15ELB001 which intersected 94 meters grading 0.34 grams per tonne gold (BC Assessment Report # 35824).

Cap-Ex plans to use the alteration patterns identified in the recent drilling, paired with the geophysics, to vector towards higher temperature mineral assemblages commonly associated with copper -gold mineralization. This new target zone, covered by a thin veneer of glacial material, is represented by coincident IP chargeability, moderate resistivity and magnetic highs, and is approximately 1,000 metres to the east of the previous drilling.

#### Terms of the Agreement

Under the terms of the Agreement Cap-Ex can earn a 51% interest in the Property over a four year option term by completing \$2,000,000 in exploration expenditures on the Property and issuing 1,000,000 common shares of Cap-Ex as follows:

1. Exploration Expenditures
  1. \$150,000 on or before the first anniversary of the approval of the TSX Venture Exchange (the "Approval Date");
  2. a further \$250,000 on or before the second anniversary of the Approval Date;
  3. a further \$600,000 on or before the third anniversary of the Approval Date; and
  4. \$1,000,000 on or before the fourth anniversary of the Approval Date.
2. Issuance of common shares
  1. 200,000 common shares in the capital of Cap-Ex on or before the second anniversary of the Approval Date;
  2. 300,000 common shares in the capital of Cap-Ex on or before the third anniversary of the Approval Date; and
  3. 500,000 common shares in the capital of Cap-Ex on or before the fourth year anniversary of the Approval Date.

Upon completion of the 51% earn-in, Cap-Ex can earn an additional 19% interest in the Property, bringing the total interest to 70%, by issuing an additional 500,000 common shares and incurring a further \$3,000,000 in property expenditures within two years.

If and when Cap-Ex earns an interest, either 51 or 70 percent, Cap-Ex and the Optionor will enter into a joint venture on standard industry terms.

All securities issued pursuant to the Agreement are subject to a four month hold period from the date of issuance. The Agreement is subject to the acceptance of the TSX Venture Exchange. This news release has been reviewed by Adrian Smith, Director, and a Qualified Person as that term is defined in NI 43-101.

#### ABOUT CAP-EX IRON ORE LTD.

[Cap-Ex Iron Ore Ltd.](#) is a Canadian listed company, focused on creating shareholder value through discoveries and strategic development of mineral properties in Canada.

#### CAP-EX IRON ORE LTD.

Andrew Bowering, Chairman

*NEITHER 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 may contain forward-looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements."*

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