Highlights:

- Brazil Resources to acquire a 100% interest in the Titiribi Gold-Copper Project in central Colombia;
- The Project hosts several styles of mineralization including gold-copper porphyry and associated epithermal gold mineralization in nine zones identified to date;
- Approximately 144,779 metres of diamond drilling in 270 holes have been completed historically on the Project;
- Nearby gold projects in development or in production include Red Eagle's San Ramon, B2 Gold's Gramalote, Continental Gold's Buritica, and Gran Colombia's Marmato projects;
- Total consideration of 5,000,000 common shares and 1,000,000 share purchase warrants of Brazil Resources with the common shares being issued at closing representing less than 4.6 % dilution to shareholders of Brazil Resources; and
- The transaction represents a significant milestone in Brazil Resources? strategy of targeted acquisitions.

VANCOUVER, Aug. 18, 2016 /CNW/ - Brazil Resources Inc. ("Brazil Resources") (TSX-V: BRI; OTCQX: BRIZF) is pleased to announce that it has entered into a share purchase agreement (the "Agreement") with NovaCopper Inc. ("NovaCopper"), pursuant to which it will acquire Sunward Investments Limited ("Sunward"), a subsidiary of NovaCopper which owns 100% of the Titiribi Gold-Copper Project (the "Project") located in Colombia.

Amir Adnani, Chairman of Brazil Resources, commented: "We are very pleased to have come to an agreement with NovaCopper to acquire such a large-scale gold project in the Americas, which further expands our growing asset base. With the acquisition of Titiribi, we take a major step towards realizing our vision of consolidating quality gold assets and maximizing gold leverage for our shareholders. We look forward to welcoming NovaCopper as a new shareholder of Brazil Resources."

Garnet Dawson, CEO of Brazil Resources, further added: "The Project was the focus of extensive exploration, metallurgical, environmental and engineering programs from 2010 to 2013. Post- closing, our geologists will work to review the extensive drilling database at Titiribi to outline target areas for follow-up exploration and we plan to commission an independent resource estimate for the Project."

The Agreement

Pursuant to the Agreement, Brazil Resources will acquire all of the shares of Sunward, the wholly-owned subsidiary of NovaCopper holding a 100% interest in the Project.

Total consideration payable by Brazil Resources to NovaCopper under the Agreement is 5,000,000 common shares of Brazil Resources (the "BRI Shares") and 1,000,000 share purchase warrants, with each warrant exercisable into a BRI Share at an exercise price of $3.50 per share for a period of two years, subject to acceleration by Brazil Resources in certain circumstances.

The BRI Shares to be issued under the transaction are subject to certain resale restrictions pursuant to the terms of the Agreement.

The Agreement is subject to customary closing conditions, including requisite approval of the TSX Venture Exchange. The parties expect closing to occur on or about September 1, 2016.

The Project

The Project is located approximately 70 kilometres southwest of the city of Medellin in the department of Antioquia in central Colombia and is comprised of one concession that covers an area of approximately 39.19 square kilometres. Antioquia has seen several gold projects in development or production over the last 10 years including Red Eagle's San Ramon, B2 Gold's Gramalote, Continental Gold's Buritica, and Gran Colombia's Marmato projects. This has largely coincided with the government encouraging foreign development in a region that has not seen, until recently, the implementation of modern exploration programs. The Project is road accessible by paved highway from Medellin with high power electrical lines passing within 3 kilometres.

The Project consists of several near surface bulk tonnage gold-copper porphyry and associated epithermal gold systems. A total of nine mineralized areas have been identified to date, including the main Cerro Vetas, Chisperos and NW Breccia zones. Other peripheral targets include: Junta, Porvenir, Candela, Maria Jo, Rosa, and Margarita. A total of 270 diamond drill holes, totaling 144,779 metres, have been drilled at the Project.

Paulo Pereira, President of Brazil Resources has reviewed and approved the technical information contained in this news release. Mr. Pereira holds a Bachelors degree in Geology from Universidade do Amazonas in Brazil, is a Qualified Person as defined in NI 43-101 and is a member of the Association of Professional Geoscientists of Ontario.

Haywood Securities Inc. has advised the parties in connection with the transaction. Sangra Moller LLP is acting as legal counsel

to Brazil Resources and Blake, Cassels & Graydon LLP is acting as legal counsel for NovaCopper in connection with the transaction.

About Brazil Resources Inc.

Brazil Resources Inc. is a public mineral exploration company focused on the acquisition and development of gold projects in Brazil and other regions of the Americas. Brazil Resources is advancing its Cachoeira and São Jorge Gold Projects located in the State of Pará, northeastern Brazil, its Whistler Gold-Copper Project located in the state of Alaska, United States of America, and its Rea Uranium Project in the western Athabasca Basin in northeast Alberta, Canada.

Forward Looking Statements

This document contains certain forward-looking statements that reflect the current views and/or expectations of Brazil Resources with respect to its business and future events, including expectations respecting the Project, the closing of the Transaction and any future exploration programs and other work on the Project. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the markets in which Brazil Resources operates, including that the parties will satisfy or waive all conditions required to complete the transactions under the Agreement, including receipt of all required regulatory approvals, that Brazil Resources will confirm historical exploration results. Investors are cautioned that all forward-looking statements involve risks and uncertainties, including: the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other exploration data, the potential for delays in exploration or development activities, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with Brazil Resources' expectations, accidents, equipment breakdowns, title and permitting matters, labour disputes or other unanticipated difficulties with or interruptions in operations, fluctuating metal prices, unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future, including to fund any exploration programs on the Project, that the parties may not receive all required approvals or satisfy all conditions required under the Agreement and that Brazil Resources may not be able to confirm historical exploration results or complete a current resource estimate for the Project. These risks, as well as others, including those set forth in Brazil Resources' filings with Canadian securities regulators, could cause actual results and events to vary significantly. Accordingly, readers should not place undue reliance on forward-looking statements and information. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward looking information, will prove to be accurate. Brazil Resources does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law.

Neither the TSX Venture Exchange, the Toronto Stock Exchange nor their Regulation Services Providers (as that term is defined in the policies of the TSX Venture Exchange and the Toronto Stock Exchange) accepts responsibility for the adequacy or accuracy of this news release.

SOURCE Brazil Resources Inc.

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