TORONTO, ONTARIO--(Marketwired - Aug 29, 2016) - Excalibur Resources Ltd. ("Excalibur" or the "Company") (CSE:XBR)(OTCQX:EXCFF)(FRANKFURT:X9CN) is pleased to announce that it has acquired and closed on a 2% Royalty (the "Royalty") with proceeds capped at $1,000,000 with Orefinders Resources Inc. ("Orefinders") on its 100% owned Mirado Mine Project located in Kirkland Lake. In exchange for the Royalty, Excalibur will provide $500,000 in funding necessary to commence the Mirado Mine Stockpile project which consists of crushing, trucking, milling and refining over the September to November timeframe. Use of proceeds is primarily the deposits on the trucking and milling contracts.

Details of the transaction:

Phase One

Excalibur has provided a one year secured debenture of $450,000 in return for a financing bonus of $180,000 plus $90,000 in bonus Orefinders' shares. In addition to the debenture, Excalibur made an investment of $50,000 in return for an unsecured royalty capped at a maximum of $105,000, payable out of Orefinders' profits from processing the stockpile, after paying all processing costs and repayment of the Loan. Any proceeds from this Royalty is exclusive to Phase One of the Stockpile Project.

Phase Two

Excalibur has acquired a 2% net smelter royalty, with total proceeds capped at $1,000,000, on any future revenues from Orefinders possible Phase Two production from the Mirado project from expansion of the open pit once a Preliminary Economic Assessment ("PEA") has been completed. Excalibur also has the right to acquire 1% of the net smelter royalty for the life of the Mirado project for an additional $2,000,000 payment within 90 days after the company has declared commercial production.

Excalibur has retained the right of first refusal (ROFR) to provide any future stream financing component to Orefinders on its possible future Phase Two production from expansion of the open pit once a PEA has been completed and provided the financing is on reasonable and competitive commercial term consistent with industry standards.

Excalibur is funding these investments through a 1 year $500,000 loan plus a $250,000 financing fee plus 2.5 million 5 year Excalibur warrants at $0.15.

About Phase One of the Mirado Stockpile Project

Phase One is a resource that was blasted and mined from the Mirado open pit mine from its production during in the 1980's. Orefinders has since completed a resource calculation on the Stockpiles which delineated an inferred resource of 20,742 tonnes at an average grade of 4.41 grams per tonne for a total of 2,939 contained gold ounces. As per the toll milling agreement, announced in the July 14, 2016 news release, Orefinders will deliver a minimum 25,000 tonnes of resource from the Mirado to the Westwood Gold Mine for processing and extraction of gold. Orefinders views Phase One as an opportunity to clean up the former mine site and to generate cash flow for Orefinders' ongoing exploration and development of the Mirado project.

About the Mirado Project

The Mirado gold project is located 35 km southeast of the gold mining Town of Kirkland Lake in northeastern Ontario. The entire Mirado property encompasses 5,800 acres. The focus of the Mirado Gold Project is 12 contiguous patented claims, with surface and mining rights, owned 100% by Orefinders. The project has a 43-101 inferred resource of 442,000 ounces of gold at an average grade of 1.29 gpt. The inferred mineral resource estimate, which includes the three stockpiles, was published on 13 December, 2013. Refer to Orefinders website (www.orefinders.ca) or Sedar (www.Sedar.ca) to obtain a copy of the technical report.

Mineral Resource Statement*, Mirado Project, Ontario.
Effective date: 13 December, 2013

Classification/Zone	Cut-Off Grade (gpt Gold)	Quantity (000 tonnes)	Grade Gold (gpt)	Contained Metal Gold (000 ounces)
Inferred				
Open pit**	0.45	9,927	1.18	376.6
Underground**	2.00	669	2.90	62.4
Northern pile***	2.00	12	4.71	1.8
Central pile***	2.00	4	5.38	0.7
Southern pile***	2.00	5	2.74	0.4
Total Inferred		10,618	1.29	442.0

* Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit mineral resources are reported at a cut-off grade of 0.45 gpt gold inside a conceptual pit; underground and stockpile mineral resources reported at a cut-off grade of 2.0 gpt gold. Cut-off grades assume a gold price of US$1,400 per ounce; and metallurgical recovery of 95 percent.

** Open pit and underground resources were disclosed by Orefinders in a news release dated December 9, 2013.

*** Mineral resources in historical stockpiles were disclosed by Orefinders in a news release dated October 30, 2013.

Charles Beaudry, M.Sc., P.Geo., géo., Director of Excalibur, is a "Qualified Person" for the purpose of National Instrument 43-101 and has reviewed, verified and approved the contents of this news release.

Excalibur Resources Ltd. is a precious metals royalty and streaming company engaged in the acquisition and management of precious metal royalties, streams and similar production based interests.

On behalf of the Board of Directors:

Tim Gallagher, Chairman & CEO

Neither the Canadian National Stock Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Contact

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