

RIMOUSKI, QUEBEC--(Marketwired - Oct 13, 2016) - Puma Exploration (TSX VENTURE:PUM)(SSE:PUMA) is pleased to announce that it has executed an asset purchase agreement with Votorantim Metals Canada Inc. and signed a letter of intent with El Nino Ventures (ELN-V) to acquire, respectively, approximately 67.9% and 32.1% beneficial interest in the Murray Brook Zn-Pb-Cu-Ag Volcanogenic Massive Sulphide ("VMS") deposit located in the famous Bathurst Mining Camp ("BMC") of northern New Brunswick. The Murray Brook property consists of Mining Lease 252 and contiguous Mineral Claim Block 4925 (245 claims) located 4 km west of the producing Caribou Mine, which is owned and operated by [Trevali Mining Corp.](#) Both of the aforementioned transactions are expected to close on or about November 15<sup>th</sup>, 2016.

#### HIGHLIGHTS:

• The Murray Brook deposit contains historical resources of 1 billion pounds (lbs) of zinc, 183 million lbs of copper, 390 million lbs of lead, 23.9 million ounces ("oz") silver and 338,000 oz. of gold within historical Measured and Indicated Resources of 17,884,000 tons @ 2.73% Zn, 0.47% Cu, 0.99% Pb, 41.7 grams per ton ("g/t Ag") and 0.59 g/T Au. The historical resource estimates were prepared for Votorantim Metals Canada Inc in accordance with NI43-101. in 2012 from 132 holes and use terminology compliant with current reporting standards. Puma has not made any attempt to re-classify the estimates according to current standards of disclosure and is not treating the estimate as current mineral resources or mineral reserves. Investors are cautioned that "historical resources" are considered conceptual in nature and there is no guarantee that historic "potential resources" will be able to be converted into current NI43-101 resource categories or demonstrate economic viability. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources.

• Preliminary metallurgical tests indicated recoveries of up to 88% zinc.

• Gravity and soil geochemical targets exist along strike from the Murray Brook deposit and there are high priority drill-ready targets in favorable stratigraphy and along strike from the nearby Caribou Mine within Mineral Claim Block 4925.

Marcel Robillard, president of Puma, said "I am very pleased that we have been able to reach agreement with Votorantim Metals Canada Inc. and El Nino Ventures Inc. to acquire 100% of the Murray Brook deposit and look forward to completing the definite transactions by November 15<sup>th</sup>, 2016. The next step will be to update the historical Resources Estimate done in 2012 and the PEA released in 2013 to show the actual metal prices. This acquisition is another step to become a leader in Zinc Exploration in New Brunswick and it is a substantial addition to our portfolio of base metals projects in New Brunswick, which include the Turgeon, Nicholas-Denys and the newly acquired Red Brook projects."

The Murray Brook VMS deposit is hosted within a sheath fold; enveloped by a halo of chlorite-sericite alteration. There are 2 distinct lenses to the deposit; a western lens, which is deeper and zinc-rich, and an eastern lens that is shallower and copper-rich with some zinc. The bottom of the deposit is approximately 350 meters below surface.

Table 2. Selected drill-hole intersections at Murray Brook Deposit

Hole ID	From (m)	To (m)	Interval (m)	Cu %	Pb %	Zn %	Au (g/t)	Ag (g/t)
MB-2012-138	182.00	226.00	44.00	0.19	4.90	9.16	0.68	164
MB-2011-52	181.00	224.00	43.00	0.29	3.64	8.51	0.99	118
MB-2012-132	165.00	200.00	35.00	0.14	3.48	10.35	1.36	121
MB-2012-110	108.00	154.00	46.00	0.08	1.46	6.96	0.23	57
MB-2011-49	118.00	157.00	39.00	0.32	3.22	7.67	1.39	120
MB-2012-107	60.00	93.00	33.00	0.10	2.63	8.66	0.33	109
MB-2012-70	211.00	234.00	23.00	0.41	4.74	11.94	1.56	153
MB-2012-90	165.00	189.00	24.00	0.13	4.22	11.10	0.74	160
MB-10-16	44.00	71.00	27.00	0.47	3.39	9.56	0.12	122
MB-2011-39	190.00	210.00	20.00	0.18	3.82	10.90	1.34	115
MB-2011-30	55.00	78.00	23.00	0.14	3.03	8.93	0.46	131

The Murray Brook VMS deposit is hosted within sedimentary rocks of the Mount Britain formation. Recent geological mapping has identified exposures of the same rocks to the east of the deposit (on Mineral Claim Block 4925), that have not been recognized in the past. Notably, several gravity anomalies defined by a recent ground survey as well as a number of lead-zinc in-soil anomalies are coincident with the mapped exposures of the Mount Britain formation and provide excellent targets for diamond drilling in efforts to find additional mineralization. Of note, the Murray Brook VMS deposit shows up prominently as a strong gravity anomaly coincident with strong lead and zinc in-soil values. Additionally, large-loop electromagnetic surveys (Pulse EM) are warranted in the immediate locale of the deposit itself and along strike from it, to assist in finding satellite deposits to the known mineralization.

Terms of the transactions:

Puma will acquire Votorantim Metals Canada Inc.'s 67.9% beneficial interest and El Nino Ventures Inc.'s 32.1% beneficial interests in the Murray Brook property by concluding two (2) distinct transactions.

To acquire Votorantim Metals Canada interest (67.9%)

- a. C\$1.0 million upon closing (no later than November 15<sup>th</sup>, 2016)
- b. C\$2.0 million payable 12 months from closing
- c. C\$3.0 million upon the earliest of commercial production or September 30<sup>th</sup>, 2019,

plus a laddered NSR starting at 0.25% at a zinc price of US\$1.04/lb and increasing, in increments of 0.25%, to a maximum of 1.75% above US\$1.50/lb Zn in relation to 67.9% of the production from the Murray Brook Property, which includes the Mining Lease and the Camel Back claims, for actual Murray Brook deposit and any new discovery for their respective life of mine.

Additionally, Puma will assume and fund Votorantim Metals Canada Inc.'s liability for the C\$2 million Environmental Bond Letter of Credit with the New Brunswick government and assume the C\$3 million + 0.25% NSR or the 1% NSR, December 2017 option payment obligation to Murray Brook Minerals.

To acquire El Nino Ventures's interest (32.1%)

- a. C\$50,000 non-refundable deposit to be paid 10 days following the waiver of the ROFR from El Nino. This deposit becomes binding on receipt of the waiver of the ROFR from El Nino.
- b. C\$0.6 million upon closing of this transaction (no later than Nov.15<sup>th</sup>, 2016)
- c. C\$0.4 million payable six (6) months after the closing (no later than May.15<sup>th</sup>, 2017)
- d. C\$1.0 million payable twelve (12) months from closing (no later than Nov.15<sup>th</sup>, 2017)
- e. C\$1.0 million payable twelve (24) months from closing (no later than Nov.15<sup>th</sup>, 2018)

f. 2,000,000 warrants given the right to buy 2,000,000 Puma's ordinary shares expiring 3 year after the closing of the transaction based on the following exercise prices:

- 1) 0 to Year 1 (Nov 15, 2017): Equal to the price of the acquisition equity financing;
- 2) Year 1 to Year 2 (Nov 15, 2018): a 20% premium to the price indicated in 1) above;
- 3) Year 2 to Year 3: a 20% premium to the price indicated in 2) above,

plus a laddered NSR starting at 0.25% at a zinc price of US\$1.04/lb and increasing, in increments of 0.25%, to a maximum of 1.75% above US\$1.50/lb Zn in relation to 32% of the production from the Murray Brook Property, which includes the Mining Lease and the Camel Back claims, for actual Murray Brook deposit and any new discovery for their respectively LOM.

Votorantim Metals Canada Inc. will retain title to the project as security until the assumption of the environmental liability has been completed and Votorantim Metals Canada Inc.'s liability is released by the Government of New Brunswick.

About BMC

The BMC is a well-established mining district hosting numerous mines with infrastructures mines and deposits including the Brunswick No. 12 deposit, having produced zinc, lead, silver and gold for well over 60 years. In addition to Brunswick No. 12, there are more than 30 other massive sulphide deposits and numerous prospects in the BMC, attesting to its vast world-class endowment and mineral potential.

About Puma Exploration

Puma Exploration is a Canadian mineral exploration company with advanced precious and base metals projects in Canada. The Company's major assets are the Turgeon Zinc-Copper Project and the Nicholas-Denys Project in New Brunswick and their equity interest in BWR as related to the Little Stull Lake Gold Project in Manitoba. Puma is focusing its exploration efforts in New Brunswick, Canada.

To view the maps associated with this press release, please visit the following links:

Puma Exploration Acquisition: [http://media3.marketwire.com/docs/490\\_Acquisition.pdf](http://media3.marketwire.com/docs/490_Acquisition.pdf)

Geophysical Targets on Murray Brook Claims: [http://media3.marketwire.com/docs/490\\_GphTargets.pdf](http://media3.marketwire.com/docs/490_GphTargets.pdf)

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*Forward-Looking Statements: This press release may contain forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of [Puma Exploration Inc.](http://www.pumaexploration.com) to be materially different from actual future results and achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date the statements were made, except as required by law. Puma Exploration undertakes no obligation to publicly update or revise any forward-looking statements. These risks and uncertainties are described in the quarterly and annual reports and in the documents submitted to the securities administration.*

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