

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Era Resources Inc. ("Era" or the "Company") (TSX VENTURE:ERX) is pleased to announce that it has closed its previously announced issuance (the "Transaction") of US\$7,000,000 principal amount of senior unsecured convertible debentures (the "New Debentures"), to its major shareholder, Sentient Executive GP IV, Limited, acting as the general partner of Sentient GP IV, L.P., itself acting as the general partner of Sentient Global Resources Fund IV, L.P. (collectively, "Sentient") pursuant to a debenture purchase agreement dated October 27, 2016, between the Company, its wholly-owned subsidiaries, Yandera Mining Company Limited and Marengo Mining (PNG) Limited (collectively, the "PNG Subsidiaries") and Sentient (the "Agreement").

The New Debentures have a conversion price of Cdn\$0.25 per common share of the Company (the "Common Shares") and a maturity date of December 31, 2017. The New Debentures were jointly issued by the Company and the PNG Subsidiaries and are guaranteed by Marengo Mining (Australia) Limited and Yandera Mining Company (Holdings) Pty Limited (both wholly-owned subsidiaries of the Company).

Concurrently with the closing of the Transaction, the Company and Sentient entered into an amending agreement which, among other things, adjusted the conversion price for the currently outstanding debentures of the Company held by Sentient in the aggregate principal amount of US\$59,926,130 to Cdn\$0.25 per Common Share (the "Conversion Price Amendment").

As previously disclosed in the Company's news release dated October 27, 2016, Sentient is a "related party" of the Company as Sentient is a person that has beneficial ownership of, and control or direction over, directly or indirectly, securities of the Company carrying more than 10% of the voting rights attached to all the Company's outstanding voting securities. As a result, the Transaction (including the Conversion Price Amendment) was considered a related party transaction for purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") and TSX Venture Exchange ("TSXV") Policy 5.9 - *Protection of Minority Security Holders in Special Transactions*. At the annual and special meeting of shareholders of the Company held on November 24, 2016, the Transaction (including the Conversion Price Amendment) received "minority shareholder approval" within the meaning of MI 61-101.

Sentient and its related entities currently hold approximately 22.0% of the Common Shares and would hold approximately 97.2% of the Common Shares, assuming the conversion of all the New Debentures issued in connection with the Transaction and the conversion by Sentient of all outstanding debentures issued and issuable pursuant to prior financings with the Company.

All securities issued pursuant to the Offering are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation, expiring on March 29, 2017. Completion of the Transaction remains subject to final acceptance by the TSXV.

The proceeds from the Transaction will primarily be used for the development of the Company's Yandera Project, including ongoing exploration; business development opportunities; and general corporate purposes.

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward looking information, including but not limited to statements with respect to ongoing exploration at Yandera. Such forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or to be achieved and any other similar expressions.

In providing the forward-looking information in this news release, the Company has made numerous assumptions regarding: (i) the accuracy of exploration results received to date; (ii) anticipated costs and expenses; (iii) the accuracy of the Company's mineral resource estimate; (iv) the future price of copper and molybdenum; and (v) that the supply and demand for copper, molybdenum, and other metals develop as expected. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those contained in the forward-looking information, including actual results of exploration activities, changes in market conditions, risks relating to international operations, fluctuating metal prices and currency exchange rates, and other risks of the mining industry. Some of these risks, uncertainties and other factors are described under the heading "Risks Factors" in the Company's annual information form available on the Company's profile on SEDAR at www.sedar.com. Forward-looking information is based on estimates and opinions of management at the date the statements are made. Except as required by applicable securities laws, Era does not undertake any obligation to update forward-looking information even if circumstances or management's estimates or opinions should change. Readers should not place undue reliance on forward-looking information.

For further information on the Yandera Project and the resources contained therein, please refer to the Company's Canadian NI 43-101 technical report "NI 43-101 Technical Report: Updated Resource Estimate Yandera Copper Project, Papua New Guinea" dated June 19, 2015, and with an effective date of May 1, 2015, which is available on the Company's website and at the SEDAR website at www.sedar.com.

NEITHER THE 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.

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