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[Golden Valley Mines Ltd.](#) ("Golden Valley") (TSX VENTURE:GZZ) and Uranium Valley Mines Ltd. ("Uranium Valley") (TSX VENTURE:VZZ.H) are pleased to announce that they have entered into an Mining Option Agreement (the "Option Agreement") made as of December 13, 2016, pursuant to which Golden Valley has granted to Uranium Valley an option to acquire a 100% interest in 62 of its grassroots properties (the "Properties").

Pursuant to the terms of the Option Agreement, Uranium Valley must incur \$4,000,000 of expenditures with respect to exploration and other mining operations on the Properties before December 31, 2021 (with \$500,000 to be incurred on or before December 31, 2018; \$750,000 to be incurred on or before the December 31, 2019; \$1,000,000 to be incurred on or before December 31, 2020 and \$1,750,000 to be incurred on or before December 31, 2021).

As consideration for the option, Uranium Valley will issue 10,000,000 common shares to Golden Valley at a deemed price of \$0.20 per share for an aggregate deemed value of \$2 million (issuable as to 25% on or before each of December 31, 2018, 2019, 2020 and 2021). In addition, Uranium Valley has granted Golden Valley a royalty equal to 1% of the net smelter returns ("NSR") from the 62 Properties on the terms set out in the Option Agreement.

If Uranium Valley has issued the shares and incurred the expenditures provided for in the Option Agreement, it may exercise the option on or before December 31, 2021.

Golden Valley will retain 14 of its currently held properties and its interests in the various joint venture agreements it has entered into with third parties and will continue to meet the listing requirements to be a Tier 2 mining issuer on the TSX Venture Exchange. Uranium Valley is currently listed on NEX and in connection with this transaction will apply to be reactivated as a Tier 2 Mining Issuer under policy 2.6 of the TSX Venture Exchange.

Concurrently with the closing of the transactions contemplated by the Option Agreement, Uranium Valley will conduct a non-brokered private placement offering (the "Financing") of up to 4,600,000 units (the "Units") at a per Unit price of \$0.15 for gross proceeds of up to \$690,000, each Unit consisting of one common share in the capital of Uranium Valley and one-half of one non-transferable common share purchase warrant entitling the holder to purchase one common share in the capital of Uranium Valley at a per share price of \$0.20 for 12 months from the date of issuance.

Immediately prior to closing of the Financing, Uranium Valley intends to change its name to Val-d'Or Mining Corporation, with no change to its stock trading symbol 'VZZ'.

The transactions contemplated by the Option Agreement and the Financing and proposed name change are subject to acceptance by the TSX Venture Exchange.

In accordance with applicable securities legislation, all securities to be issued under the Financing will be subject to a hold period of four months and one day from the date of issuance. Uranium Valley may pay finder's fees in amounts yet to be determined to parties who introduce Uranium Valley to subscribers to the Financing.

Net proceeds from the sale of the Units under the Financing will be used by Uranium Valley for meeting its obligations under the Option Agreement and for general corporate purposes.

The transactions contemplated by Option Agreement will result in related party considerations pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Both Golden Valley and Uranium Valley intend to rely on the exemption from the formal valuation requirement contained in section 5.5(b) of MI 61-101 as no securities of either Golden Valley or Uranium Valley are listed or quoted on specified markets. As both Golden Valley and Uranium Valley propose obtaining from a majority of their respective disinterested, minority shareholders written consent to the transactions contemplated by the Option Agreement, reliance on an exemption from the minority shareholder approval requirement of MI 61-101 will not be required.

Exploration Update for [Golden Valley Mines Ltd.](#)

Golden Valley has completed several focussed exploration programs on a number of its key properties in the Abitibi Greenstone Belt. The work included ground geophysical surveys on the Cook Lake Prospect (Au) located in the Kirkland Lake area, soil sampling at the Island 27 Prospect (Co-Ag-Ni) located between Kirkland Lake and Matachewan along the Larder Lake-Cadillac Fault Zone, and a prospecting program at the Bogside Prospect (Au) located just south of Agnico-Eagle Lapa mine near Cadillac Québec.

Golden Valley has staked 19 new claims covering 1,088 hectares in the Val-d'Or Mining Camp, north of Val-D'Or, Québec in the Abitibi Greenstone Belt. The target selection process was based on the results from the *Ministère de l'Énergie et des Ressources naturelles (MERN)* publication release at their Québec Mines 2016 Convention: "New Mineral Exploration Targets", in an area previously identified as prospective by the Company. Once the claim certificates are received, a property data compilation will be completed followed by a prospecting and sampling program during the up-coming field season, with the objective of defining surface mineralization for follow-up geological, geophysical and if warranted, drill testing. The property is prospective for Copper-Zinc-Silver (Cu-Zn-Ag) volcanogenic massive sulphide mineralization (VMS).

Lac Barry Gold Project: At the Lac Barry Gold Project (option with [BonTerra Resources Inc.](#)), a prospecting and till (results pending) sampling program have been completed as part of the first year, \$250,000 work commitment. As announced in the Company's news release dated March 11, 2016, Golden Valley entered into an option agreement with BonTerra in the Lac Barry Prospect located in the Abitibi Greenstone Belt, northeast of Val-D'Or, Quebec. In accordance to the option agreement, BonTerra must issue to Golden Valley such number of common shares in the capital of BonTerra, having an aggregate value of \$200,000 based on the closing price of BonTerra's shares on the TSX Venture Exchange the day prior to the date that the TSX Venture Exchange issues its written acceptance of the option agreement and the transaction contemplated thereby; (ii) BonTerra must incur expenditures in an aggregate amount of \$2,000,000 over a 3 year period. Upon the exercise of the option, Golden Valley shall retain a 15% free carried interest in the Lac Barry Prospect and a 3% net smelter royalty ("NSR"), with 1% of the NSR being subject to a buyback in favour of BonTerra for \$1 million payable by BonTerra to Golden Valley Mines.

Cheechoo Gold Project: [Sirios Resources Inc.](#) announced on November 2 and 29, 2016 the resumption of diamond drilling on the property. This phase of the program will total approximately 3,000 metres that will complete the 10,000 metre program started last summer. For additional details with respect to the exploration and field work completed to date on the Cheechoo project, as well as for the details on the expenditures made to date by Sirios on the project, please refer to Sirios' continuous disclosure documents available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing Sirios' issuer profile or by visiting Sirios' website (www.sirios.com).

In 2012, Sirios concluded an agreement with Golden Valley regarding the ownership of Cheechoo that allowed it to, upon completion of certain obligations and counterparts, now fulfilled, increase its current interest to 100%. Golden Valley now owns 4,148,374 shares of Sirios, representing approximately 3.99% of the company. Golden Valley also holds a 4% net smelter royalty from all mineral products mined or removed from Cheechoo. Notwithstanding the foregoing, the royalty relevant to gold mineral products mined or removed from Cheechoo (the "Gold Portion") may be reduced as follows depending on the market price of Gold at the time of the payment of the Gold Portion:

1. If the price of Gold is less than \$3,000 per ounce and higher than \$2,400 per ounce, a 3.5% royalty on the Gold Portion shall be payable to Golden Valley;
2. If the price of Gold is less than \$2,400 per ounce and higher than \$1,200 per ounce, a 3% royalty on the Gold Portion shall be payable to Golden Valley; and
3. If the price of Gold is less than \$1,200 per ounce, a 2.5% royalty on the Gold Portion shall be payable to Golden Valley.

Glenn J. Mullan, P. Geo., the President and Chief Executive Officer of Golden Valley, is a Qualified Person for the purposes of National Instrument 43-101, and is responsible for the technical content presented in this news release.

About Golden Valley Mines Ltd.

[Golden Valley Mines Ltd.](#) typically tests grassroots properties while owning a 100% interest therein and then seeks partners to continue exploration funding. This allows Golden Valley to carry on its early-stage exploration programs and systematic exploration efforts at other majority-owned grassroots projects. [Golden Valley Mines Ltd.](#) (together with its various subsidiaries) holds multiple property interests in gold, base-metal and energy mineral projects in Canada (Québec, Ontario and Saskatchewan).

Forward-Looking Statements:

This news release contains certain statements that may be deemed "forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although Golden Valley and Uranium Valley believe the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or realities may differ materially from those in forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of management on the date the statements are made. Except as required by law, Golden Valley and Uranium Valley undertake no obligation to update these forward-looking statements in the event that respective management's beliefs, estimates or opinions, or other factors, should change.

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