VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jan 9, 2017) - Gem International Resources Inc. (the "Company") (TSX VENTURE:GI) wishes to announce that it has entered into discussions with Global Gems for amendments of its existing arrangement for the earn-in of an interest in the diamond exploration Dala project in the Lunda Sul Province in Angola. Readers are advised that the following discussion points are subject to finalization and execution of amendment agreement documentation and such terms and conditions are subject to change without notice. As announced earlier, Global Gems holds a 45% interest in the Dala project. The Project would be enlarged to include exploration and exploitation rights for 6 known kimberlite pipes. The Company would acquire 88% of such 45% interest in the restructured Dala project by paying to Global Gems the amounts of US$300,000 upon TSX Venture approval, US$300,000 on or before the 2nd anniversary of such approval and US$400,000 on or before the 3rd anniversary of such approval. The Company would incur US$13,000,000 in exploration and development expenditures over 5 years (US$3,000,000 for each of year 1 and year 2, year 3 - $2,000,000; and $2,500,000 for each of years 4 and 5). Credit for $300,000 provided as start-up capital would be credited against year 1 expenditures. The Company will also be required issue to the principals of Global Gems 30,000,000 shares over 5 years (7,500,000 shares on each of TSX Venture approval and the 2nd anniversary of such approval and 5,000,000 on the 3rd, 4th and 5th anniversaries of such approval). Upon the execution of an agreement for the foregoing, the Company will pay to Global Gems the amount of US$100,000 (the "Payment"), which will be credited against year 1 expenditures.

Accordingly, the Company intends to carry out a private placement raising proceeds of $400,000 for the sale of up to 8,000,000 units at a price of $0.05 per unit. Each unit will consist of one common share and one non-transferable share purchase warrant for the purchase of one further common share of the Company within two years of the date of grant at the price of $0.15 per such common share.

The funds shall be used for the Company's working capital and related to the preparation of documents for regulatory approval of the foregoing proposed arrangement as well as the Payment. The Financing is subject to regulatory approval and customary resale restrictions.

The maximum allowable finder's fee shall be paid in cash, shares or warrants in accordance with the policies of the TSX Venture Exchange.

On behalf of the Board of GEM INTERNATIONAL RESOURCES INC.

Simon Tam, Director

Neither 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 press release.

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