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- RAISES GROSS PROCEEDS OF \$7.9 MILLION -

Shares Outstanding: 270,539,638

TORONTO, Feb. 6, 2017 /CNW/ - Aquila Resources Inc. (TSX: AQA) ("Aquila" or the "Company"), announced today that it has closed its previously announced non-brokered private placement offering (the "Offering"), raising gross proceeds of \$7.9 million. The Offering was over-subscribed with 36,017,725 units (the "Units") issued.

Each Unit was priced at \$0.22, and consisted of one common share and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire one Aquila common share for \$0.30 for a period of 36 months from today's closing date (the "Warrants").

Certain Company insiders, directors, and officers, including Orion Mine Finance and Ruffer LLP, participated in the Offering, and represented approximately 24% of the total placement. The subscriptions by Company insiders are "related party transactions" for the purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Offering was completed in reliance on available exemptions from the formal valuation and minority approval requirements of MI 61-101 provided in of Section 5.5(a) and Section 5.7 (a), respectively, of MI 61-101.

Aquila intends to use the net proceeds from the private placement to complete a Feasibility Study for the Company's zinc- and gold-rich Back Forty project, strengthen and expand its management team as it prepares for the construction phase at Back Forty and for general working capital purposes.

In connection with the Offering, the Company paid finders' fees of \$375,370 and issued 1,410,775 broker warrants with the same terms as the Warrants, which represent approximately 4% of the Units issued under the Offering.

#### About Aquila Resources

[Aquila Resources Inc.](#) (TSX: AQA) is a development-stage company with strategic assets in the Great Lakes Region. The company's experienced management team is currently focused on advancing permitting activities for its 100%-owned gold- and zinc-rich Back Forty Project in Michigan.

Aquila's flagship Back Forty Project is a volcanogenic massive sulfide (VMS) deposit located along the mineral-rich Penokean Volcanic Belt in Michigan's Upper Peninsula. In its updated Preliminary Economic Assessment filed in September 2014, Back Forty demonstrated strong economics with a pre-tax NPV of \$282 million (\$210.8 million after-tax) and a pre-tax IRR of 38.8% (32% after-tax) based on mining 16.1M tonnes of measured, indicated, and inferred resources over the 16-year life of mine, of which 12.5M tonnes will be open-pit and 3.6M tonnes will be underground.

This press release contains certain forward-looking statements within the meaning of applicable Canadian securities legislation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" and similar expressions suggesting future outcomes or statements regarding an outlook.

Forward-looking statements relate to any matters that are not historical facts and statements of our beliefs, intentions and expectations about developments, results and events which will or may occur in the future, without limitation, statement with respect to the proposed Offering.

These and other forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Aquila to control or predict, that may cause their actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein. Aquila expressly disclaims any obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents Aquila's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information. Furthermore, mineral resources that are not mineral reserves do not have demonstrated economic viability.

SOURCE [Aquila Resources Inc.](#)

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