TORONTO, ONTARIO--(Marketwired - May 4, 2017) - MacDonald Mines Exploration Ltd. (TSX VENTURE:BMK) ("MacDonald Mines", "MacDonald" or the "Company") is pleased to announce that, following the execution of a binding Letter of Intent ("LOI") (as was previously announced in a news release dated March 30, 2017), it has executed a definitive Purchase and Sale Agreement ("PSA") with Noble Mineral Exploration Inc. ("Noble") to acquire Noble's entire interest in the Holdsworth property (the "Property"), located 25 kilometres northeast of Wawa, Ontario. The Property is part of the land that comprises MacDonald's Wawa-Holdsworth Project.

MacDonald previously entered into an Option and Joint Venture ("JV") agreement with Noble on December 7, 2016 to advance exploration on the Property. The PSA supersedes both the JV agreement and the LOI.

Quentin Yarie, MacDonald's President and CEO commented*: "In the few months our team has worked on the Holdsworth property, we've determined that there is a good potential for gold extraction there. We've already initiated a bulk sampling program and metallurgical testing of the oxides sands-the initial gold target on the Property. Securing 100% interest ensures that MacDonald can continue to aggressively advance the Wawa-Holdsworth Project and significantly increase shareholder value, especially with the prospect of near-term cash flow from the extraction of the Oxide Sands.*"

PSA Highlights

To acquire a 100% interest in the Property, MacDonald Mines has agreed to:

- Issue 5,500,000 common share units of the Company to Noble. Each such unit will consist of one Class A common share and one non-transferable Class A common share purchase warrant exercisable at $0.30 per share for a period of three years from the date of issuance;
- Make a quarterly gold payment to Noble equal to ten percent (10%) of the amount which is obtained by: (i) multiplying the production of gold from the Oxide Sands by the average gold price received during the quarter; and (ii) subtracting the sum of all deductions and any capital and operating costs being amortized over the life of the project, up to a maximum aggregate payment of 5,000 ounces of gold;
- Grant Noble a 1.5% net smelter return royalty (the "NSR") on the Property (and any other properties acquired within a 2 mile radius of the Property). MacDonald will have the right to re-purchase one half of the NSR for $500,000 at any time.

Wawa-Holdsworth Project Highlights

- Approximately 285 hectares, 20 kilometres northeast of the town of Wawa
- 18 fee simple absolute patented claims, including surface and mining rights
- Neighbouring Argonaut's Magino Gold Project & Richmont's Island Gold Mine
- Numerous gold showings with diversified mineralization styles occurring in a 500 metre-wide deformation corridor
- Year-long road access and easy access to rail, road, electrical power, labour force and suppliers

Overview of the Wawa-Holdsworth Project

Historic work by previous operators defined three gold targets on the Wawa-Holdsworth Project:

- Greenstone-hosted quartz-carbonate vein deposit (Soocana Vein System);
- BIF-hosted gold deposits (gold-bearing pyrite zones in an Algoma-type iron formation);
- Gold-bearing Oxide Sands developed from the weathering of the auriferous Pyrite Zones.

MacDonald Mines has identified the Oxide Sands as a short-term target for gold production. The Oxide Sands are interpreted to be derived from the weathering of an auriferous and pyritized Algoma-type iron formation that, thus far, has been traced on the Property over a 2 km-long strike length. The mineralized sands appear to reach a depth of at least 8 metres.

In 2002, a detailed and systematic sampling of the Oxide Sands was conducted over a strike length of 332.5 metres. A composite of 23 panels over the 332.5 metres returned an average gold grade of 3.45 g/t and an average silver grade of 29.99 g/t[1]. Preliminary metallurgical testing conducted by previous operators on composite samples recovered, without crushing, between 69% and 98.7% gold.

Earlier this year, MacDonald Mines launched a trenching program to map and confirm the Oxide Sands' strike length and thickness. The Company also initiated a bulk sampling program and commenced metallurgical testing of the Oxide Sands to achieve the highest possible gold and silver recovery.

The soft and relatively unconsolidated Oxide Sands material appears to be amenable to being extracted like an aggregate. The area's shallow overburden, the proximity to labour and equipment and the easy access to the site should result in very inexpensive mining costs should the Company delineate a large enough deposit.

Following spring breakup, the Company will ramp up its sampling program to better define the Oxide Sands and will continue to

prepare for their potential extraction. The near-term exploitation of the Oxide Sands will provide the Company with good cash flow to further advance exploration of the other gold targets on the Property.

Qualified Person

Quentin Yarie, P Geo. is the qualified person responsible for preparing, supervising and approving the scientific and technical content of this news release.

About Noble Mineral Exploration Inc.

Noble Mineral Exploration Inc. is a Canadian-based junior exploration company which, in addition to its shareholdings in MacDonald Mines Exploration Ltd. and its interest in the Holdsworth gold exploration property in the area of Wawa, Ontario, holds in excess of 70,641 hectares of mineral rights in the Timmins - Cochrane areas of Northern Ontario known as Project 81. Project 81 hosts diversified drill-ready gold and base metal exploration targets at various stages of exploration. More detailed information is available on the website at www.noblemineralexploration.com.

Noble's common shares trade on the TSX Venture Exchange under the symbol "NOB".

About MacDonald Mines Exploration Ltd.

MacDonald Mines Exploration Ltd. is a mineral exploration company headquartered in Toronto, Ontario focused on gold and silica exploration in Canada. The Company has built a portfolio of safe-jurisdiction, infrastructure-rich projects that demonstrate the greatest market potential for return. The Company is aggressively advancing its highly prospective Wawa-Holdsworth Project.

The Company's common shares trade on the TSX Venture Exchange under the symbol "BMK".

To learn more about MacDonald Mines, please visit www.macdonaldmines.com

[1]Report on the Holdsworth Gold Prospect, Wawa Area, Ontario, Seymour M. Sears P.Geo., October 2002.

This News Release contains forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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