Calgary, Alberta (FSCwire) - Further to its News Releases dated May 23 and June 7, 2017, Morro Bay Resources Ltd. (“Morro Bay” or the “Company”) (TSXV: MRB, OTCPink: MRRBF) is pleased to announce that it has retained Wellington-Altus Private Wealth (the “Agent”) to act as agent in connection with a best efforts private placement to raise gross proceeds of a minimum of $500,000 and a maximum of $3,000,000 (the “Offering”) by way of subscription receipts (the “Subscription Receipts”). Pursuant to the Offering, the Company intends to issue up to a minimum of 833,333 Subscription Receipts and a maximum of 5,000,000 Subscription Receipts at a price of $0.60 per Subscription Receipt. The minimum investment by a subscriber to the Offering is $3,000 (5,000 Subscription Receipts). Each Subscription Receipt will be automatically exchangeable into units (“Units”) of the Company, on the basis of one Unit for each Subscription Receipt, upon the occurrence of certain events, including without limitation, the Company having received all approvals for the completion of the reverse takeover transaction between Morro Bay and Experion Biotechnologies Inc. (“Experion”) announced on May 23, 2017 and updated June 7, 2017 (the “Transaction”) and the completion of a share consolidation on a ratio of approximately 4.9:1 (the “Consolidation”) immediately after closing of the Transaction, but prior to conversion of the Subscription Receipts to Units. Approvals necessary to convert the Subscription Receipts to Units include receipt from the TSX Venture Exchange (the “Exchange”) of the Final Exchange Bulletin relating to the Transaction, closing of the Transaction, and completion of the Consolidation.

Each Unit will consist of one common share and one-half of one common share purchase warrant (each whole common share purchase warrant hereinafter referred to as the “Warrant”), with each Warrant being exercisable to acquire one common share of the Company at a price of $0.80 for a period of 9 months following the closing date of the Transaction.

In connection with the Offering, the Agent will be entitled to a corporate finance fee of $20,000 and: (i) a sales commission of 7% of the gross proceeds of the Subscription Receipts sold by the Agent pursuant to the Offering to Persons not on the list of potential subscribers provided by the Company (the “President’s List”); and (ii) a sales commission of 3.5% of the Subscription Receipts sold to subscribers on the President’s List (all herein referred to as the “Agent’s Commission”). The Agent will also be granted warrants to purchase Units in an amount equal to 7% of the Subscription Receipts sold by the Agent pursuant to the Offering to persons not on the President’s List and 3.5% of the Subscription Receipts sold to persons on the President’s List (the “Agent’s Warrants”). The Agent’s Warrants will have a term of 9 months from the closing of the Transaction and will be exercisable at the price of $0.60 per Agent’s Warrant. The Agent will also be reimbursed for it’s out of pocket expenses and the payment of all applicable sales taxes on the fees.

Additionally, the Company has agreed to grant to the Agent an option to cover over-allotments and for market stabilization purposes (the “Over-Allotment Option”), which will allow the Agent to arrange for purchasers to acquire up to 10% of the number of Subscription Receipts sold under the Offering. The maximum amount to be raised pursuant to the Over-Allotment Option is $300,000 resulting in the issuance of a maximum of 500,000 Subscription Receipts. The Over-Allotment Option will be exercisable, in whole or in part, at any time up to 30 days after the closing of the Offering.

The Offering will be conducted pursuant to available prospectus exemptions under applicable securities laws, including sales to accredited investors and family, friends and business associates.

Completion of the Offering is subject to receipt of Exchange approval and other requisite approvals, and completion of Agent’s due diligence. All of the securities issuable in connection with the Offering will be subject to a hold period expiring four months and one day after the date of issuance.

Upon closing of the Transaction, the proceeds of the Offering will be used to pay the expenses related to the Transaction and to proceed with the business of the post-Transaction company. Additional details concerning the proposed uses of the Offering proceeds were included in the Morro Bay News Release dated June 7, 2017.

Other Matters

Not a United States Offer: This Press Release does not constitute an offer of securities for sale in the United States or to “U.S. persons” (“U.S. persons”), as such term is defined in Regulation S promulgated under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”). The securities being offered have not been, nor will be, registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold in the United States or to U.S. persons absent registration or an applicable exemption from such registration requirements.

Trading Halt: Morro Bay’s common shares are currently halted and Morro Bay anticipates they will remain halted for a period of time as required by the Exchange policies.

Disclosure

Completion of the Transaction and the Offering is subject to a number of conditions, including but not limited to, TSX Venture Exchange acceptance and, if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close

until the required shareholder approval is obtained, and the Subscription Receipts will not be exchangeable into Units unless the Transaction is completed. There can be no assurance that the Transaction or the Offering will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Morro Bay Resources Ltd. should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release. 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 release.

This press release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding the completion of the proposed Transaction and the Offering. Although Morro Bay believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct.

Forward looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, forecast, postulate and similar expressions, or are those, which, by their nature, refer to future events. Morro Bay cautions investors that any forward-looking information provided by Morro Bay are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking information as a result of various factors, including, but not limited to: Morro Bay's ability to complete the proposed Transaction; the state of the financial markets for Morro Bay's equity securities; recent market volatility; Morro Bay's ability to raise the necessary capital or to be fully able to implement its business strategies; and other risks and factors that Morro Bay is unaware of at this time. The reader is referred to Morro Bay's most recent annual and interim Management's Discussion and Analysis for a more complete discussion of such risk factors and their potential effects, copies of which may be accessed through Morro Bay's page on SEDAR at www.sedar.com.

For further information:

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