

TORONTO, ONTARIO--(Marketwired - Jun 12, 2017) - [MacDonald Mines Exploration Ltd.](#); [MacDonald Mines Exploration Ltd.](#) ("MacDonald" or the "Company") (TSX VENTURE:BMK) are pleased to announce the completion of MacDonald's purchase (the "Transaction") of all of [Noble Mineral Exploration Inc.](#)'s ("Noble") interest in the Holdsworth property (the "Property"). The Property, which is located 25 kilometres northeast of Wawa, Ontario (as announced in a news release dated May 4, 2017), has been explored by MacDonald since late 2016 under an Option and Joint Venture Agreement between Noble and MacDonald (as announced in a news release issued December 8, 2016) (the "Option and JV Agreement"), which is now null and void as it has been superseded by the purchase and sale transaction.

Under the Purchase and Sale Agreement entered into by the parties for the Transaction (the "PSA"), MacDonald agreed to issue to Noble 5,500,000 MacDonald common share units, each unit consisting of one Class A common share of MacDonald (the "MacDonald Shares") and one non-transferable warrant Class A common share purchase warrant of MacDonald exercisable at \$0.30 per MacDonald Shares for a period of three years from the date of issuance (the "MacDonald Warrants"). In exchange, MacDonald acquired a 100% interest in the Property, with Noble retaining the right to receive gold payments equal to 10% of production from the oxide sands portion of the Property, up to a maximum of 5,000 ounces of gold, as well as a 1.5% net smelter return royalty on the remainder of the Property and on any other properties acquired within a 2 mile radius of the Property. MacDonald has the right to re-purchase one half of the NSR for \$500,000 at any time. (Please see the news release of May 4, 2017 for further details.)

In connection with the closing of the Transaction, Noble has initially received 3,800,000 MacDonald Shares and 3,800,000 MacDonald Warrants. (Using a value of \$0.15 per MacDonald Share, being the closing price on June 9, 2017, and attributing no value to the MacDonald Warrants at closing as they are at exercise prices in excess of market prices, the securities of MacDonald at the closing of the Transaction have a value of \$570,000.)

The remaining 1,700,000 MacDonald Shares and MacDonald Warrants due to be issued to Noble pursuant to the Transaction will be issued over time in the future. For example, the PSA provides that if MacDonald issues any of its Class A Common Shares to any party (other than Noble) (a "Third Party Issue"), Noble will be entitled to be issued, in one or more tranches, further MacDonald common share units in an amount equal to 9.9% of the MacDonald Shares issued to the Third Party Issue (subject to at least 250,000 MacDonald common share units being issued on any one occasion), until the balance of the remaining 1,700,000 common share units due to Noble under the PSA has been issued. In addition, the PSA provides Noble with the right to require that MacDonald issue to Noble additional MacDonald share units as and when Noble decreases its holdings of securities of MacDonald. All issuances of additional MacDonald Shares and MacDonald Warrants will only be completed to the extent that they can be done without causing Noble's holdings of MacDonald Shares to exceed 9.99% of MacDonald's then outstanding Class A Common Shares.

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 and recently acquired a 100% interest in the Holdsworth property.

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.

Cautionary Statement:

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. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. The foregoing information may contain forward-looking statements relating to the future performance of the Company. Forward-looking statements, specifically those concerning future performance, are subject to certain risks and uncertainties, and actual results may differ materially from the Company's plans and expectations. These plans, expectations, risks and uncertainties are detailed herein and from time to time in the filings made by the Company with the TSX Venture Exchange and securities regulators. MacDonald Mines does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Contact

Quentin Yarie
President & CEO
(416) 364-4986
qyarie@macdonaldmines.com
Mia Boiridy
Investor Relations
(416) 364-4986
mboiridy@macdonaldmines.com
www.macdonaldmines.com