Calgary, Alberta (FSCwire) - Morro Bay Resources Ltd. (“Morro Bay” or the “Company”) (TSX-V: MRB; OTCPink: MRRBF) announces that the Morro Bay Board of Directors has elected to proceed with the conversion of $340,097 debt owed by the Corporation to its current and former directors, officers, employees and consultants to common shares of the Corporation (the “Debt”). This Debt arises from employment income and consulting income provided to the Corporation. As well, the Directors of the Corporation loaned to the Corporation the total of $35,000 to allow Morro Bay to pay necessary fees related to its audit and other amounts required for corporate filings.

Morro Bay converted the Debt to 3,023,082 common shares of the Corporation. The Debt converted was at a deemed price of $0.1125 per Morro Bay common share. Such common shares issued are subject to a “hold” in which they cannot be traded for four (4) months plus one day expiring on October 29, 2017.

The Debt converted consisted of $161,042 to current and former officers, employees and consultants and to current directors and officers of Morro Bay as follows.

Name & Title Held	Amount Owed	Shares Issued
John Zang (Director & CEO)	$81,554	724,924
Keith Erickson (Director)	$20,000	177,778
Matthew Zubot (Director)	$5,000	44,444
Ken Younger (Director)	$5,000	44,444
Denny Chow (CFO)	$67,500	600,000

After the issuance of the 3,023,082 common shares, Morro Bay now has 12,203,178 common shares issued and outstanding.

The TSX Venture Exchange has provided approval of the debt for shares conversion.

About Morro Bay

Morro Bay is a TSX Venture Exchange, Tier 2 listed company and is based in Calgary, Alberta, Canada.

For further information please contact:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Information in this news release may contain forward looking information. Statements containing forward looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the company.

There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information.

The forward-looking information contained in this news release is as of the date hereof and Morro Bay does not undertake any obligation to update publicly or to revise any of the included forward looking statements contained herein, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

To view this press release as a PDF file, click onto the following link:
public://news_release_pdf/MorroBay07042017.pdf

Source: Morro Bay Resources Ltd. (TSX Venture:MRB, OTC Pink:MRRBF)

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