

ABE Resources Completes Acquisition of Pioneer Resources, 2:1 Share Consolidation, \$2.25-Million Private Placement and Debt Settlement

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VAL-D'OR, QC, May 12, 2017 /CNW Telbec/ - ABE Resources Inc. (TSXV: ABE) (the "**Company**" or "**ABE**") is pleased to announce the closing of its acquisition (the "**Acquisition**") of all of the issued and outstanding shares of Pioneer Resources Inc. ("**Pioneer**"), a related debt settlement transaction (the "**Debt Settlement**"), and a non-brokered private placement of 45,000,000 units of ABE (the "**Units**") at a price of \$0.05 per Unit for aggregate gross proceeds of \$2,250,000 (the "**Private Placement**"). In connection with the Private Placement, the Company also completed a 2:1 consolidation of its issued and outstanding securities (the "**Consolidation**"). Effective as of the opening of markets on May 12, 2017, the issued and outstanding common shares of ABE will commence trading on the TSX Venture Exchange (the "**Exchange**") on the basis of one post-Consolidation common share (a "**Share**") for every two pre-Consolidation common shares held.

Acquisition

Pursuant to the terms and conditions of a share exchange agreement entered into between ABE, Pioneer, and the shareholders of Pioneer, dated May 11, 2017, an aggregate of 5,500,000 Shares were issued to the Pioneer shareholders, at a deemed price of \$0.05 per Share, in exchange for all of the issued and outstanding common shares in the share capital of Pioneer (the "**Pioneer Shares**").

Debt Settlement

In connection with the Acquisition, the Company issued an additional 2,918,080 Shares at a deemed price of \$0.05 per Share to settle \$145,904 in outstanding indebtedness of Pioneer owed to certain current officers, directors, and shareholders of Pioneer (the "**Debt Settlement**").

As a result, an aggregate of 8,418,080 Shares at a deemed price of \$0.05 per Share were issued pursuant to the Acquisition and the Debt Settlement.

Private Placement

Each Unit sold under the private placement consists of one Share and one Share purchase warrant (a "**Warrant**"), with each Warrant entitling the holder thereof to acquire one Share at an exercise price of \$0.15 per Share for a period of 24 months.

In connection with the Private Placement, the Company paid a finder's fee to certain registered dealers in respect of purchasers introduced to the Company. The finder's fee consisted of a cash payment equal to 6% of the gross proceeds from Units sold through the finders.

The proceeds of the Private Placement will be used to pay the costs of the transactions described in this news release (collectively, the "**Transactions**") and to carry out exploration work on Pioneer's mining properties, which consist of approximately 200 map-designated claims totaling 10,635.08 hectares known as the Dôme Lemieux property, located near the town of Ste-Anne-des Monts, in the province of Quebec.

A technical report in respect of the Dôme Lemieux property prepared in accordance with *Regulation 43-101 respecting Standards of Disclosure for Mineral Projects* (Quebec) has been filed and is available under ABE's profile on SEDAR at www.sedar.com.

Consolidation

The number of issued and outstanding securities of ABE after giving effect to the Private Placement, the Acquisition, and the Debt Settlement, on a pre-Consolidation basis, consists of 118,947,140 common shares, 92,000,000 common share purchase warrants, and 550,000 incentive stock options. On a post-Consolidation basis, the Company has 59,473,570 Shares, 46,000,000 Share purchase warrants, and 275,000 incentive stock options outstanding.

The new CUSIP number for the Shares is 00288T208 and the new ISIN is CA00288T2083.

A letter of transmittal in respect of the Consolidation was mailed to registered shareholders of the Company in December 2016. All registered shareholders of ABE with physical certificates should send their respective certificates representing pre-Consolidation common shares along with a completed letter of transmittal to the Company's registrar and transfer agent, Computershare Investor Services Inc. ("**Computershare**"), in accordance with the instructions provided in the letter of transmittal. Additional copies of the letter of transmittal can be obtained through Computershare (Corporate Actions: 1-800-564-6253). All shareholders who submit a duly completed letter of transmittal along with their respective pre-Consolidation common share certificate(s) to Computershare will receive a post-Consolidation share certificate or Direct Registration System (DRS) Advice, as applicable.

Fractional Shares will not be issued to shareholders. Where the Consolidation would otherwise result in a shareholder being entitled to a fractional Share, the number of Shares issued to such shareholder shall be rounded up to the next greater whole number of Shares if the fractional entitlement is equal to or greater than 0.5 and shall be rounded down to the next lesser whole number of Shares if the fractional entitlement is less than 0.5. In calculating such fractional interests, all pre-Consolidation common shares registered in the name of, or beneficially held by, the respective holder or its nominee shall be aggregated.

Election of Victor Cantore

Mr. Victor Cantore, the President of Pioneer, was elected as director of ABE subject to, and effective upon, completion of the Acquisition at the annual general and special meeting of the Company's shareholders held on December 22, 2016.

Mr. Cantore began his investment career in 1992 as an advisor for Tasse & Associates. In 1993 he moved to RBC Dominion Securities, one of the largest brokerage firms in Canada. Since 1999, Mr. Cantore has worked with both public and private companies organizing and structuring financings mainly in the resources and high tech sector. He has held directorships on the boards of directors of various private and public companies, including Amex Exploration Inc., Margaux Red Capital Inc., and Nitinat Minerals Corporation.

The Shares and Warrants comprising the Units (collectively, the "**Securities**") and the Shares issued pursuant to the Acquisition and the Debt Settlement are subject to a hold period of four months and one day from their date of issuance under applicable Canadian securities laws.

The Securities have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, or state securities laws, and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons, absent such registration or an exemption therefrom.

The Acquisition, the Debt Settlement, and the Private Placement remain subject to the final approval of the Exchange.

About ABE Resources Inc.

ABE Resources Inc. is a Quebec mineral exploration company focused on the discovery and development of mineral deposits of economic potential primarily in the province of Quebec. For further information on the Company, please visit our website at www.aberesources.ca or contact us at info@aberesources.ca.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

NEITHER THE TSXV NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSXV) ACCEPTS

RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: the ability of ABE to obtain all required approvals and consents and to complete the Transactions; the terms and conditions of the proposed Transactions; use of funds from the Private Placement; and the business and operations of ABE upon completion of the proposed Transactions. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; delay or failure to receive regulatory approvals; and the ability of ABE to execute and achieve its business objectives. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. ABE disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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For further information: For additional information regarding the Transactions, please contact: ABE Resources Inc., Yves Rougerie, President and Chief Executive Officer, Tel: 819-874-6200, Email: yrougerie@aberesources.ca

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