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NEWS RELEASE

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PK: CMCXF  
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January 12, 2017

**CMC Metals Completes First Shipment to Midas Mill**

*Vancouver, B.C.: CMC Metals Ltd.* (the "Company") is pleased to announce that the Company and Pruett Ballarat Inc. ("PBI"), the mine operator and the Company's joint venture ("JV") partner at the Radcliff Mine Property ("Radcliff") has completed the shipping of approximately 500 tons of material to the Klondex Mines Operations Inc. ("Klondex"), ore processing mill at Midas mine, situated in Elko County, NV. The material has been shipped for processing subject to the terms of an agreement for purchase and sale of gold bearing rock which allows for Klondex to process up to 6,000 tons of oxide-dominated gold-bearing rock, in batches of 1,500 tons, with provision for a an initial smaller batch of Radcliff mineralized rock to be treated (approximately 500 tons). Staged shipping of the test batch, which comprises selected rounds of material mined via the 5510-level portal from portions of an indicated resource<sup>1</sup> at the Radcliff, commenced October 19<sup>th</sup> 2016.

<sup>1</sup> *The presence of "high grade material" at Radcliff is documented in the NI43-101 compliant technical report filed on SEDAR. The mineral resources as stated January 9, 2013, remain current mineral resources.*

The Company has finalized the scope of equipment with quotations to allow re-start of operations at its 100% owned Bishop Mill. The Company expects completion of equipment deliveries to the Bishop Mill site within 60 days of their order date.

The Company is working with the regulator at the California EPA, Regional Water Quality Control Board, Lahontan Region and its consultant *TEAM Engineering & Management, Inc.* to finalize the baseline chemistry constraints for vadose zone and background monitoring of the constructed tailings impoundment.

In addition, the Company wishes to announce the appointment of Ian Graham as CEO and President of the Company. Mr. Graham will oversee operations in California, and will focus on commencing operations at the Radcliff gold mine and Bishop Mill.

Mr. Graham is a mining professional with over 20 years of experience in the development and exploration of mineral deposits, mostly gained with the major mining companies Rio Tinto and Anglo American. Since entering the junior sector, Ian has been involved with project feasibility (Western Potash Corp.) and startups (Discovery Harbour Resources, Wabasi VMS camp discovered)

and Montan Mining Corp. (high grade gold milling, Peru). Formerly chief geologist with the Project Generation Group at Rio Tinto located in Vancouver, B.C., Mr. Graham has been involved with evaluation and predevelopment work on several projects in Canada and abroad, including the Diavik diamond mine (Northwest Territories, Canada), Resolution copper (Arizona), Eagle nickel (Michigan), Lakeview nickel (Minnesota) and Bunder diamonds (India). Prior to his work with Rio Tinto, Mr. Graham held exploration geologist roles with Anglo American. Mr. Graham graduated from the University of Natal (now Kwa-Zulu Natal) in Durban, South Africa, with a BSc in geology and applied geology (1984) and BSc (honours) in geology (1985).

Jack Bal, has resigned as CEO and as a Director of the Company to focus on other business ventures. Jack has been a director since 2005 and the Company wishes him success. Jack Bal will stay on as a consultant to the Company.

Michael Scholz, Director of the Company, states: "Ian has done a great job moving our operations forward in California and we are very happy to have him lead our Company towards production."

The Company further wishes to announce that it has granted 550,000 common shares pursuant to incentive stock options under the Company's rolling stock option plan, which plan received shareholder approval at its last Annual General Meeting held July 7, 2016. The options granted will be set for a two-year period expiring January 12, 2019, at the exercise price of \$0.12 per share. This transaction is subject to TSX Venture Exchange approval.

The Company further announces that the options granted pursuant to its October 4, 2016 press release were cancelled.

On behalf of the Board:

***"Michael Scholz"***

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*Michael Scholz, Director*  
CMC METALS LTD.

*For further information on the Company, please contact Mr. Michael Scholz, Director, Telephone: 604-605-0166 or by email at [jackbalyvr@gmail.com](mailto:jackbalyvr@gmail.com).*

***Neither the 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 news release includes certain statements that constitute "forward-looking information" within the meaning of applicable securities law, including without limitation, statements that address the timing and content of upcoming work programs, geological interpretations, receipt of property titles and exploitation activities and developments. Forward-looking statements address future events and conditions and are necessarily based upon a number of estimates and assumptions. While such estimates and assumptions are considered reasonable by the management of the Company, they are inherently subject to significant business, economic, competitive and regulatory uncertainties and risks, including the ability of the Company to raise the funds necessary to fund its projects and, accordingly, may not occur as described herein or at all. Actual results may differ materially from those currently anticipated in such statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, the timing and receipt of government and regulatory

approvals, and continued availability of capital and financing and general economic, market or business conditions. Readers are referred to the Company's filings with the Canadian securities regulators for information on these and other risk factors, available at [www.sedar.com](http://www.sedar.com). Investors are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements. The forward-looking statements included in this news release are made as of the date hereof and the Company 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 expressly required by applicable securities legislation."