



## MacDonald Mines Exploration Ltd.

### MACDONALD MINES CLOSES INITIAL TRANCHES OF NON-BROKERED PRIVATE PLACEMENT

#### News Release

January 3, 2017

**Toronto, Ontario - January 3, 2017** - MacDonald Mines Exploration Ltd. (TSX.V:BMK) ("MacDonald Mines", or the "Company"), further to its press release dated December 19, 2016, is pleased to announce that it has closed on December 29 and 30, 2016 the initial tranches of its previously announced private placement offering of securities of the Company (the "Offering") and has issued 7,365,429 FT Units (see below) for gross proceeds of \$515,580.03.

Pursuant to the Offering, the Company intends to issue up to a total of 12,125,000 "flow-through" units of the Company (the "FT Units") at a price of \$0.07 per FT Unit and up to 2,520,833 non-flow-through units of the Company (the "Non-FT Units") at a price of \$0.06 per Non-FT Unit. Each FT Unit is comprised of one Class A common share in the capital of the Company (each, a "Common Share") issued on a "flow-through" basis within the meaning of such term in the Income Tax Act (Canada), and one whole non-flow through Class A common share purchase warrant (each, a "Warrant"), with each such Warrant being exercisable to acquire one non-flow-through Class A common share at a price of \$0.10 for a period of 36 months following the closing date of the Offering. Please note that the Company has determined to include a whole warrant in the FT Unit rather than a half warrant as disclosed in the December 19, 2016 press release. Each Non-FT Unit is comprised of one Class A common share of the Company (issued on a non-"flow-through" basis) and one Warrant.

In connection with the closing of the initial tranches of the Offering, the Company has paid finders fees equal to 9% of the gross proceeds raised by the Company to investors introduced to the Company by such finders, or approximately \$46,402.20 and has issued compensation options (the "Compensation Options") equal to 9% of the number of units sold, or 662,889 Compensation Options. The Compensation Options will be exercisable to acquire one Non-FT Unit for a period of five years from the date of issuance thereof at a price of 0.07 per unit. Please note the December 19, 2016 press release disclosed the Compensation Options would be exercisable for one Class A common share at a price of \$0.06 per share. The Company has also paid certain expenses of the finders of \$1,500 in connection with the initial tranches. All securities sold or issued in connection with the Offering will be subject to a hold period of four months and one day from the date of issuance thereof.

The Company may close additional tranches of the Offering. There can be no assurances that there will be any additional closings, however. The Offering is subject to the final approval of the TSX Venture Exchange ("TSXVE").

### **About MacDonald Mines Exploration Ltd.**

MacDonald Mines Exploration Ltd. is a mineral exploration company headquartered in Toronto, Ontario, Canada. Previously focused on Copper and Zinc (VMS), and Nickel exploration in the Ring of Fire area of the James Bay Lowlands of Northern Ontario, the company has recently entered an option and joint venture agreement with Noble Mineral Exploration Inc. to advance exploration on Noble's Wawa-Holdsworth Gold and Silver Project in Ontario, Canada and has acquired the Charlevoix silica properties in Quebec, Canada.

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](http://www.macdonaldmines.com)

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*This news release contains forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.*

*Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.*

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