

Temex Board Receives Superior Proposal from Lake Shore Gold Corp.

TORONTO, July 16, 2015 /CNW/ - Temex Resources Corp. ("**Temex**" or "**the Company**") announces that it has received a proposal from Lake Shore Gold Corp. ("**Lake Shore Gold**") to acquire all of the outstanding common shares in the capital of the Company by way of a court-approved plan of arrangement (the "**Lake Shore Proposal**"). The board of directors of Temex (the "**Temex Board**") has determined, after receiving a recommendation to such effect from its Special Committee and the advice of the financial and legal advisors to the Company, that the Lake Shore Proposal is a "Superior Proposal" as defined in the arrangement agreement between Temex and Oban Mining Corporation ("**Oban**") announced on June 29, 2015 ("**the Oban Arrangement Agreement**"). Temex has provided notice of such determination to Oban.

Under the Lake Shore Proposal, each Temex shareholder would receive, in exchange for each Temex Share held, 0.105 of a common share in the capital of Lake Shore (a "**Lake Shore Share**") having a value of \$0.13 based on the closing price of Lake Shore Gold's shares on the TSX on July 15, 2015.

The consideration that would be received by Temex shareholders if the Lake Shore Proposal is implemented by Temex represents a premium of 106% to the 15-day volume weighted average trading price of the Temex common shares on the TSX Venture Exchange prior to the announcement by Temex that it had entered into a binding letter agreement with Oban on June 9, 2015 based on the closing price of Lake Shore Gold's shares on the TSX on July 15, 2015. The Lake Shore Proposal is not subject to any financing condition or any due diligence and/or access condition, and is not subject to the approval of Lake Shore Gold shareholders. The Lake Shore Proposal includes a break fee of \$1.0 million payable to Lake Shore Gold in certain circumstances.

Pursuant to the provisions of the Oban Arrangement Agreement, Oban has a period of ten business days (the "**Oban Match Period**") to match the Lake Shore Proposal. The Oban Match Period expires on July 30, 2015.

If, within the Oban Match Period, Oban offers to amend the Oban Arrangement Agreement such that the Temex Board determines that the Lake Shore Proposal is no longer a "Superior Proposal" (as defined in the Oban Arrangement Agreement), Temex will be required to enter into an amendment to the Oban Arrangement Agreement and implement the amended agreement. In that circumstance, no agreement will be entered into between Temex and Lake Shore Gold with respect to the Lake Shore Proposal.

If, within the Oban Match Period, Oban does not offer to amend the Oban Arrangement Agreement, or if the Lake Shore Proposal continues to be superior to an amended transaction proposed by Oban, Temex may: (i) terminate the Oban Arrangement Agreement; (ii) pay Oban the agreed termination payment of \$691,856 under the Oban Arrangement Agreement; and (iii) enter into an agreement with Lake Shore Gold to complete a transaction on the terms proposed by it. In that event, the agreement with Lake Shore Gold would require the directors and officers of Temex to enter into lock-up agreements with respect to the transaction with Lake Shore Gold on substantially the same terms as the agreements entered into under the Oban Arrangement Agreement pursuant to which, among other things, they would agree to vote their Temex common shares in favour of the Lake Shore Proposal at a meeting of shareholders of Temex to be called to consider such transaction.

At this time, no agreement has been entered into between Temex and Lake Shore Gold in respect of the Lake Shore Proposal. Accordingly, there can be no assurance that Temex will enter into a binding agreement in respect of the Lake Shore Proposal, or that the Lake Shore Proposal will be effected. Temex will issue further news releases providing additional information as developments warrant, including information with respect to any changes to the meeting of Temex shareholders currently scheduled for August 20, 2015.

Advisors to Temex

GMP Securities L.P. is acting as financial advisor to Temex and Norton Rose Fulbright Canada LLP is acting as legal advisor.

About Lake Shore Gold

Lake Shore Gold is a Canadian-based gold producer with operations based in the Timmins Gold Camp of Northern Ontario. Lake Shore Gold produces gold from two mines, Timmins West and Bell Creek, with material being delivered for processing to the Bell Creek Mill. In addition to current mining and milling operations, Lake Shore Gold also has a number of highly prospective projects and exploration targets, all located in and around the Timmins Camp. Lake Shore Gold's common shares trade on the TSX and NYSE MKT under the symbol LSG.

Ian Campbell, P.Geo., President and CEO and Karen Rees, P.Geo., Vice President, Exploration and Corporate Secretary of Temex Resources Corp., are the designated qualified persons responsible for the preparation of this news release.

About Temex Resources Corp.

Temex is a Canadian based exploration company focusing on its portfolio of precious metals properties in the world class mining district of northeastern Ontario. Temex is advancing the Timmins Whitney Gold Project, in partnership with Goldcorp Canada Ltd., and exploring its 100% owned Juby Gold Project.

The Whitney Property has a NI 43-101 resources on the Upper Whitney of 0.97 million tonnes at a grade of 7.02 g/t gold for 218,100 ounces of gold in the Measured category plus 2.3 million tonnes at a grade of 6.77 g/t gold for 490,500 ounces of gold in the Indicated category and 1.0 million tonnes at a grade of 5.34 g/t gold for 170,700 ounces of gold in the Inferred category at a cut-off grade of 3.0 g/t gold (Note 1).

The Juby Gold Project has NI 43-101 resources of 26.6 million tonnes at a grade of 1.28 g/t gold for 1,090,400 ounces of gold in the Indicated category and 96.2 million tonnes at a grade of 0.94 g/t gold for 2,908,800 ounces of gold in the Inferred category, both at a cut-off grade of 0.40 g/t gold (Note 2).

Temex also has a NI 43-101 resource for tailings material on its Gowganda Silver Project. The tailings piles contain a NI 43-101 resource of 1.94 million tonnes grading 47.5 g/t silver for a contained resource of 2.96 million ounces of silver in the Indicated category (Note 3).

Notes:

1. Information regarding the mineral resource estimate on the Upper Whitney is in the Company's news release dated January 14, 2014 and the technical report filed on SEDAR on February 27, 2014. The Mineral Resource Statement was prepared for Temex by P&E Mining Consultants Inc. of Brampton, Ontario in accordance with NI 43-101 by Richard Sutcliffe, PhD, P.Geo., Eugene Puritch, P.Eng., David Burga, P.Geo., Yungang Wu, P.Geo., Tracy Armstrong, P.Geo., and Antoine Yassa, P.Geo., "independent qualified persons" as defined by NI 43-101.
2. Information regarding the mineral resource estimate on the Juby Gold Project is in the Company's news releases dated April 29, 2013 and January 15, 2014 and the technical report filed on SEDAR February 26, 2014. The Mineral Resource Statement was prepared for Temex by GeoVector Management Inc., Ottawa, Ontario in accordance with NI 43-101 by Joe Campbell, BSc, P.Geo., Alan Sexton, MSc, P.Geo., and Duncan Studd, MSc, P.Geo., "independent qualified persons" as defined by NI 43-101.
3. Information regarding the mineral resource estimate in the tailings piles located on the Gowganda Silver Project is in the Company's news release dated June 8, 2011 and the technical report filed on SEDAR July 21, 2011. The Mineral Resource Statement was prepared for Temex by GeoVector Management Inc., Ottawa, Ontario in accordance with NI 43-101 by Allan Armitage, PhD, P.Geo., Alan Sexton, MSc, P.Geo., and Joe Campbell, BSc, P.Geo., "independent qualified persons" as defined by NI 43-101.

Cautionary Note Regarding Forward-Looking Information

Except for the statements of historical fact, this news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates and projections as at the date of this news release. The information in this news release about the Lake Shore Proposal, the Oban Arrangement Agreement, the proposed transactions described herein, and other forward-looking information includes but is not limited to information concerning: the intentions, plans and future actions of the companies participating in the proposed transactions described herein (collectively the "Participating Companies") and other information that is not historical facts.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of the Participating Companies, at the time it was made, involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Participating Companies to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, risks relating to the completion of the proposed transactions described herein; risks relating to property interests; the global economic climate; metal prices; dilution; environmental risks; and community and non-governmental actions. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Participating Companies cannot assure shareholders and prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Participating Companies nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Participating Companies do not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

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.

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