



Mineral Hill Industries Ltd.

Trading Symbols:
TSX Venture Exchange: MHI
Frankfurt Xetra: N8Z1/WKN: AODLHP
OTC Market (US): MHIFF

NEWS RELEASE

UPDATE ON MINERAL HILL'S OIL & NATURAL GAS PROJECT

Richmond, BC, Canada – July 5, 2017

Mineral Hill Industries Ltd. (“Mineral Hill” or “Company”) is pleased to announce that CPS Energy Resources Limited (“CPS”) has notified the Company of the positive developments in respect to the future project bond financing of the OPL-236 project. CPS is the UK incorporated private company of which Mineral Hill proposed to acquire 45% of CPS’ issued shares and has the irrevocable Right of First Refusal to acquire additional 8% of the outstanding shares of CPS held by two CPS shareholders (see also the Company’s announcement of January 16, 2017).

In its announcement to the Company CPS states the following:

“CPS is pleased to update on its progress in respect to the bond being created to develop the OPL-236 project. As announced on December 5th, 2016 by Mineral Hill, MHI Mass Energy Financing plc was incorporated in the UK (“MMF”) for the purpose of facilitating a USD Zero-coupon Bond issue to net MMF USD 60M (the “MMF-Bond”). The MMF-Bond will back-up all future developments for the OPL-236 project and is intended to be completed after closing the proposed private placement and allow the whole five year government approved work programme to be undertaken. An agreement has been signed with a Danish based financial services company to assist with the issue of the bond and there have been discussions with two substantial institutional investors over a number of weeks, which would involve an investment of between \$60-70m for a ten year term conditional upon the completion of its due diligence, particularly on the insurance protection.

A US based insurance company has completed due diligence and it is expected that they will confirm that they will insure the bond which will provide additional investor security in the form of insurance. The terms for the insurance have been articulated and agreed upon based on the draft paperwork which has been shared with two potential major bond investors. A further announcement will follow when the insurance is in place, expected soon.

CPS has instructed RH Capital Limited of London, UK (“RH Capital”) to distribute the bond to raise funds if neither of the two current interested parties would proceed. RH Capital has had meetings in London and Dubai and has a number of parties willing in principle to assist with the distribution of the bond, supported by a BBB+ insurance wrap for both capital and rolled up interest.”

Mineral Hill appreciates the effort of CPS especially in respect to the extension of bond’s maturity to ten years compared to the maturity date quoted in the above mentioned announcement of January 16, 2017.

The Company seeks Safe Harbor

For further information, please contact: Dieter Peter, President & CEO Phone: (604) 278-1135

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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