

**Not for distribution to United States newswire services or for dissemination in the United States**



## **Honey Badger Exploration Inc. Announces Private Placement Financing**

### **NEWS RELEASE**

March 4, 2016

Toronto, Ontario, Honey Badger Exploration Inc. (TSX-V: TUF) ("Honey Badger" or the "Company") announces that it intends to offer for sale, on a non-brokered private placement basis, up to 13,125,000 "flow-through" units of the Company (the "FT Units") at a price of \$0.04 per FT Unit and up to 10,000,000 non-flow-through units of the Company (the "Non-FT Units") at a price of \$0.03 per Non-FT Unit for aggregate gross proceeds to Honey Badger of up to \$825,000 (the "Offering"). Each FT Unit will be comprised of one 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 Common Share purchase warrant (each, a "FT Unit Warrant"), with each FT Unit Warrant being exercisable to acquire one non-flow-through Common Share at a price of \$0.07 for a period of 36 months following the closing date of the Offering. Each Non-FT Unit will be comprised of one Common Share (issued on a non-"flow-through" basis) and one Common Share purchase warrant (each, a "Non-FT Warrant") with each Non-FT Warrant being exercisable to acquire one Common Share at a price of \$0.05 for a period of 36 months following the closing date of the Offering.

The proceeds derived from the sale of the FT Units will be used for "Canadian exploration expenses" (within the meaning of the *Income Tax Act* (Canada)) in connection with the mineral exploration programs of Honey Badger. The proceeds derived from the sale of the Non-FT Units will be used for payment of certain expenses of the Company. Please see Table 1 below.

The FT Units and Non-FT Units will be made available for subscription to all existing shareholders of Honey Badger who held Common Shares as of March 2, 2016 (the "Record Date"), pursuant to the existing security holders prospectus exemption available under Ontario Securities Commission Rule 45-501 - *Ontario Prospectus and Registration Exemptions* ("Rule 501") and equivalent provisions of applicable securities laws in other jurisdictions of Canada (the "Existing Shareholder Exemption"), where available, and will be allocated on a "first come, first served" basis so long as such allocation is within the principles of fair and equal treatment set out in Rule 501. Investors relying on the Existing Shareholder Exemption will be required, among other things, to represent in writing certain requirements of the Existing Shareholder Exemption, including that they were as of the Record Date, and continues to be, a shareholder of Honey Badger. The aggregate acquisition cost of securities of the Company to an investor relying on the Existing Shareholder Exemption cannot exceed \$15,000 unless that shareholder has obtained advice regarding suitability of the investment from a registered investment dealer in the investor's jurisdiction. FT Units and Non-FT Units will also be available under other exemptions from the prospectus requirements under applicable securities laws, such as the accredited investor exemption. The total number of Common Shares issuable pursuant to the Financing will not be greater than 100% of the currently outstanding Common Shares of Honey Badger.

If you are an existing shareholder of the Company as of the Record Date who is interested in participating in the Offering, please contact Honey Badger by email at [gyarie@honeybadger.com](mailto:gyarie@honeybadger.com), by telephone at **416-364-7029** or at the address below for further information. Participation under the Existing Shareholder Exemption will be open from the date of this news release until March 21, 2016. A portion of the Offering may be allocated to investors relying on the “accredited investor” or other exemptions available to Honey Badger under National Instrument 45-106 – *Prospectus Exemptions*. While the Company has not set any minimum gross proceeds that it must raise for the Offering to proceed, Honey Badger reserves the right to reject any subscriptions for less than \$2,500 of securities because of the administrative burden, so long as any such rejections do not contravene Rule 501 or equivalent legislation.

The proceeds from the Offering will be used by Honey Badger in accordance with the following proposed budget. In the event the Company raises less than the maximum proceeds of \$300,000 from the sale of Non-FT Units and \$525,000 from the sale of FT Units, the actual proceeds raised will be apportioned to the use of proceeds set out in Table 1 below in accordance with the judgment of Management in the best interests of the Company. Any funds raised in excess of the amounts set out in Table 1 will be used for additional working capital.

Table 1

| CORPORATE ADMINISTRATIVE EXPENSES OVER NEXT SIX MONTHS | Non “flow-through” funds |
|--------------------------------------------------------|--------------------------|
| A/P                                                    | \$ 133,000.00            |
| Transfer Agent                                         | \$ 6,000.00              |
| AGM / Shareholder Mailings                             | \$ 8,000.00              |
| Insurance                                              | \$ 2,000.00              |
| TSXV and Public Filing Fees                            | \$ 20,000.00             |
| Audit                                                  | \$ 20,000.00             |
| CEO                                                    | \$ 24,000.00*            |
| CFO                                                    | \$ 30,000.00*            |
| Office Space                                           | \$ 6,000.00              |
| Insurance                                              | \$ 1,000.00              |
| TSX Public Filings                                     | \$ 4,500.00              |
| G&A Total                                              | <b>\$ 254,500.00</b>     |
|                                                        |                          |
| PROJECT EXPENDITURES                                   | “Flow-through” funds     |
| 2016 Exploration Commitment                            | \$ 127,206.68            |
| 2015 JVA EXPENDITURES DUE                              | \$ 550,000.00            |
| Total 12-Month Budget                                  | <b>\$ 677,206.68</b>     |

\*No more than 25% of the aggregate amount raised in the Offering from the sale of Non-FT Units will be used to pay salaries.

Certain insiders of Honey Badger may participate in the Offering; however, the total participation by insiders is not expected to exceed 25% of the Offering. The Company may pay a finder’s fee to registrants who assist Honey Badger in connection with the Offering.

The terms of the Offering were developed in part by reference to the TSX Venture Exchange (the “TSXV”) Discretionary Waivers of \$0.05 Minimum Pricing Requirement Bulletin dated April 7, 2014. Completion of the Offering is subject to Honey Badger successfully identifying participating investors and obtaining final approval by the TSXV.

All of the securities issuable in connection with the Offering will be subject to a hold period expiring four months and one day after date of issuance.

The securities offered have not been registered under the *United States Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This release does not constitute an offer for sale of securities in the United States.

It is anticipated that the closing of the Offering will occur on or prior to March 21, 2016. Honey Badger will update shareholders when the Offering has been completed and TSXV final approval has been received.

Honey Badger also announces that it was named, jointly and severally with certain other corporations, in a statement of claim filed December 15, 2015 by Peter Liabotis, the former Chief Financial Officer of the Company, for wrongful dismissal. Mr. Liabotis left the Company effective September 24, 2015 and resigned as a Director effective February 5, 2016. The Company believes the claim is without merit and intends to defend itself vigorously. The timing and outcome of this litigation is uncertain and cannot be estimated at this time.

#### **About Honey Badger Exploration Inc.**

Honey Badger Exploration is a gold and diamond exploration company headquartered in Toronto, Ontario, Canada with properties in Québec and British Columbia. The Company's common shares trade on the TSX Venture Exchange under the symbol "TUF".

For more information about the Company visit [www.honeybadgerexp.com](http://www.honeybadgerexp.com).

Contact:

Quentin Yarie, President & CEO, (416) 364-7029, [qyarie@honeybadgerexp.com](mailto:qyarie@honeybadgerexp.com)  
Mia Boiridy, Investor Relations, (416) 364-7029, [mboiridy@honeybadgerexp.com](mailto:mboiridy@honeybadgerexp.com)

141 Adelaide St W.  
Suite 520  
Toronto, ON  
M5H 3L5

#### **Forward Looking Information**

*This News Release contains forward-looking statements including, but not limited to, the anticipated size of the Offering, the anticipated closing date of the Offering, the receipt of final approval of the TSXV, the participation by insiders in the Offering, the payment of fees to certain finders in respect of the Offering, the use of proceeds from the Offering and its defense to litigation by a former officer of the Company. 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 Honey Badger 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. Honey Badger 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.*

**Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**