



**FOR IMMEDIATE RELEASE**

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NEWSWIRE SERVICES***

**PELE MOUNTAIN ANNOUNCES CLOSING OF DEBT SETTLEMENTS**

TSXV: **GEM**

Shares Outstanding: 31,213,438

December 29, 2017 – Toronto – Pele Mountain Resources Inc. (“**Pele**” or the “**Corporation**”) is pleased to announce that further to its press release dated December 8, 2017, that it has closed certain of the previously announced debt settlements (the “**Debt Settlement**”) with its creditors (“**Creditors**”), including Creditors who are related parties of the Corporation, providing for the settlement of approximately \$878,211 of its outstanding debts (the “**First Debt Settlement Closing**”). Pursuant to the Debt Settlement, approximately \$628,801 in debt will be settled through the issuance of an aggregate of 9,247,078 common shares of the Corporation (“**Common Shares**”) at a price of \$0.068 per Common Share, \$87,000 in debt will be settled through the issuance of 966,667 Common Shares at a price of \$0.09 per Common Share, \$68,189 will be paid in cash, and \$94,221 owed to related party creditors will be forgiven. The Common Shares issued pursuant to the First Debt Settlement Closing are subject to a statutory hold period of four months and one day from the closing date.

The Corporation is also waiting for final approval from the TSX Venture Exchange (“**TSXV**”) of the settlement of an additional debt amount of \$335,246 in exchange for the issuance of 4,930,098 Common Shares (the “**Second Debt Settlement Closing**”). Following the closing of the First Debt Settlement Closing and the Second Debt Settlement Closing, Pele will have reduced its indebtedness to less than \$123,000 (net of disputed/aged payables of approximately \$98,000) and increase the number of issued and outstanding Common Shares to 36,145,536.

**About Pele Mountain Resources Inc.**

Pele shares are listed on the TSXV under the symbol “**GEM**”. Management is focusing on seeking out strategic alternatives for Pele to enhance shareholder value. For further information please contact Martin Cooper, Interim Chief Executive Officer and President, at 1-800-315-7353.

**Cautionary Notes**

*This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, such as statements that describe the Corporation's plans, objectives or goals, including words to the effect that the Corporation or management expects a stated condition or result to occur, are forward-looking information. In particular, this news release contains forward-looking information in relation to implementation, closing, terms, and expected results of the Debt Settlement, and Pele's business objectives. This forward-looking information reflects the expectations and beliefs of management based on information currently available, and on assumptions that the Corporation believes are reasonable, including, without limitation, assumptions regarding regulatory approval of the Debt Settlement on the terms agreed by the Corporation and the Creditors, and completion of the Debt Settlement. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Such risks*

*and other factors may include, without limitation, delay or failure to receive regulatory approvals; capital market conditions and market prices for securities; general business, economic, competitive, political and social conditions; competition; changes in legislation, including environmental legislation, affecting the Corporation; the timing and availability of financing on acceptable terms, as well as the other risk factors described in the Corporation's disclosure documents filed on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned not to place undue reliance on forward-looking information. The forward-looking information contained in this news release is expressly qualified by this cautionary statement. The Corporation undertakes no duty to update any such forward-looking information, except as required by law. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.*