Montana Exploration Corp. Completes Rights Offering

CALGARY, Jan. 18, 2017 /CNW/ - Montana Exploration Corp. ("**Montana**" or the "**Company**") (TSXV: MTZ) is pleased to announce that the Company raised gross proceeds of $1,496,245.34 from its previously announced offering of rights ("**Rights**") which expired on January 13, 2017 (the "**Rights Offering**"). Proceeds of the Rights Offering will be applied to the Company's working capital deficiency and to fund general and administrative expenses as the Company seeks partners to build upon the success of the Company's five well drilling program.

The Company issued an aggregate of 7,673,053 common shares ("**Common Shares**") resulting in a post-closing total of 57,463,928 outstanding Common Shares. No Common Shares were issued pursuant to any stand-by commitment and no fees or commissions were paid in connection with the Rights Offering.

Insiders of Montana subscribed for 6,827,491 Common Shares comprised of 6,457,212 Common Shares under the basic subscription privilege and 370,279 Common Shares under the additional subscription privilege. All other persons subscribed for 337,396 Common Shares under the basic subscription privilege and 508,166 Common Shares under the additional subscription privilege. Montana's principal shareholder, Vanco-Stock Ltd. ("**Vanco**"), subscribed for an aggregate of 6,776,620 Common Shares for total proceeds of $1,321,440.90 in an aggregate amount equal to the Rights held by Vanco both in registered and beneficial form meeting Vanco's commitment to Montana. For administrative reasons, Vanco exercised the additional subscription privilege in an amount equal to the Rights held beneficially to reach that total.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities in the United States or in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such province, state or jurisdiction. The securities referenced herein may not be offered or sold in the United States except in transactions exempt from or not subject to the registration requirements of the *United States Securities Act of 1933*, as amended, and applicable state securities laws.

ABOUT MONTANA EXPLORATION CORP.

Montana Exploration Corp. is an oil and gas exploration and production company focusing on the Shaunavon oil and Eagle gas opportunities underlying its extensive land holdings and drilling rights in the State of Montana. In the United States, the company operates through its wholly-owned subsidiary, Montana Land & Exploration, Inc. The Company's common shares are listed on the TSX Venture Exchange under the trading symbol "MTZ". Additional information regarding the company is available at www.SEDAR.com or at www.MontanaExplorationCorp.com.

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.

SOURCE Montana Exploration Corp.

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