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TSX-V: ION

ALSET CLOSES FIRST TRANCHE OF PRIVATE PLACEMENT

October 13, 2016

Thunder Bay, Ontario: Alset Energy Corp. (TSXV: ION) ("Alset" or "the Company") announces that it has closed the first tranche of its previously announced re-priced private placement (the "Offering") (See PR dated October 6, 2016). Gross proceeds from the tranche totaled $207,940 consisting of 256,667 flow-through units ("FT") for $30,800 and 1,771,400 non flow-through units ("NFT") for $177,140. The Company will keep to financing open until October 21, 2016 to raise up to $1 million on a best efforts basis.

Each FT unit will be issued at $0.12 and will consist of one (1) FT common share and one-half of one common share purchase warrant, each full common share purchase warrant being exercisable at $0.20 cents for 24 months. FT funds will be used to advance the Wisa Lake spodumene and Champion Graphite projects in Ontario.

Each NFT unit will be issued at $0.10 and will consist of one (1) common share and one (1) common share purchase warrant, each exercisable at $0.20 cents for 24 months.

The common shares comprising the FT and NFT units and the common shares issuable upon exercise of the common share purchase warrants will be subject to a four (4) month hold period commencing on the closing date, being the date of issuance of the units. The Company has not paid any fees related to this current tranche but may pay reasonable expenses and fees incurred in connection with the remainder of the Offering, in accordance with TSX Venture Exchange policy. The proposed financing and associated terms are subject to TSX Venture Exchange approval.

The Company would like to reassure shareholders that it intends to complete all previous planned work such as environmental and drill permitting, drilling a minimum of two drill holes in each of the three high priority salars, brine sampling and clay sampling to the basement of each drill hole as well as analytical assaying for both the brine and clay in each drill hole. In addition, the Company has commenced metallurgical and analytical work on the previous clay sampling completed by the property vendor in order to evaluate the economical potential of extracting the Lithium, Potassium, Boron and other minerals of interest. With effective budgeting, the Company believes it currently has sufficient funds on hand to complete these important project milestones in order to effectively move the project towards the next stage of advancement. The Company will update shareholders accordingly as results are received and compiled.

About Alset Energy

Alset Energy is a TSX-V listed junior exploration company focused on exploring and acquiring mineral properties containing the metals needed by today's high-tech industries. The Company is actively exploring in Mexico and Canada.

On behalf of the Board of Directors of Alset Energy Corp.,

"Stephen Stares"

Stephen Stares, President

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

The information contained herein contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to gold price and other commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. These forward looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances. Actual events or results could differ materially from the Company's expectations or projections

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