Midnight Sun Drills 4.23% Copper Equivalent Over 11.6 Meters

Vancouver, British Columbia, July 4, 2017 - Midnight Sun Mining Corp. (the "Company" or "Midnight Sun") (TSX-V: MMA) is pleased to announce initial assay results from its spring 2017 Mitu drill program. The focus of this drill campaign was to expand and further define the extent of the previously announced ore-shale type copper-cobalt discovery at the Mitu area of the Solwezi Properties, Zambia (*see news release dated January 12, 2017*). Drill hole MDD-17-15 stepped out 3.72 kilometers ("km") southeast from discovery hole MDD-16-01, and reported 3.44% copper, 0.067% cobalt, 0.058% nickel and 331 parts per billion ("ppb") gold (4.23% copper equivalent) over 11.6 meters ("m").

"This was an ambitious program, with wide step out holes both along strike and down dip from known mineralization. Our aggressiveness was rewarded with the best hole we have drilled to date." said Robert Sibthorpe, President and CEO. "The fact that we continue to encounter strong copper and significant cobalt reinforces our belief that Mitu is worthy of our excitement. With the advancement in prices and increase in demand for cobalt, this project appears to be as important a cobalt discovery as it is a copper one."

The results from the first eight diamond drill holes received as well as significant results from Air Core drilling are presented in the Table below.

Hole #	Type	Dip	Azi	EOH (m)	From (m)	To (m)	Interval (m)	True (m)	Copper %	Cobalt %	Nickel %	Au ppb	Cu Eq (%)
MDD-17-15	Diamond	60	30	200.7	151.6	163.2	11.6	11.6	3.44	0.067	0.058	331	4.23
MDD-17-01 including and including	Diamond	vertical	0	168.0	21.3 21.3 149.9 149.9	52.0 38.8 165.0 157.9	30.7 17.5 15.1 8.0	27.6 15.8 13.6 7.2	0.26 0.33 0.59 0.89	0.038 0.057 0.131 0.174	0.058 0.070 0.053 0.057	Pending	0.76* 1.04* 2.02 2.78
MDD-17-04 including	Diamond	50	360	179.8	128.3 133.2	156.5 142.2	28.2 9.0	28.2 9.0	0.40 0.70	0.023 0.019	0.020 0.022	Pending	0.68 0.92
MDD-17-06	Diamond	vertical	0	161.9	31.2	37.2	6.0	5.4	0.22	0.027	0.069	Pending	0.61*
MDD-17-03	Diamond	vertical	0	164.8	140.9	154.5	13.6	12.2	0.28	0.017	0.029	Pending	0.50
MDD-17-07	Diamond	vertical	0	230.8	152.9	188.9	36.0	32.4	0.20	0.016	0.018	Pending	0.40
MDD-17-05	Diamond	vertical	0	231.0	148.9	158.6	9.7	8.7	0.23	0.013	0.016	Pending	0.36
MAC-17-19 including	Air Core	vertical	0	60.5	15.0 31.5	60.5 60.5	45.5 29.0	45.5 29.0	0.52 0.72	0.033 0.047	0.041 0.047	Pending	0.85* 1.22*
MAC-17-13	Air Core	vertical	0	37.5	16.5	36.0	19.5	19.5	0.32	0.023	0.037	Pending	0.60*

Notes;

- MDD-17-02 did not report any significant results.
- True widths were estimated using cross-section analysis.
- Copper equivalents were calculated using current metal price ratios and are presented only for ease of interval comparison. Recovery factors were assumed at 100% although the recovery factor for various metals may vary significantly. Metal prices used were $2.54/lb copper, $26.54/lb cobalt, $4.03/lb nickel and $1251/oz gold.
- *Denotes near surface oxide mineralization.

To date, the 2017 work program at Mitu has comprised 37 line-km of natural source audio magneto tellurics ("NSAMT") geophysical surveying, air core and diamond drilling, and soil sampling. The NSAMT survey indicated the presence of a conductive anomaly over a strike length of approximately 17 km. This conductive anomaly is believed to be associated with ore-shale, the typical host rock for copper mineralization in the Zambia-Congo Copperbelt. Midnight Sun has taken 648 in-fill and step-out soil samples and First Quantum Minerals has continued soil sampling and geochemical work covering the Solwezi Properties as part of a larger regional program, of which the results are reported to Midnight Sun on a timely basis (*see news release dated August 18, 2016)*. Prior to diamond drilling, using air core drills, the Company drilled 4,755 m in 119 shallow drill holes to bedrock for indications of ore-shale covering the conductive anomaly indicated by the geophysical survey. This air core drilling confirmed the ore-shale's correlation to the geophysical anomaly, extending the known strike length by more than 10 km, and assisted in collaring the diamond drill holes.

Qualified Control/Quality Assurance: Samples obtained during both core and AC drilling were transported directly to Genalysis Laboratory Services in Chingola, Zambia by Midnight Sun personnel for sample preparation. Samples were sorted, dried, crushed, and pulped before being sent to Perth, Australia for final chemical analysis using ICP-OE methods. All samples returning >10,000 ppm Cu were automatically re-checked by Genalysis which is a fully accredited laboratory. Standards and blanks were inserted regularly in the sample stream and checks were done for Au and Cu.

Qualified Person: Shastri Ramnath, P.Geo, a Qualified Person under NI 43-101, has reviewed and approved the technical data and contents of this release.

ON BEHALF OF THE BOARD

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from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include, changes in market conditions, unsuccessful exploration results, changes in commodity prices, unanticipated changes in key management personnel and general economic conditions. Mining exploration and development is an inherently risky business. Accordingly, the actual events may differ materially from those projected in the forward-looking statements. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.