PALAMINA ANNOUNCES CLOSING OF OVERSUBSCRIBED $1.2M PRIVATE PLACEMENT

For Immediate Release:
August 8, 2016

Palamina Corp. (PA:TSX.V) has closed a non-brokered private placement offering (the "**Offering**") comprised of 8,000,000 common shares at a purchase price of $0.15 per share for aggregate gross proceeds of $1,200,000. The directors of Palamina authorized a $200,000 increase beyond the original $1,000,000 contemplated Offering, as the issue was oversubscribed. No broker commissions were paid and the Company continues to move forward with no warrants as none were issued.

Five officers and directors of the Company (the "**Purchasing Insiders**"), purchased an aggregate of 8% of the securities issued pursuant to the Offering. The Offering was considered and approved by the board of directors of the Company, with the directors who purchased shares under the Offering declaring a conflict and recusing themselves from voting on their participation in the Offering. There was no materially contrary view or abstention by any director approving the Offering. Pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), the purchase by the Purchasing Insiders was a "related party transaction" but the Company was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offering.

Net proceeds of the Offering will be used to further the Company's exploration projects, fund possible new acquisitions and for general working capital. All securities issued pursuant to the Offering are subject to a four month and one day hold period. The Offering is subject to TSX Venture Exchange acceptance of regulatory filings.

ABOUT PALAMINA

Palamina was formed following the acquisition of Soltoro Ltd. by Agnico Eagle Mines. Palamina is directed by a group of proven mine finders focused on securing and holding advanced mining assets in the Americas. Palamina has 100% interest in three exploration projects in Mexico. Palamina has 22,574,713 shares issued after giving effect to the private placement and trades on the TSX Venture Exchange under the symbol PA.

FOR FURTHER INFORMATION PLEASE CONTACT:
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