

MARKHAM, ONTARIO--(Marketwired - May 1, 2017) - [MBMI Resources Inc.](#) (the "Company" or "MBMI") (TSX VENTURE:MBR.H) is pleased to announce the completion of its previously announced consolidation of common shares in the capital of the Company on a 3 for 1 basis ("Consolidation") and a non-brokered private placement of 4,444,443 post-Consolidation common share units ("Units") at a price of \$0.135 per Unit for aggregate gross proceeds of \$600,000 (the "Private Placement"). Each Unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of \$0.18 per share for a period of 1 year from the date of issuance. The closing of the Private Placement remains subject to final acceptance by the TSX Venture Exchange.

The Consolidation and the Private Placement were conducted pursuant to the partial revocation orders (the "Partial Revocation Orders") issued by the British Columbia Securities Commission (the "BCSC") and the Alberta Securities Commission (the "ASC", together with the BCSC, the "Commissions") on February 3, 2017. The Partial Revocation Orders were issued in respect of the cease trade orders (the "CTOs") issued by the BCSC and the ASC on June 7, 2013 and September 6, 2013 respectively, as a result of the failure of the Company, under its previous management, to file audited financial statements and related management discussion and analysis for the year ended January 31, 2013.

No insiders of the Company participated in the Private Placement and no finder's fees were payable pursuant to the Private Placement. The proceeds of the Private Placement will be used to bring the Company's continuous disclosure record up to date, complete an application to the Commissions for a full revocation of the CTOs, settle the Company's outstanding accounts payable, finance the Company's continuous efforts to reinstate the Financial and Technical Assistance Agreement with the Government of Philippines with respect to the Company's Palawan nickel properties, and for general working capital.

All securities issued pursuant to the Private Placement are subject to a four-month hold period pursuant to the applicable securities laws with an expiry date of September 2, 2017.

About MBMI Resources Inc.

[MBMI Resources Inc.](#) is a Canadian-based mining company which operates 7 nickel mineral properties in the Philippines, which include the Alpha Property, Bethlehem Property and Northern Rio Tuba Property located in Palawan Philippines covering an area of 12,560 hectares (collectively, the "Palawan Properties"), and the Borongan-Maydolong Property, Gen. McArthur-Llorente Property, Balangiga-Giporlos Property and Homohon Island Property in Samar, Philippines covering an area of 10,150 hectares (collectively, the "Samar Properties").

The Company's principal properties, the Palawan Properties, have been subject to a dispute (the "FTAA Dispute") which led to a decision by the Office of the President of the Philippines on April 19, 2011 (the "OP Decision") that cancelled a Financial and Technical Assistance Agreement (the "FTAA") granted in April 2010 for the Palawan Properties. The FTAA, if reinstated, would allow large-scale exploration, development and utilization of minerals on the Palawan Properties.

Through a series of transactions from September 2012 to March 2014 involving the sale of the company's ownership in the operating companies (the "Operating Company") that own and control the Palawan Properties and their respective holding companies, the Company's ownership in the Palawan Properties have been sold to DMCI Mining Corporation, a Philippines based mining company (the "Purchaser") for an aggregate purchase price of US\$25.2 million (the "Sale Transactions"). The closing of Sale Transactions is subject to a number of closing conditions which include, among other things, the reinstatement of the cancelled FTAA.

As a result of the Sale Transactions and the FTAA Dispute, the Company has suspended its exploration and development operations in all of its properties to focus its efforts and resources on the reinstatement of the cancelled FTAA in order to conclude the Sale Transactions.

On December 9, 2015, the First Division of the Philippine Supreme Court issued a favourable decision (the "SC Decision") declaring null and void the decision of the Philippine Court of Appeals which affirmed the OP Decision without prejudice to any other appropriate remedy the parties may take against each other. It is important to note, however, that while the SC Decision is the final court decision with respect the FTAA Dispute, it is not a direct ruling with respect to the re-instatement of FTAA that would allow the Company to meet the closing conditions of the Sale Transactions. Therefore, following the SC Decision, the Operating Companies have commenced work on the documentation required to re-engage the Office of the President regarding the reversal of the OP Decision and reinstatement of the FTAA pursuant to the SC Decision. Since there is no assurance that the Office of the President of Philippines will reinstate the FTAA, the Company, the Operating Companies and the Purchaser are concurrently evaluating other recourses including, but not limited to, binding arbitration proceedings in accordance with the dispute resolution mechanism set out in the FTAA as sanctioned by the SC Decision.

Disclosure regarding forward-looking statements

This press release contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations

involving a number of risks and uncertainties and are not guarantees of future performance of the Company. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this Press release.

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