

TORONTO, ONTARIO--(Marketwired - May 17, 2017) - [Claim Post Resources Inc.](#) (TSX VENTURE:CPS) ("Claim Post" or the "Company") announces that it intends to conduct a non-brokered private placement (the "Offering") of unsecured convertible debentures (the "Debentures") for total gross proceeds of up to \$3 million at a price of \$1,000 and integral multiples thereof per Debenture.

The Debentures will have an interest rate of 10% per annum, compounded quarterly from their date of issuance and payable in arrears on maturity. The Debentures will mature on the date that is one (1) year from the date of issuance (the "Maturity Date"). In lieu of a cash repayment on the Maturity Date, the Company has the option to pay all or any portion of the principal and/or accrued interest by issuing common shares ("Common Shares") to the holders of Debentures at a deemed price of \$0.055 per Common Share.

The holders of the Debentures have the option at any time prior to the earlier of the Maturity Date, a "change of control" of the Company or the business day immediately preceding the date specified by the Company for redemption of the Debentures to convert the principal amount of some or all of the Debentures and accrued interest thereon into Common Shares at a conversion price of \$0.055 per Common Share. Prior to the Maturity Date, the Company may at any time following the completion of a separate financing of at least \$2 million for the purpose of developing the Company's "Seymourville Silica Sand Project" (the "Project Financing Date") at its option redeem all, or any portion of the principal and accrued interest on the Debentures at a cash price equal to all outstanding principal and accrued interest under each Debenture plus a redemption premium equal to either: (i.) an additional 5% of the principal sum if the redemption occurs within six months from the date of issuance of the Debentures; or (ii) an additional 3% of the principal sum if the redemption occurs after six months from the date of issuance of the Debentures.

The net proceeds of the Offering will be used for the early repayment of existing shareholder loans owed to the Company in the aggregate amount of \$417,328.22, the final payment to a third party on a quarry lease on the Company's "Seymourville Silica Sand Project" and for general working capital purposes.

All of the directors of the Company, being Charles Gryba, Lowell Jackson, John Assman and Richard Williams, will participate in the Offering in the aggregate amount of \$376,308.59, thereby making the Offering a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Offering is exempt from the need to obtain minority shareholder and a formal valuation as required by MI 61-101 as the Company is listed on the TSX Venture Exchange and the fair market value of the Debentures to insiders or the consideration paid by insiders of the Company does not exceed 25% of the Company's market capitalization. No new insiders are anticipated to be created, nor will there be any change of control as a result of the Offering.

Closing of the Offering remains subject to final acceptance of the TSX Venture Exchange. The Company may pay finder's fees in connection with the issuance of the Debentures under the Offering. The Debentures and the Common Shares issuable upon conversion of the Debentures will be subject to a statutory hold period expiring on the date that is four months and one day after closing.

The Offering will be conducted by the Company utilizing the "accredited investor" exemption of National Instrument 45-106 - *Prospectus and Registration Exemptions* and also other applicable exemptions available to the Company.

About Claim Post Resources Inc.

[Claim Post Resources Inc.](#) is a Canadian based mineral exploration company and a reporting issuer in Ontario, Alberta and British Columbia.

Claim Post is well positioned to take advantage of the significant and increasing market for frac sand and become a future leading provider of Tier 1 quality white silica sand proppant to shale oil drilling operations in the Williston Basin (both the Canadian and U.S. sides of the Border), and to the oil and natural gas plays in the Western Canada from its Seymourville Frac Sand Project.

Claim Post is also the third largest land holder in Timmins Camp, after Goldcorp and Tahoe Resources, with properties that are prospective for gold and base metals. Management of the Company is focused on finding the missing western extensions of both the Dome and Hollinger gold systems.

There are 126,383,908 common shares of the Company currently issued and outstanding.

Neither 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.

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the business prospects of the Company and the Offering and the securities issuable thereunder are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "will", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the ability to take advantage of an increasing market in frac sand and management's intention relating to the development of the Company's gold and base metal properties, the proceeds to be raised pursuant to the Offering, resale restrictions relating to the securities to be issued, the use of proceeds of Offering and receipt of the approval of the TSX Venture Exchange. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Company's ability to complete the Offering, including the risk that the Offering may not be completed as expected or at all, that the proceeds of the Offering may be used other than as set out in this news release, that the TSX Venture Exchange may not approve the Offering and such other factors beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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