



For Immediate Release – Calgary, Alberta

(NEX: PRZ.H)

February 14, 2017

## PRIZE MINING ANNOUNCES ACQUISITION UPDATE AND PRIVATE PLACEMENT

CALGARY, ALBERTA - Prize Mining Corp. (NEX: PRZ.H) (the “**Corporation**”) is pleased to announce that it has obtained the conditional acceptance of the TSX Venture Exchange (“**TSXV**”) in respect of the acquisition by Prize of all of the issued and outstanding shares of 1994854 Alberta Ltd. (“199”) on a one-for-one share exchange basis pursuant to the terms and conditions of the pre-acquisition agreement entered into between Prize and 199 (the “**199 Acquisition**”). The TSXV has also conditionally accepted Prize’s application for reactivation and graduation to the TSXV as a Tier 2 mining issuer (the “**Graduation**”). Refer to Prize’s news release dated December 29, 2016 for additional information regarding the 199 and its Kena Project, the 199 Acquisition and the Graduation. The conditions of the TSXV for its acceptance of the 199 Acquisition and the Graduation include the completion of a financing for proceeds of not less than \$3.5 million and other customary conditions. It is now expected that the 199 Acquisition and the financing described below will be completed by the end of February 2017.

### Private Placement

Prize also announces that it intends to complete a non-brokered private placement financing for proceeds of \$3.5 million (the “**Private Placement**”). The Private Placement will be comprised of the sale from treasury of (i) 2,222,222 common shares issued on a “flow-through” basis for the purposes of the *Income Tax Act* (Canada) at the price of \$0.45 per share for gross proceeds of \$1.0 million and (ii) 7,142,857 units (the “**Units**”) at a price of \$0.35 per Unit for gross proceeds of \$2.5 million. Each Unit will consist of one (1) common share and one-half common share purchase warrant (the “**Warrants**”). Each full Warrant will entitle the holder to purchase one common share at a price of \$0.75 per common share for a period of 24 months from the closing date of the Private Placement. If the common shares trade at or above \$0.85 for a period of 10 consecutive trading days, the Corporation will have the right to reduce the term of the Warrants to a 30 day period beginning the day after the day the Corporation provides notice of the reduction of the term to the Warrantholders. The Corporation may increase the size of the Private Placement based on market conditions. The Corporation may pay a finder’s fee to arm’s-length finders in connection with the issue and sale of any or all of the securities under the Private Placement. The finder’s fee shall consist of not more than a 7% cash payment and 7% warrants, calculated with reference to the gross proceeds of the Private Placement in relation to subscribers introduced by any particular finder. The Corporation does not anticipate any new insiders will be created, or that a change of control will occur as a result of the Private Placement. The securities issued in connection with the Private Placement will be subject to a four month hold period under applicable Canadian securities laws.

The Corporation anticipates using the proceeds from the Private Placement for an initial \$150,000 work program on the Kena Project as will be outlined in the NI 43-101 report (the “**Report**”) to be filed on SEDAR in February 2017 and for general working capital purposes. Please refer to the Corporation’s news release of December 29, 2016 for additional information regarding the Kena Project. The Corporation will issue a news release announcing the filing of the Report on SEDAR and provide particulars of the work program to be carried out on the Kena Project following the completion of the 199 Acquisition and the Private Placement.

## **About Prize**

Prize is a Calgary based junior mining issuer with offices in Calgary, Alberta and is listed on the NEX board of the TSX Venture Exchange. Prize is engaged in the acquisition, exploration and development of mining properties.

ON BEHALF OF THE BOARD OF  
PRIZE MINING CORPORATION

*"Feisal Somji"*

Feisal Somji

CEO and Chairman of the Board

## **Reader Advisory**

**Forward-Looking Statements.** This news release contains forward-looking statements. More particularly, this document contains statements concerning the timing of closing of both of the 199 Acquisition and the Private Placement, the use of proceeds of the Private Placement and the related Graduation. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "scheduled", "potential", or other similar words, or statements that certain events or conditions "may", "should" or "could" occur.

The forward-looking statements are based on certain key expectations and assumptions made by the Corporation, including expectations and assumptions concerning timing of receipt of required shareholder and regulatory approvals and third party consents and the satisfaction of other conditions to the completion of the transactions. Although the Corporation believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Corporation can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks that required shareholder, regulatory and third party approvals and consents are not obtained on terms satisfactory to the parties within the timelines provided for and risks that other conditions to the completion of the transactions are not satisfied on the timelines set forth in this news release or at all.

The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by the Corporation at the time of preparation, may prove to be incorrect and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date hereof. The Corporation does not undertake any obligation to release publicly any revisions to forward-looking information contained herein to reflect events or circumstances that occur after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

**This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities in the United States or in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under securities laws of any such province, state or jurisdiction. The securities referenced herein may not be offered or sold in the United States except in transaction exempt from or not subject to the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws.**

## **For Further Information:**

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