



News Release

MURCHISON ANNOUNCES PROPOSED \$2,000,000 PRIVATE PLACEMENT

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

July 21, 2016 (Toronto, Ontario): Murchison Minerals Ltd. ("Murchison" or the "Company") (CSE: MUR) announces that it proposes to complete a non-brokered private placement of up to \$2,000,000 (the "Private Placement") as detailed below.

Concurrent with the Private Placement, the Company will consolidate its current issued and outstanding share capital on a 10 old for 1 new basis (the "**Consolidation**") as previously approved at the Annual and Special Meeting of Shareholders held on April 6, 2016. Post Consolidation, the Company proposes to issue up to 4,000,000 post-Consolidation common share units (the "**Units**") at a price of \$0.25 per Unit and up to 3,333,333 post-Consolidation flow-through units (the "**FT Units**") at a price of \$0.30 per FT Unit.

Each Unit will consist of one post-Consolidation common share of the Company (a "**Common Share**") and one Common Share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder to acquire one additional Common Share (a "**Warrant Share**") for a period of twenty-four (24) months from the date of closing (the "**Closing Date**") at an exercise price of \$0.30 per Warrant Share.

Each FT Unit will consist of one post-Consolidation flow-through common share of the Company (a "**FT Common Share**") and a one-half Warrant.

In the event that the volume weighted average price ("VWAP") of the Common Shares on the Canadian Securities Exchange (the "**CSE**") is greater than CDN\$0.60 for 10 consecutive trading days, the Company may give notice to the holders of the Warrants that the expiry time of the Warrants has been accelerated and the Warrants will expire on the 30th business day following the date of such notice.

A finder's fee may apply to a portion of the proceeds raised under the Private Placement in the amount of 7% cash and 7% broker warrants. All securities issued pursuant to the Private Placement will be subject to a four month hold period from the date of issue. Proceeds from the Private Placement will be used by the Company to fund the exploration of its 100% owned high-grade Brabant-McKenzie zinc-copper-silver deposit in central Saskatchewan and for general working capital purposes.

Certain directors and officers of the Company may acquire securities under the Private Placement. Any such participation would be considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("**MI 61-101**"). The transaction will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 based on a determination that the securities of the Company are only listed on the CSE and that the fair market value of the Private Placement, insofar as it involves interested parties, does not exceed \$2,500,000 or 25% of the market capitalization of the Company. The Private Placement was approved by all independent directors of the Company.

The Company also announces that a total of 7,124,000 options previously granted to certain directors, officers, consultants and employees on December 2, 2014 at a price of \$0.03 have been cancelled and 712,400 options will be re-issued on a post-Consolidation basis with at a minimum exercise price of \$0.30 per common share on or later than thirty (30) days from the

date of cancellation and subject to CSE approval.

About Murchison

Murchison is a Canadian based exploration company with a diversified portfolio of properties, including the high-grade Brabant-McKenzie zinc-copper-silver deposit in north-central Saskatchewan, the HPM Nickel/Copper/Cobalt project in Quebec and holds gold claims in the Pickle Lake area of northwestern Ontario. Murchison also owns the Cloridorme high alumina shale formation, which is contiguous and essentially an extension of the Marin deposit of Orbite Technologies Inc. located on the Gaspé Peninsula in eastern Quebec.

Additional information about Murchison and its exploration projects can be found at www.murchisonminerals.com.

Kent Pearson, President and Chief Executive Officer

or

Erik Martin, Chief Financial Officer

at

info@murchisonminerals.com

(416) 350 - 3776

Forward-Looking Information

Certain information set forth in this news release may contain forward-looking information that involves substantial known and unknown risks and uncertainties. This forward-looking information is subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including, but not limited to, the impact of general economic conditions, industry conditions, and dependence upon regulatory approvals. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking information. The parties undertake no obligation to update forward-looking information except as otherwise may be required by applicable securities law.

NEITHER THE CSE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE CSE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS PRESS RELEASE.