

**ARBITRAGE EXPLORATION INC.**

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**FOR IMMEDIATE RELEASE**

**May 18, 2016**  
**Symbol: AEA**

**ARBITRAGE ANNOUNCES PRIVATE PLACEMENT**

**Toronto, CANADA, May 18, 2016** – Arbitrage Exploration Inc. (“**Arbitrage**” or the “**Company**”) (CSE: **AEA**) announces it plans to complete a private placement of up to \$200,000 of the Company through the issuance of units (“**Units**”) of the Company at a price of \$0.05 per Unit (the “**Offering**”).

Each Unit will be comprised of one common share (a “**Common Share**”) in the capital of the Company and one half (1/2) of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant shall entitle the holder thereof to acquire one Common Share at a price of \$0.10 per Common Share for a period of 24 months from the closing of the Offering.

The securities issued pursuant to the Offering will be subject to a four month and one day statutory hold period. Certain eligible persons may receive finder fees in connection with the Offering in the way of cash commission equal to 7% and compensation warrants equal to 7% of the aggregate gross proceeds from subscriptions sourced by such finders. Proceeds of the Offering will be used for general operating expenses. The closing of the Offering is expected to occur on or about May 31, 2016 and is subject to the completion of formal documentation and receipt of regulatory approval, including the approval of the Canadian Securities Exchange.

For more information please contact:

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***NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.***

***Forward-looking Information Cautionary Statement***

*Except for statements of historic fact, this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company’s control. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company’s filings with Canadian securities regulators, which filings are available at [www.sedar.com](http://www.sedar.com)*