



MONTAN MINING AND LIONS BAY ANNOUNCE RESTRUCTURING OF MONTAN

Vancouver, BC, February 21st, 2018 – Montan Mining Corp. (TSX-V: MNY | FSE: S5GM | SSE: MNYC) (“Montan” or the “Company”) and Lions Bay Capital Inc. (TSX-V: LBI) (“Lions Bay”) are pleased to announce that Lions Bay will be leading a restructuring of Montan. The restructuring will provide for:

- loans from Lions Bay to Montan in the aggregate amount of CAD \$185,000;
- the purchase by Lions Bay of certain debts of Montan through the issuance of common shares of Lions Bay in the aggregate amount of CAD \$1.03 million, which amounts will subsequently be settled by the issuance of common shares of Montan to Lions Bay; and
- the consolidation of the outstanding common shares of the Company on the basis of one common share for three existing common shares.

The restructuring is expected to result in Lions Bay becoming a control person of Montan, for which shareholder approval of Montan will be required. The transactions described above and the creation of Lions Bay as a control person of Montan are subject to obtaining approval of the TSX Venture Exchange.

The proceeds of the loans described above will be used by Montan for general working capital purposes. As part of the restructuring, the Company will also be consolidating its outstanding common shares on the basis of one common share for three existing common shares, as approved by shareholders of Montan at its annual general meeting held on June 28, 2017.

Following completion of the restructuring, Montan will retain its Cerro Dorado mine and mill assets in Peru. Given its intent to proceed with commissioning of the Cerro Dorado mill complex, the Company expects to require a significant amount of additional funding to cover its remaining debts, startup costs and to provide for working capital at the plant. This additional funding will likely be provided by way of private placement at a discount to the then current market price of the common shares of Montan.

About Lions Bay Capital Inc.

Lions Bay Capital Inc. is a New Mining and Energy Finance House focussed on making profits and paying dividends. This growth focussed resource investment bank operates as an activist investor in the junior natural resources sector, providing seed funding for new companies and

proven disruptive technologies and re-structuring of under valued assets. Lions Bay is not an exploration or research company, and focusses on companies on a near term cash flow and growth track.

About Montan Mining Corp.

Montan Mining Corp. is an emerging gold producer focusing on monetizing mining assets in Peru. The company is backed by an experienced management team with diverse technical, market, and finance expertise and is supported by committed and sophisticated investors focused on building long term value, now anchored by Lions Bay Capital Inc.

On behalf of the Board of Montan.

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Cautionary Statement Regarding Forward-Looking Information

This press release contains “forward-looking statements” or “forward-looking information” (collectively referred to herein as “forward-looking statements”) within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “will”, “plan”, “intends”, “may”, “will”, “could”, “expects”, “anticipates” and similar expressions. Further disclosure of the risks and uncertainties facing Montan and other forward-looking statements are discussed in Montan’s Management’s Discussion and Analysis which are available under the Company’s profile on www.sedar.com.

In particular, this press release contains forward-looking statements pertaining to completion of the restructuring of Montan, the retention of Montan’s Cerro Dorado mine and mill assets in Peru, the consolidation of the common shares of Montan, settling certain debts of Montan, the creation of Lions Bay as a control person of Montan and

obtaining shareholder approval thereof, approval of the TSX Venture Exchange, the use of proceeds of the loans, expectations regarding Montan's financing requirements and future financings of Montan. These forward-looking statements are based on assumptions made by and information currently available to the Company. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their very nature, forward-looking statements involve inherent risks and uncertainties and readers are cautioned not to place undue reliance on these statements as a number of factors could cause actual results to differ materially from the beliefs, plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, commodity prices, fluctuations in revenues and expenses of the Company, need for additional funding, availability of such additional funding and that funding will be on acceptable terms, retention of key employees, economic conditions, currency fluctuations, competition and regulations, legal proceedings and risks related to operations in foreign countries.

The forward-looking statements in this press release are made as of the date they are given and, except as required by applicable securities laws, the Company disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.