



NEWS RELEASE – 21/2016

Symbol: TSX-V: PRB

Shares Issued: 85,458,906

Probe Metals Acquires Strategic Property at Val-d'Or East Project and Announces Equity Investment in QMX Gold Corporation

Toronto, December 1st, 2016 – PROBE METALS INC. (TSX-V: PRB) (“Probe” or the “Company”) is pleased to announce that it has executed definitive asset purchase agreements to acquire a 100% interest in the Bonnefond North property (“**Bonnefond North**”) from QMX Gold Corporation (“**QMX**”) and its joint venture partner in exchange for an aggregate cash payment of \$500,000 and a 1-per-cent net-smelter-return royalty payable in lieu of any right to receive the royalty otherwise issuable pursuant to an historical joint venture agreement. Bonnefond North is comprised of 37 mining claims and extends the Company’s land package immediately to the south of the Company’s Val-d’Or East Project (“**Val-d’Or East**”) (see figure 1) and along strike of its past-producing Beliveau Mine. This strategic acquisition unlocks significant exploration upside near the Company’s New Beliveau deposit.

Figure 1 – Val-d’Or East Project

The Bonnefond North property is located in a favorable geological setting similar to the geology which hosts the New Beliveau deposit. Probe has also recently staked an additional 64 mining claims north and east of the New Beliveau deposit (see figure 1), which together with the Bonnefond North acquisition, almost doubles the Company’s land position on Val-d’Or East to 150 square kilometers.

Val-d’Or East - Exploration Program Update

Owing to the recent property acquisitions, (also see news release of September 14, 2016), the Company has increased its planned exploration program at Val-d’Or East, including the expansion of its ongoing drill program, where a second drill rig has now been mobilized. The drill rigs are currently testing the New Beliveau Gold deposit to the west, north and south of its current limits as well as along parallel dykes similar to those hosting the past-producing Beliveau mine. Since last August, approximately 9,500 metres of diamond drilling has been completed in 19 holes at Val-d’Or East. The Company expects to report drill results in the next few weeks. Results will be disclosed regularly as they become available.

A property-scale Induced Polarisation (“**IP**”) survey is also nearing completion on the property. It is important to note that this is the first property-scale IP survey to be undertaken in the area and is designed to test for extensions to the known mineralized system as well as satellite targets outside of the immediate mine area. These programs will also be expanded to encompass the newly acquired lands. It is expected that the ground geophysical survey will generate targets for drilling in Q1, 2017.

The Val-d'Or East project currently hosts a NI 43-101 inferred resources of 770,000 ounces at 2.6 g/t gold calculated at a 1.0 g/t cut-off above 350 metres depth and 1.5 g/t cut-off below 350 metres depth (see NI 43-101 technical report: Mineral Resource Val-d'Or East Property - January 4, 2013). Drilling results to-date have demonstrated significant widths of gold (Au) mineralization ranging from 60 metres to 300 metres and typically averaging between 1.0 g/t Au and 3.0 g/t Au. Mineralized intervals also contain thick sections of high-grade gold, including impressive intercepts of 10.4 g/t Au over 10 metres, 4.8 g/t Au over 33 metres and 5.4 g/t Au over 20 metres. The Company believes the exploration potential of this property is favorable for the discovery of new and large gold deposits.

Equity Investment in QMX Gold Corporation

The Company also announces that it has entered into a share purchase agreement with QMX whereby Probe will make a \$1,500,000 investment in QMX by way of a private placement (the "**Private Placement**"). Probe has agreed to purchase 15,000,000 common shares at \$0.10 per share. As a result of the Private Placement, Probe will hold approximately 11% of QMX's issued and outstanding common shares on an undiluted basis. Closing of the Private Placement is subject to regulatory approval and the securities issued will have a hold period of four months and one day from closing.

Following the completion of the Private Placement, Probe will own an aggregate of 15,000,000 shares of QMX, representing 11% of the outstanding QMX common shares. As a result of the Private Placement, the number of common shares beneficially owned by Probe will exceed 10% of the then issued and outstanding common shares. In satisfaction of the requirements of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* and National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, an early warning report respecting the acquisition of common shares by Probe will be filed. To obtain a copy of the early warning report, please contact Patrick Langlois, Vice President of Corporate Development of Probe, at (416) 777-9470. Probe's head office is located at 56 Temperance Street, Toronto, Ontario, M5H 3V5.

Probe is acquiring the QMX shares pursuant to the Private Placement for investment purposes. Probe may, depending on market and other conditions, increase or decrease its ownership of securities of QMX, whether in the open market, by privately negotiated agreements or otherwise, subject to a number of factors, including general market conditions and other available investment and business opportunities.

Qualified Person:

The technical content of this press release has been reviewed by Mr. Marco Gagnon, P. Geo, who is a "Qualified Person" within the meaning of NI 43-101, and Executive Vice-President and a director of Probe.

About Probe Metals:

Probe Metals Inc. is a leading Canadian gold exploration company focused on the acquisition, exploration and development of highly prospective gold properties. The Company is well-funded and controls a strategic land package of over 1,000-square-kilometres of exploration ground within some of the most prolific gold belts in Ontario and Quebec: Val d'Or, West Timmins, Casa-Berardi and Detour Quebec. The Company is committed to discovering and developing high-quality gold projects, including its key asset the Val-d'Or East Gold Project. The Company was formed as a result of the sale of Probe Mines Limited to Goldcorp on March 13, 2015. Goldcorp currently owns a 14% stake in the Company.

On behalf of Probe Metals Inc.,

Dr. David Palmer,
President & Chief Executive Officer

For further information:

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Forward-Looking Statements

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. This News Release includes certain "forward-looking statements" which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the Company's objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.