

Stockport Exploration Announces \$1,001,000 Private Placement

HALIFAX, Oct. 16, 2013 /CNW/ - **Stockport Exploration Inc. (TSX: SPT) (OTC: LMTCF)** is pleased to announce that it intends to complete a non-brokered private placement of up to 1,000 units priced at \$1,001 per unit. The proceeds for the unit sales will be used to fund a two-phased exploration and potential surface gold recovery program at license SPL 214 on the Corporation's Nyanza project in Kenya. The potential gold recovery program will consist of two phases:

- Phase One - sampling, metallurgy, permitting, and plant equipment procurement
- Phase Two - capital investment and plant operation. The Corporation will only proceed to Phase Two if Phase One is successful.

Each unit of the private placement will include:

- A convertible debenture in the amount of \$1,000; and
- A right to purchase a preferred share in Stockport Mining Kenya ("SMK"), a subsidiary of the Corporation. \$1 per unit has been allocated to the cost of the preferred share.

Details of the investment as the Corporation progresses through the gold recovery program are:

- Should the Corporation complete Phase One but elect not to proceed with Phase Two, each investor will receive:
 - the conversion of 25% of the original investment into SPT common shares at \$0.10 per share ; and
 - the return of 75% of the investment amount plus interest.
 - These rights will be forfeited should the Corporation proceed to Phase Two.
- Should the Corporation elect to proceed to Phase Two after the completion of a successful Phase One program, each investor will receive:
 - a repayment of the convertible debenture in the amount of 100% of the investment (\$1,000 per unit) based on 75% of free cash flow generated from the surface gold recovery project;
 - the right to purchase a preferred share in Stockport Mining Kenya, a subsidiary of the Corporation. \$1 per unit has been allocated to the cost of the preferred share. The preferred share will pay a premium entitlement of 110% of the original investment (\$1,000 per unit) from 75% of free cash flow generated from the gold recovery project and is then redeemed by SMK; and
 - 1,000 common share purchase warrants for each unit will be issued at the commencement of Phase Two, with an exercise price of \$0.10 per share and an expiry date 5 years from the date of private placement.
 - If the amount of the debenture plus the 110% premium entitlement is not paid by the five year maturity date, then the amount of debt and premium entitlement, less any repayments to that date, will be converted into Stockport common shares at a conversion price of \$0.50 per share.

Finders of this financing will be entitled to a commission in the amount of 7.0% of the gross proceeds received from the sale of units, payable in shares or cash.

The private placement is scheduled to close on or about October 23, 2013 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval and acceptance by the Toronto Stock Exchange. All securities to be issued pursuant to the private placement will be subject to a four-month hold period.

About Stockport Exploration Inc.:

Stockport is focused on the exploration of a district-scale land package along a prolific gold-hosting greenstone belt in southwest Kenya. The 2,020 km² property package has the potential to host multiple mineral deposits, including Lode-Au and Cu-Zn-Au-Ag massive sulphide types. Stockport also holds the La Morena Copper-Silver property in Coahuila, Mexico, the Seymour Lake Tantalum-Lithium-Beryllium property near Armstrong, Ontario, and the KM61 property, which hosts a 43-101 Compliant Molybdenum-Copper-Silver Resource, also near Armstrong, Ontario.

Forward-Looking Information:

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, continuity of mineralization, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes that the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. The likelihood of future mining at the Nyanza Project is subject to a large number of risks and will require achievement of a number of technical, economic and legal objectives, including obtaining necessary mining and construction permits, completion of pre-feasibility and final feasibility studies, preparation of all necessary engineering for pits and processing facilities as well as receipt of significant additional financing to fund these objectives, as well as funding mine construction. Such funding may not be available to the Company on acceptable terms or on any terms at all. There is no known ore at the Nyanza Project and there is no assurance that the mineralization at the Nyanza Project will ever be classified as ore. For more information on the Company and the risk factors inherent in its business, investors should review the Company's Annual Information Form at www.sedar.com

SOURCE: Stockport Exploration Inc.

%SEDAR: 00023611E

For further information:

STOCKPORT EXPLORATION
Jim Megann
President and CEO
(902) 482-1240
jmegann@stockportexploration.com
www.stockportexploration.com

CO: Stockport Exploration Inc.

CNW 17:00e 16-OCT-13