

# Canadian Orebodies Inc.

141 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 3L5

## PRESS RELEASE

### CANADIAN OREBODIES INCREASES NON-BROKERED PRIVATE PLACEMENT AND CLOSSES FIRST TRANCHE

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TORONTO, August 12, 2016 --- Canadian Orebodies Inc. (the "Company") is pleased to announce that it has closed the first tranche of its previously announced non-brokered private placement (the "Financing") and has increased the Financing to raise up to \$5,600,000 through the sale of units of securities of the Company.

The Company closed on a total of \$2,405,200 through the sale of 40,086,668 units of the Company (each, a "Unit") at a price of \$0.06 per Unit.

Each Unit is comprised of one common share of the Company (each, a "Common Share") and one-half of one Common Share purchase warrant of the Company (each such whole Common Share purchase warrant, a "Warrant"). Each Warrant will be exercisable into one Common Share for a period of 18 months from closing at an exercise price of \$0.14 per share beginning on the date of the closing of the Offering. The expiry date of the Warrants may be accelerated, at the option of the Company, if the closing price of the Common Shares on a Canadian stock exchange exceeds \$0.20 for a period of twenty consecutive trading days commencing on the date that is four months and one day after the closing of the Financing by giving notice to the holders thereof, in which case the Warrants will expire on the thirtieth day after the date on which such notice is given by the Company.

The Company will pay cash finders' fees to eligible finders for an aggregate amount of 6% of the gross proceeds and grant non-transferable warrants (each, a "Finders Warrant") to purchase an aggregate of up to 6% of the Units of the Company placed by each eligible finder. Each Finders Warrant entitles the holder thereof to purchase one Common Share for a period of 18 months from the date of issuance at a price of \$0.06 per Common Share. The Company paid cash finders' fees of \$76,452 and issued 1,174,200 Finders Warrants on the closing of the first tranche.

Certain management and directors of the Company have participated in the Financing for the aggregate amount of \$81,000. The issuances of Units to insiders pursuant to the Financing are considered related party transactions within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company

intends to rely on exemptions from the formal valuation in section 5.5(b) of MI 61-101 in respect of such insider participation.

The proceeds of the Financing will be used for costs for the exploration and advancement of the Company's Hemlo property and for general working capital purposes.

The securities issued by the Company in connection with this offering are subject to a statutory hold period which expires on Dec 13, 2016.

For more information please contact:

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