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LEO APPROVES SHARE CONSOLIDATION AND PRIVATE PLACEMENT

Toronto, Ontario, May 12, 2014 – Leo Resources Inc. (CSE:LEO) ("Leo" or "the Company") announces that its directors have approved a share consolidation of its common shares on the basis of one (1) "new" common share for five (5) "old" common shares to be effective May 23, 2014.

Leo anticipates that effective May 21, the common shares of Leo will commence trading on the CSE on a consolidated basis under the same stock symbol "LEO". Letters of transmittal describing the process by which shareholders may obtain new certificates representing their consolidated common shares will be mailed shortly to registered shareholders. Shareholders who hold their shares through a broker or other intermediary and do not have shares registered in their name will not be required to complete a letter of transmittal. No fractional shares will be issued under the share consolidation and any fraction will be rounded to the nearest whole number.

The Company has also agreed to a non-brokered private placement (the "Private Placement") with Daniel Wettreich, a director of the Company, of 2,500,000 units (each a "Unit") of Leo at a post consolidation price of \$0.05 per Unit, for gross proceeds of \$125,000. Each Unit consists of one common share in the capital of Leo and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional common share in the capital of Leo at an exercise price of \$0.05, for 36 months after closing. The securities are subject to a hold period of four months and a day. The proceeds of the Private Placement will be used for working capital purposes. Upon closing of the Private Placement, Daniel Wettreich directly and indirectly will beneficially own 2,607,600 post consolidation common shares of Leo, representing 49.69% of Leo and 2,000,000 common share purchase warrants representing 100% of the outstanding warrants of Leo.

The participation by Daniel Wettreich in the Private Placement is considered to be a related party transaction as defined in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). A special committee consisting of an independent director established by the board of directors determined the related party transaction is fair and reasonable in the circumstances to the Company. The Company has relied on sections 5.5(b) and (c) of MI 61-101 for an exemption from the formal valuation requirement, and section 5.7(b) of MI 61-101 for an exemption from the minority shareholder approval requirements. A material change report in respect of the related party transaction will not be filed at least 21 days in advance of the closing of the Private Placement due to the Company’s immediate need to address its financial situation, which omission is both reasonable and fair in the circumstances. MI 61-101 requires if a material change report is filed less than 21 days before the expected date of the closing of the transaction, an explanation is to be provided as to why the shorter period is reasonable or necessary in the circumstances.

Following the consolidation and private placement and subject to rounding, Leo will have 5,247,500 common shares issued and outstanding.

About Leo Resources

Leo is a Toronto based mineral company primarily focused on exploring the Riverbank nickel-copper project in the area known as the Ring of Fire in Northwestern Ontario, Canada, as well as the acquisition of other properties.

For more information please see www.LeoResourcesInc.com or contact Danny Wettreich at (647) 693 9414 or dw@leoresourcesinc.com

Forward-Looking Information: This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business and trading in the common stock of Leo Resources Inc. The forward-looking information is based on certain key expectations and assumptions made by the company’s management. Although the company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the company can give no assurance that they will prove to be correct. These forward-looking statements are made as of the date of this press release and the company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The CSE has not reviewed, approved or disapproved the content of this press release