

Montego Resources Inc.

200 – 551 Howe Street
Vancouver, BC, V6C 2C2
T 604-683-8610
F 604-683-8605

Montego and Northern Empire Sign Letter of Intent for Kiyuk Lake Property

Vancouver, B.C. – July 8, 2016 – **Montego Resources Inc. (CSE: MY)** (the “Company” or “Montego”) is pleased to announce that it has entered into a non-binding letter of intent (“LOI”) with Northern Empire Resources Corp. (TSXV:NM) (“Northern Empire”), whereby the Company will acquire all of Northern Empire’s right, title, interest, and obligations in and to the Kiyuk Lake Property (the “Property”) in Nunavut Territory, Canada.

The LOI is contingent on Montego closing a minimum financing of C\$750,000 (the “Financing”) and completing satisfactory due diligence; and both parties obtaining all necessary corporate and regulatory approvals. Under the terms of the LOI, Northern Empire will have the right to nominate two directors to the board of Montego. Montego and Northern Empire have agreed to work in good faith to execute a definitive agreement within the next 60 days.

In consideration for the interest in the Property, Montego will issue to Northern Empire a quantity of common shares in the capital of Montego as will be equal to 19.9% of the issued and outstanding Montego shares following such issuance and the closing of the Financing.

Further Montego has arranged a non-brokered private placement (the “Private Placement”) of up to 10,000,000 units (the “Units”) at a price of C\$0.075 per Unit to raise gross proceeds of up to C\$750,000. Each Unit will consist of one common share of the Company and one half of one transferable share purchase warrant (a “Warrant”). Each whole Warrant will permit the Warrant holder to acquire one additional common share of the Company (a “Warrant Share”) at a price of C\$0.10 per Warrant Share for a period of two years after closing.

Finders’ fees may be paid by the Company in conjunction with the completion of the Private Placement in accordance with the policies of the Canadian Securities Exchange.

The Company intends to use the net proceeds from the Private Placement for general working capital.

Kiyuk Lake Property Details

- a 491 sq. km property located in southern Nunavut 400 km north of Lynn lake
- numerous intrusion related gold occurrences have been found with some but not all tested by drilling
- best drill results include 38 metres at 4.2 g/t Au from surface. At the breccia hosted Rusty prospect a recent hole returned 250 metres at 1.6 g/t Au from 8.2 metres depth
- this early stage gold project has significant potential and walk up drill targets

- analogues to this unusual style of mineralization is B2's Otjikoto gold mine in Namibia and Tennant Creek goldfield in Northern Territory
- http://www.northernemp.com/projects/kiyuk_lake/

Northern Empire holds a 100% interest in the Property, subject to a 2% NSR to the original property vendor.

The Property acquisition and Private Placement is subject to acceptance by the Canadian Securities Exchange. All the securities issued in connection with the Property acquisition and the Private Placement will be subject to resale restrictions under applicable securities legislation.

Further, Montego wishes to announce Jerry Minni has resigned as a director and officer of Montego.

ON BEHALF OF THE BOARD OF MONTEGO RESOURCES INC.

“Robert Coltura”
President and CEO

NEITHER THE CSE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS NEWS RELEASE.

This press release includes “forward-looking statements” including 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 Montego Resources Inc. Statements regarding mineral exploration operations and objectives are subject to risk, including, but are not limited to, exploration and geologic risk, inflation and costs of goods and services, property title issues and regulatory approvals. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. Such forward-looking information represents management’s best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Montego Resources Inc. does not assume the obligation to update any forward-looking statement, except as required by applicable law.