

NOT FOR DISSEMINATION IN THE UNITED STATES OR OVER UNITED STATES NEWSWIRE SERVICES

[Montero Mining and Exploration Ltd.](#) (TSX VENTURE:MON) ("Montero" or the "Corporation") confirms that all matters brought before its shareholders were approved at the annual and special meeting of shareholders of the Corporation held on June 30, 2017 (the "Shareholder Meeting"), including the approval of the share consolidation of the Corporation's common shares on the basis of eight (8) pre-consolidated common shares for (1) post-consolidation common share (the "Share Consolidation"). The Corporation also reached agreements to settle an aggregate of \$820,720 of debt owed to certain of its creditors ("Creditors") in consideration for the issuance of an aggregate of 32,810,800 special warrants at a deemed issue price of \$0.025 per special warrant (the "Debt Settlement"). Details of the Shareholder Meeting, Share Consolidation and Debt Settlement are further described below:

Dr. Tony Harwood, President and Chief Executive Officer of Montero commented, *"Montero is in the process of restructuring the Corporation whereby it will have 18,370,371 shares outstanding after the share consolidation is completed and a clean balance sheet. Montero is now in a position to bring on new assets to move the Corporation forward."*

Shareholder Meeting

The Corporation is pleased to announce that all matters brought before its shareholders were approved at the Shareholder Meeting. A total of 27,187,079 common shares were voted at the Shareholder Meeting representing 32.08% of the issued and outstanding common shares of the Corporation.

Share Consolidation

The shareholders approved the Share Consolidation of Corporation's common shares on the basis of eight (8) pre-consolidated common shares for (1) post-consolidation common share. The Share Consolidation was approved by 98.06% of the common shares voted, with 1.94% against.

The Corporation expects to effect the Share Consolidation once it has received approval from the TSX Venture Exchange.

Letters of transmittal will be mailed to all registered shareholders with instructions on how to exchange existing share certificate(s) for new share certificate(s). After implementing the Share Consolidation, the Corporation will have 18,370,371 common shares issued and outstanding.

Upon the implementation of the Share Consolidation, the Corporation's new CUSIP number will be 612648303 and its new ISIN number will be CA6126483032.

The Corporation will not be changing its name and trading symbol in connection with the Share Consolidation.

Debt Settlement

Further to its press release dated May 12, 2017, the Corporation is pleased to announce that it has reached agreements to settle an aggregate of \$820,270 of debt owed to Creditors, including Creditors who are related parties of the Corporation, in consideration for the issuance of an aggregate of 32,810,800 Special Warrants of the Corporation at a deemed issue price of \$0.025 per Special Warrant. Each eight (8) Special Warrants are exercisable into one (1) common share if the Share Consolidation is completed on or before September 30, 2017 ("Consolidation Deadline"). However, if the Share Consolidation is not satisfied on or before the Consolidation Deadline, the Special Warrants shall be redeemed at the Subscription Price with interest payable at the rate of 10% per annum.

The Debt Settlement was made pursuant to the grant of a "discretionary waiver" of the TSX Venture Exchange's ("TSXV") minimum \$0.05 pricing requirement (the "Waiver"). With respect to the Waiver, the Corporation intends to complete a Share Consolidation which would result in a post-consolidation conversion price greater than \$0.05 per common share.

The securities issued will be subject to a four month and one day statutory hold period.

Related Creditors

Certain Creditors who are related parties (the "Related Creditors") of the Corporation participated in the Debt Settlement.

Related Creditors included Global Mining Services Limited and Zander Investing Limited which are corporations in which Antony Harwood, the President, Chief Executive Officer, and a director of the Corporation has beneficial interests; Criss Cross Inc., which is a corporation of which Antonia J. Chapman, the CFO, Corporate Secretary, and a director of the Corporation, is a director and a 100% beneficial owner; Mr. Andrew Thomson, Ms. Chapman and Dr. Harwood.

Pursuant to the Debt Settlement, Global Mining Services Ltd. settled a debt of \$220,746 in exchange for 8,829,840 Special Warrants; Zander Investing Limited settled a debt of \$187,688 in exchange for 7,507,520 Special Warrants; Dr. Harwood personally settled a debt of \$5,508 in exchange for 220,320 Special Warrants; Criss Cross Inc. settled a debt of \$29,162 in exchange for 1,166,480 Special Warrants; and Andrew Thomson personally settled a debt of \$20,000 in exchange for 800,000 Special Warrants.

The participation in the Debt Settlement by the Related Creditors constitutes a "related party transaction" as such terms are defined by Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), requiring the Corporation, in the absence of exemptions, to obtain a formal valuation for, and minority shareholder approval of, the "related party transaction". The Corporation is relying on an exemption from the formal valuation requirements of MI 61-101 available because no securities of the Corporation are listed on specified markets, including the TSX, the New York Stock Exchange, the American Stock Exchange, the NASDAQ or any stock exchange outside of Canada and the United States other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc. The Corporation is also relying on the exemption from minority shareholder approval requirements set out in MI 61-101 as the fair market value of the participation in the Debt Settlement by the Related Creditors does not exceed 25% of the market capitalization of the Corporation, as determined in accordance with MI 61-101.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Early Warning Report

John G. P. Dixon ("Mr. Dixon") had ownership or direction and control over an aggregate of 4,385,182 common shares of the Corporation prior to the Debt Settlement, representing approximately 5.17% of the issued and outstanding common shares of the Corporation. Pursuant to the Debt Settlement, Mr. Dixon acquired an aggregate of 11,071,720 Special Warrants. As a result of the Debt Settlement and upon the completion of the Share Consolidation, Mr. Dixon will have ownership or direction and control over 1,932,112 common shares of the Corporation representing approximately 10.51% of the issued and outstanding common shares of the Corporation. The Special Warrants acquired by Mr. Dixon pursuant to the Debt Settlement are being held for investment purposes, and depending on market and other conditions, Mr. Dixon may from time to time in the future increase or decrease his ownership, control or direction over securities of the Corporation through market transactions, private agreements, or otherwise.

As a result of the Debt Settlement and upon the completion of the Share Consolidation, the number of common shares Mr. Dixon will own will exceed 10% of the then issued and outstanding common shares of the Corporation. In satisfaction of the requirements of the 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 Special Warrants by Mr. Dixon will be filed under the Corporation's SEDAR Profile at www.sedar.com.

About Montero

Montero is a mineral exploration and development company engaged in the identification, acquisition, evaluation and exploration of mineral properties in Africa. Currently these include phosphates in South Africa and rare earth elements (REE) in Tanzania. Montero is reviewing and evaluating other opportunities from its operating base in South Africa. Montero trades on the TSX Venture Exchange under the symbol MON.

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.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: *This news release includes certain "forward-looking information" within the meaning of applicable Canadian securities laws. Forward looking information includes, but is not limited to, statements, projections and estimates with respect to the Debt Settlement and the completion of the Share Consolidation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Such information is based on information currently available to Montero and Montero provides no assurance that actual results will meet management's expectations. Forward-looking information by its very nature involves inherent risks and uncertainties that may cause the actual results, level of activity, performance, or achievements of Montero to be materially different from those expressed or implied by such*

forward-looking information. Actual results relating to, among other things, approval and completion of the Share Consolidation, results of exploration, project development, reclamation and capital costs of Montero's mineral properties, and Montero's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with Montero's activities; and other matters discussed in this news release and in filings made with securities regulators. This list is not exhaustive of the factors that may affect any of Montero's forward-looking statements. These and other factors should be considered carefully and accordingly, readers should not place undue reliance on forward-looking information. Montero does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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