

TORONTO, Sept. 19, 2017 (GLOBE NEWSWIRE) -- [Integra Resources Corp.](#) (CSE:ITR) (the "Company" or "Integra") is pleased to announce that it will acquire 100% of the DeLamar Gold and Silver Project from a wholly-owned subsidiary of [Kinross Gold Corp.](#) ("Kinross") for C\$7.5 million in cash and the issuance of Integra shares that is equal to 9.9% of all of the issued and outstanding Integra shares upon closing of the transaction. The DeLamar project is subject to a retained variable net smelter return ("NSR") royalty payable to Kinross. Concurrent to the DeLamar transaction, Integra has signed binding letters of intent ("LOIs") with two private entities to acquire patented claims in the past-producing Florida Mountain Gold and Silver Project ("Florida Mountain"), which borders DeLamar to the east.

The DeLamar project, located in southern Idaho, includes Kinross's DeLamar Mine that closed in 1998 due to low precious metal prices (below US\$300) after producing 1.6Mozs of gold and 100Mozs of silver. Located 80 km south of Boise, Idaho, the DeLamar Project constitutes roughly 5,300 acres of patented and unpatented claims, and a further 4,100 acres of leased lands with approximately 1,575 drill holes and 145,940m of drilling outlined in historic databases. Average drill hole depth was less than 100m, with only four holes deeper than 350m. A material portion of drilled out precious metal mineralization remains un-mined, with significant exploration potential to outline further near surface bulk tonnage resources as well as high grade underground potential using modern exploration techniques. Utilizing all available drill data, Integra is in the process of completing an updated resource estimate for the DeLamar Project and expects to announce in the coming weeks.

"We are pleased to be part of this formative transaction with Kinross because, in our view, the pedigree and genesis of this asset opportunity bears some striking similarities to Integra Gold's asset acquisition of Sigma-Lamaque, back at its nascent stages," stated George Salamis, President and CEO of Integra. "Integra is once again emerging as a precious metals company with a past producing property in a developed world, pro-mining jurisdiction, with excellent access and infrastructure and host to a large geological database to work from. This property hasn't seen any modern exploration work for almost 30 years. The Integra team is keen to get working on financing and executing an aggressive path of exploration and future studies. We believe the exploration upside potential for both heap-leachable gold-silver mineralization at surface and high grade, vein-type "feeder" mineralization is very promising."

"Our goal was to find a project in North America that has the possibility to offer significant upside potential and shareholder value, similar to what we did with Integra Gold," added Steve de Jong, Chairman of Integra. "We could not have asked for a better project than DeLamar to build this value and we are pleased to have Kinross as a large shareholder. The Integra Gold team delivered on the Lamaque project during some of the most depressed market conditions in recent memory. We are confident that we can once again deliver from yet another world-class gold jurisdiction, especially in this more promising precious metals market."

Key DeLamar Highlights

- Established production history: Over 100 years of prior open pit and underground mining operations, with total historic production of 1.6Mozs of gold and 100Mozs of silver and excellent CIL and heap leach recoveries. Typical recoveries for dominantly oxidized ores processed through the DeLamar agitated leach mill between 1990 and 1998 ranged between 85% to 95% for gold and 70% to 80% for silver. Recoveries for mixed oxide ore typically ranged between 77% to 90% for gold and 65% to 75% for silver.
- "Under the radar" opportunity with multiple untested targets: The mine has remained relatively unknown since it was put on care and maintenance in 1998 following low metal prices, and no exploration work has taken place on multiple high conviction targets in over two decades.
- Robust resource potential: As a result of limited exploration work during DeLamar's operating mine life and no exploration post closure, the potential to expand existing mineralization and outline further near-surface bulk tonnage resources is high, as well as the opportunity to employ modern techniques to explore high grade underground targets.
- Excellent infrastructure and existing on-site facilities: All-season road access, grid power, a lined water treatment pond, workshop, and an office exist on site.
- NI 43-101 resource estimate underway: Mine Development Associates ("MDA") based in Reno Nevada is currently completing a mineral resource estimate on DeLamar that is scheduled to be completed in the coming weeks.

Terms of the DeLamar Acquisition

Integra has entered into a binding stock purchase agreement dated September 18, 2017 (the "Agreement") with a wholly-owned subsidiary of Kinross pursuant to which the Company has agreed to acquire the entity holding 100% of Kinross's interest in DeLamar, located in southern Idaho (the "Transaction").

The terms of the proposal for the purchase of the DeLamar project are outlined as follows:

1. Basic Economic Terms: The aggregate consideration payable by Integra for the purchase of DeLamar will consist of the following:
 1. Cash payments to Kinross totalling C\$7,500,000, comprised of between C\$3,000,000 and C\$5,000,000 payable at the DeLamar Closing, with the exact amount dependent on the size of the Private Placement, and the balance being payable within 18 months after the closing of the sale and purchase of DeLamar (the "DeLamar Closing");
 2. Integra Shares to be issued to Kinross or its designee at the DeLamar Closing ("Integra Consideration Shares") constituting 9.9% of the outstanding Integra Shares, on a non-diluted basis, after giving effect to the Private Placement.

Kinross has retained a 2.5% NSR royalty that applies on those portions of the DeLamar claims that are unencumbered by existing royalties, which may be reduced to 1% upon the Kinross receiving total royalty payments of C\$ 10,000,000.

1. Concurrent Equity Financing:
 1. The DeLamar Closing will be conditional upon the closing of an equity private placement for aggregate gross proceeds of at least C\$25,000,000 (the "Private Placement").

Acquisition of Additional Florida Mountain Claims

Conditional upon the completion of the Transaction, Integra will acquire 47 mining claims totaling approximately 238 hectares that form part of the Florida Mountain claims group, which are situated in the Carson Mining District in Owyhee County, Idaho and located adjacent to the DeLamar Project. The LOIs provide Integra with the exclusive right to execute definitive agreements for the acquisition of certain patented claims in Florida Mountain. The terms of the proposal for the purchase of additional Florida Mountain claims from two private groups are outlined as follows:

1. Aggregate Purchase Price: US\$2 Million
2. Royalties: The project is being sold royalty-free
3. Closing: The closing of the Florida Mountain transaction will be concurrent with the DeLamar Closing.

Investor Rights Agreement

In connection with the issuance of the Integra Consideration Shares to Kinross, Kinross and the Company will enter into an investor rights agreement on the effective date of the DeLamar Closing, pursuant to which, and subject to certain conditions, Kinross will have the right (until such time as Kinross beneficially owns less than 5% of the Integra Shares for the first time following completion of the Transaction) to (i) participate in any future equity offerings by the Company in order to maintain its proportionate interest in the Company and (ii) nominate one person to the board of directors of the Company (until such time as Kinross beneficially owns less than 9.9% of the Integra Shares for the first time following completion of the Transaction). Kinross will also be subject to a lock-up until the date that is 12 months from the DeLamar Closing, which will prohibit Kinross from disposing of its Integra Consideration Shares, subject to certain exceptions.

Stock Exchange Matters

As at the date hereof, the Integra Shares are listed on the Canadian Securities Exchange. A condition to completion of the Transaction is the conditional approval for the listing of the Integra Shares on the TSX Venture Exchange.

Advisors and Counsel

Integra has retained GMP Securities L.P. as financial advisor and Cassels Brock & Blackwell LLP as legal advisor.

Qualified Person

Unless otherwise indicated, the scientific and technical information contained in this news release has been reviewed and approved by E. Max Baker Ph.D. M. AustIMM, of Reno, Nevada who is a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and is independent of Integra.

About Integra Resources

[Integra Resources Corp.](#), formerly, Mag Copper, is a development-stage company engaged in the acquisition, exploration and development of mineral properties in the Americas. The management team comprises the former executive team from [Integra Gold Corp.](#)

ON BEHALF OF THE BOARD OF DIRECTORS

CONTACT INFORMATION

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This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the completion of the Transaction and the acquisition of the Florida Mountain claims; the anticipated benefits of the Transaction (including the acquisition of the Florida Mountain claims and the Private Placement) to Integra and its shareholders; the timing and receipt of the required stock exchange and regulatory approvals for the Transaction; the timing and ability of Integra to satisfy the conditions precedent to completing the Transaction and the acquisition of the Florida Mountain claims; completion of the Private Placement; anticipated use of proceeds from the Private Placement; the length of the current market cycle and requirements for an issuer to survive in the current market cycle; future growth potential of Integra; and future development plans.

These forward-looking statements are based on reasonable assumptions and estimates of management of Integra at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Integra to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: satisfaction or waiver of all applicable conditions to the completion of the Transaction and the acquisition of the Florida Mountain claims (including receipt of all necessary stock exchange and regulatory approvals or consents, and the absence of material changes with respect to the parties and their respective businesses, all as more particularly set forth in the Agreement); ability to close the Private Placement on the proposed terms or at all, the synergies expected from the Transaction and the acquisition of the Florida Mountain claims not being realized; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. Although the forward-looking statements contained in this news release are based upon what management of Integra believes, or believed at the time, to be reasonable assumptions, Integra cannot assure its shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended.

Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, Integra assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.