

Laurion Provides Progress Update on Stockpile Funding Project

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TORONTO, Oct. 2, 2018 /CNW/ - **Laurion Mineral Exploration Inc. (TSX.V: LME and OTCPIK: LMEFF) ("Laurion" or the "Corporation")** is pleased to provide an update on its stockpile funding project (the "**Stockpile Funding Project**") that was previously-announced on April 25, 2018 and pursuant to which a private investment group (the "**Investor**") is financing and otherwise supporting the development and potential extraction of gold and other metals from historic surface stockpiles (the "**Surface Stockpiles**") located on Laurion's wholly-owned Ishkoday property (the "**Ishkoday Project**") situated 220 kilometres northeast of Thunder Bay, Ontario.

The Stockpile Funding Project is primarily comprised of the following:

- (a) A non-brokered private placement of Laurion (the "**Laurion Private Placement**"), pursuant to which a group of subscribers, including the Investor, purchased 8,947,857 units of Laurion ("**Laurion Units**") at a subscription price of \$0.07 per Laurion Unit for aggregate gross proceeds to Laurion of \$626,350. Each Laurion Unit is comprised of one common share (each, a "**Laurion Common Share**") and one common share purchase warrant (each, a "**Laurion Warrant**"), with each Laurion Warrant entitling the holder to purchase one additional Laurion Common Share at an exercise price of \$0.09 for a period of 24 months following the date of issue, subject to customary adjustment provisions. The Laurion Private Placement closed on July 18, 2018.
- (b) The incorporation and organization of a wholly-owned subsidiary of Laurion ("**Newco**"), which is expected to acquire the Surface Stockpiles from Laurion in exchange for additional common shares in the capital of Newco (the "**Surface Stockpile Transfer**").
- (c) The entering into of certain operating and contracting agreements by Newco, in regards to the Surface Stockpiles.
- (d) It is anticipated that the Investor will help further fund the processing of the Surface Stockpiles by completing an approximate \$4.5 million investment in Newco (the "**Newco Private Placement**"). The net proceeds from the Newco Private Placement shall be held in escrow until: (i) a Preliminary Economic Analysis ("**PEA**") is completed in respect of the Surface Stockpiles; and (ii) Laurion and the Investor both consent to the release of such gross proceeds from escrow.
- (e) It is expected that Laurion and the Investor will each own an equity interest in Newco of 51% and 49%, respectively, following the completion of the Newco Private Placement. It is intended that Newco will use the net proceeds from the Newco Private Placement (following their release from escrow) for the permitting (and should the economic viability and technical feasibility of the project be established), development and commissioning of the processing facilities that will process the Surface Stockpiles. Any securities issued pursuant to the Newco Private Placement would be subject to, among other things, a standard private issuer legend, as prescribed by applicable Canadian securities laws.

Negotiations are progressing positively and the principal terms for many of the transactions described above have been substantially agreed upon by the relevant parties. Definitive documentation for the transactions contemplated hereby is currently expected to be completed in the coming weeks, with closing expected to occur as soon as practicable thereafter. The Surface Stockpile Transfer and the Newco Private Placement remain subject to all applicable regulatory approvals and customary closing conditions.

About Laurion

The Corporation is a junior mineral exploration and development company listed on the TSX Venture Exchange (the "**TSX-V**") under the symbol LME and on the OTCPIK under the symbol LMEFF. Laurion now has 137,965,639 outstanding shares of which 59.4% are owned and controlled by Insiders and within the 'friends and family' category.

The Corporation's emphasis is on the development of its flagship project, the 100% owned mid-stage 47 km² Ishkoday Project, and its gold-silver and gold-rich polymetallic mineralization with a significant upside potential.

The Corporation has a property-wide database of 283 diamond drill holes totaling 40,729 m, detailed sampling, mapping, assays and geochemical analysis, and ground geophysics. The

mineralization is open at depth beyond the current core-drilling limit of -200 m from surface, based on the historical mining to a -685 m depth, as evidenced in the past producing Sturgeon River Mine.

Mr. Jean Lafleur, P. Geo. (APGO, OGQ), Laurion's Technical Advisor to the Board of Directors, is a Qualified Person as defined by National Instrument 43-101 guidelines, and has reviewed and approved the content of this news release.

Caution Regarding Forward-Looking Information

This press release contains forward-looking statements, which reflect the Corporation's current expectations regarding future events, including with respect to the creation of Newco, the Surface Stockpile Transfer, the Newco Private Placement (and the release from escrow and use of, the net proceeds therefrom), the execution of operating, contracting and other agreements involving Newco, and the processing of the Surface Stockpiles. The forward-looking statements involve risks and uncertainties. Actual events and future results, performance or achievements expressed or implied by such forward-looking statements could differ materially from those projected herein including as a result of a change in the trading price of Laurion Common Shares, the failure of the relevant parties to agree upon and enter into definitive agreements in connection with the transactions and other matters contemplated in this news release, the TSX-V not providing its approvals for the Surface Stockpile Transfer or the Newco Private Placement, the results of any PEA completed in respect of the Surface Stockpiles, the interpretation and actual results of current exploration activities, changes in project parameters as plans continue to be refined, future prices of gold and/or other metals, possible variations in grade or recovery rates, failure of equipment or processes to operate as anticipated, the failure of contracted parties to perform, labor disputes and other risks of the mining industry, delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the Corporation's publicly filed documents. Investors should consult the Corporation's ongoing quarterly and annual filings, as well as any other additional documentation comprising the Corporation's public disclosure record, for additional information on risks and uncertainties relating to these forward-looking statements. The reader is cautioned not to rely on these forward-looking statements. Subject to applicable law, the Corporation disclaims any obligation to update these forward-looking statements.

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