



## **MIDLAND STARTS A FIRST TRENCHING PROGRAM ON ITS BASE METALS PROJECTS WITH ALTIUS AND AMENDED THE STRATEGIC ALLIANCE**

Montreal, August 16, 2018. Midland Exploration inc. (“Midland“) (TSX-V : MD) and Altius Minerals Corporation (“Altius“) (TSX:ALS) are pleased to announce that summer 2018 exploration work will resume on their James Bay base metals exploration projects, namely Shire (zinc), and Moria (nickel-copper-cobalt). Exploration will consist of mechanical trenching of high-grade showings and geophysical anomalies identified in 2017, soil sampling, as well as prospecting and geological mapping.

The Shire Zinc project is located in an underexplored area about 80 kilometers east of Nemaska, Eeyou Istchee, Quebec. The project was initiated following the discovery in July 2017 of a high-grade zinc showing (O’Connor showing) inferred to be an exhalative horizon from a volcanogenic massive sulfides (“VMS”) system, which returned up to **7.53% Zn** in grab sampling (*note that grab samples are selective by nature and values reported are not be representative*). Channel sampling at O’Connor in October 2017 yielded up to **4.85% Zn over 1.17 meters** in massive sulfide and quartz-rich exhalite (*note that all thicknesses reported in this press release are apparent thicknesses; true thicknesses cannot be determined at this time*). The zinc-bearing sulfide zone is still open to the north and east, under thicker overburden. A mechanical trenching campaign will start in the next following days to test possible extensions of the mineralized zone undercover at O’Connor.

A heliborne electromagnetic (VTEM) survey flown in October 2017 at Shire demonstrates that the O’Connor showing is located on a regional-scale conductive unit that is at least 15 km long and is open to the east. Field follow-up of select VTEM anomalies in October 2017 identified massive pyrite-pyrrhotite and stratabound quartz-pyrite-pyrrhotite at other locations along the regional EM conductor, 2.5 kilometers and 4.5 kilometers east of the O’Connor showing, respectively. In the next following weeks, systematic soil sampling will be performed over the conductive target unit. Soils will be analyzed in real time by portable XRF. The best combined VTEM and soil geochemical anomalies will then be immediately followed up by mechanical trenching. Additional prospecting and geological mapping will also be done on the remainder of the largely unexplored greenstone to the east.

The Moria Nickel-Copper-Cobalt project is located about 12 kilometers southeast of the Clearwater Au deposit and 25 kilometers east of Hydro-Quebec’s Eastmain-1 dam. The project was initiated in August 2017 with the discovery of the Gimli showing that returned up to **1.13% Ni, 0.11% Cu and 0.07% Co** in grab samples (*note that grab samples are selective by nature and values reported are not be representative*) and **0.80% Ni, 0.06% Co and 0.075% Cu over 0.8 meter** in channels (*note that all thicknesses reported in this press release are apparent thicknesses; true thicknesses cannot be determined at this time*). The mineralized zone found in channels at Gimli is open to the north under thicker overburden. The Gloin showing, located 100 meters east of Gimli, also returned up to **0.78% Ni** in grab sampling (*note that grab samples are selective by nature and values reported are not be representative*). Assay results indicate a perfect nickel-sulfur correlation, which suggests that most of the nickel is found in sulfides and not in refractory silicates. This was confirmed with petrographic observations which show abundant pentlandite. Calculated nickel tenors (grades

normalized to 100% sulfides) at Gimli and Gloin are around **14% Ni**. The trenching on Moria will focus on mechanical trenching to extend the mineralized zones at Gimli and to explore the 100-meter-wide gap between the Gimli and Gloin showings

The heliborne VTEM survey performed in October 2017 on Moria indicates that the Gimli and Gloin showings are located on a distinct NE-SW trending magnetic anomaly which is about 3.5 kilometers long and coincides with a magnetic meta-pyroxenite dyke that hosts the mineralization. Select VTEM anomalies located close to the dyke will be trenched. A second meta-pyroxenite dyke identified on the VTEM survey was also later confirmed by fieldwork, and VTEM anomalies associated with it will also be investigated by trenching.

### **Strategic Alliance Amendment:**

Midland is also pleased to announce that it has amended the James Bay strategic alliance memorandum of understanding (“MOU”) signed on March 30, 2017 as follows:

- Altius agrees to exchange its 50% interest in the designated projects: Elrond, Gondor, Helms Deep, Isengard, Minas Tirith, Moria and Shire (the “Designated Projects”) for 461,487 common shares of Midland valued at \$507,636, which corresponds to Altius’ portion of the accumulated expenditures on the designated projects;
- Altius will subscribe 198,386 common shares of Midland at \$1.10 which corresponds to Altius’ portion of the phase 2 approved exploration budget of 2018;
- Altius will subscribe additional common shares for its portion of future work program on the Designated Projects, at market price;
- All designated projects share require the registration of a 2% net smelter return royalty, 50% 50% held by the respective parties (“Alliance Royalty”), with a mutual right of first offer on the sale of any interest in the Alliance Royalty.

The MOU expires December 31, 2019, with an option to continue the Alliance for two additional years. The duration of this MOU can be reduced or extended by mutual consent.

### **Quality Control**

Rock samples on the project are assayed by standard 30 gram fire-assaying with AA or gravimetric finish at ALS Minerals laboratories in Val d’Or, Québec or Sudbury, Ontario. All samples are also analysed for multi-elements, using four-acid ICP–AES method. Samples that exceed 1% zinc or nickel are reanalyzed by four-acid ICP-AES optimized for high grades. Exploration program design and interpretation of results is performed by qualified persons employing a Quality Assurance/Quality Control program consistent with industry best practices, including the use of standards and blanks with every 20 samples.

The technical or scientific information in this press release has been prepared by Sylvain Trepanier, P.Geo., VP Exploration for James Bay and Northern Quebec at Midland, a “qualified person” as defined by NI 43-101.

### **About Midland**

Midland targets the excellent mineral potential of Quebec to make the discovery of new world-class deposits of gold, platinum group elements and base metals. Midland is proud to count on reputable partners such as Agnico Eagle Mines Limited, IAMGOLD Corporation, Osisko Mining Inc., Altius Minerals Corp., SOQUEM INC., NioBay Metals Inc., Nunavik Mineral Exploration Fund and Abcourt Mines Inc. Midland prefers to work in partnership and

intends to quickly conclude additional agreements in regard to newly acquired properties. Management is currently reviewing other opportunities and projects to build up the Company portfolio and generate shareholder value.

### **About Altius**

Altius directly and indirectly holds diversified royalties and streams that generate revenue from 15 operating mines. These are located in Canada and Brazil and produce copper, zinc, nickel, cobalt, iron ore, potash and thermal (electrical) and metallurgical coal. The portfolio also includes numerous pre-development stage royalties covering a wide spectrum of mineral commodities and jurisdictions. It also holds a large portfolio of exploration stage projects which it has generated for deal making with industry partners that results in newly created royalties and equity and minority interests.

Altius has 43,215,026 common shares issued and outstanding that are listed on Canada's Toronto Stock Exchange under the trading symbol ALS. It is a member of both the S&P/TSX Small Cap and S&P/TSX Global Mining Indices.

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