



August 3, 2016

Drill Hole SKI16-007 at Barsele intercepts 44.0 metres grading 4.08 g/t gold, and 22.4 metres grading 2.24 g/t gold and 10.0 metres grading 6.11 g/t gold.

Agnico Eagle provides a Second Quarter Exploration Update on the Barsele Au-VMS Project

Vancouver, BC – Barsele Minerals Corp. – (TSX-V: BME) (“Barsele”) is pleased to provide a fourth operational progress update for the current exploration program within the Barsele Au-VMS Project area in Västerbottens Län, northern Sweden. The exploration program is being operated by joint venture partner **Agnico Eagle Mines Limited. – (TSX, NYSE: AEM) (“Agnico Eagle”)**. Ownership in the project is 55% Agnico Eagle and 45% Barsele.

Phase-2 drilling commenced with one drill on April 29th. A second drill was placed in operation on June 7th. During the second quarter, drilling was carried out on the Skirasen and Avan zones, testing induced polarization and Magnetotelluric geophysical anomalies (similar to anomalies in the Central Zone) that were identified in the Titan-24 geophysical survey.

Drilling at Barsele during the second quarter totaled 3,972 metres in six holes. Drilling in the first half of 2016 totals 8,807 meters and a cumulative total of 17,192 metres has been drilled since the beginning of the joint venture in October, 2015.

Drill hole SKI16-007 was drilled to a depth of 882.10 metres. This hole was designed to probe for mineralization 100-125 metres below previously reported hole SKI16-006. Assay results have returned several mineralized lenses. Highlight results include 44.00 metres core length (estimated 33.00 metres true thickness) grading 4.08 g/t gold uncut (1.87 g/t gold cut), plus 22.40 metres core length (estimated 16.80 metres true thickness) grading 2.24 g/t gold, plus 10.00 metres core length (estimated 7.50 metres true thickness) grading 6.11 g/t gold uncut (1.59 g/t gold cut). The deepest intersection in this hole occurs 580 metres below surface which extends the currently known depth of the Skirasen Zone by 95 metres and these intercepts are located roughly 850 metres to the southeast of the core of the Central Zone.

Highlight Hole SKI16-007 of the Barsele 2015-2016 Drilling Program

| Barsele 2015-2016 Drilling Program (to July 27, 2016) | | | | | | |
|---|----------|--------|-----------------|--------------------|-------------|-------------------------------|
| Hole | From (m) | To (m) | Core Length (m) | True Thickness (m) | Au (g/t) | Top-Capped at 20 g/t Au (g/t) |
| SKI16-007 | 364.00 | 408.00 | 44.00 | 33.00 | 4.08 | 1.87 |
| | 496.00 | 518.40 | 22.40 | 16.80 | 2.24 | 2.24 |
| | 560.00 | 570.00 | 10.00 | 7.50 | 6.11 | 1.59 |
| | 670.00 | 690.00 | 20.00 | 15.00 | 0.70 | 0.70 |
| | 714.00 | 729.00 | 15.00 | 11.30 | 0.74 | 0.74 |

Barsele's President, Gary Cope comments, "Once again, Skirasen drilling has yielded a number of significant intervals of good grade rock in hole SKI16-007. We remain optimistic that Agnico Eagle will continue to extend the Skirasen Zone at depth and to the southeast."

As project operator, Agnico Eagle is continuously involved with a community relations program to engage the various stakeholders in the project area. Meetings at least twice a year are planned in order to discuss project progress and future planning.

In 2016, Agnico Eagle plans to spend approximately \$US 4.9 million on exploration to further evaluate the mineral potential on the property. This will include 19,000 metres of drilling, which is ongoing. In addition, environmental base line studies (water chemistry, biota in water, nature inventory) continue.

About the Barsele Gold Project

The Barsele Project is located on the western end of the Proterozoic "Skellefte Trend," a prolific volcanogenic massive sulphide deposits belt, where it intersects with the "Gold Line" in Northern Sweden. Both polymetallic deposits and intrusive hosted orogenic gold deposits are present in this region and on the property. Current and past producers in the region include Boliden, Kristineberg, Bjorkdal, Svartliden, and Storliden.

In September of 2015, mineral resource estimates were released for the Barsele Project in four zones, the Central, Avan and Skiråsen Gold Zones and the Norra VMS Zone. The resource estimate for the Central-Avan-Skiråsen Zones states an Indicated Resource of 14.1 million tonnes grading 1.21 g/t gold for 547,000 contained ounces, plus an Inferred Resource of 20.2 million tonnes grading 0.97 g/t gold for 627,000 contained ounces. The polymetallic Norra Zone contains an Indicated Resource of 110,000 tonnes grading 3.13 g/t gold, 30.3 g/t silver, 0.53 % copper and 0.72 % zinc, plus an Inferred Resource of 310,000 tonnes grading 1.62 g/t gold, 12.7 g/t silver, 0.26 % copper and 0.42 % zinc. All zones were estimated at a gold cut-off grade of 0.6 g/t.

Art Freeze, P.Geo. is the Qualified Person as defined in NI 43-101 and takes responsibility for the technical disclosure contained within this newsrelease.

About Barsele Minerals Corp.

Barsele is a Canadian-based junior exploration company comprised of highly qualified mining professionals. Barsele's main property is the Barsele Gold Project in Västerbottens Län, Sweden, a joint venture with Agnico Eagle Mines Limited.

ON BEHALF OF THE BOARD OF DIRECTORS

Gary Cope
President

For further information, please contact **Barsele Minerals Corp.** at (604) 687-8566x227, email info@barseleminerals.com or visit our website at www.barseleminerals.com

This News Release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements and Barsele undertakes no obligation to update such statements, except as required by law.

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