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Trading symbol: **BMC.V**

Trading Symbol: BMC - TSX-V
Shares Outstanding: 124,627,490

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BUCHANS MINERALS CORPORATION ANNOUNCES COMPLETION OF PRIVATE PLACEMENT

Buchans Minerals Corporation (BMC-TSX-V) ("Buchans Minerals" or the "Company") is pleased to announce that it completed a private placement offering ("**Offering**") of a total of 23,293,362 equity units ("**Units**") at a price of \$0.11 per Unit and 2,977,693 flow-through units ("**Flow-Through Units**") at a price of \$0.13 per Flow-Through Unit for aggregate gross proceeds of **\$2,949,370**. Northern Securities Inc. ("**Northern**") acted as agent in the Offering.

Each Unit consists of one common share ("Common Share") and one Common Share purchase warrant (a "**Hard Dollar Warrant**"), with each Hard Dollar Warrant entitling the holder to acquire one Common Share at an exercise price of \$0.17 for a period of two years from closing. Each Flow-Through Unit consists of one flow-through Common Share and one half of one Common Share purchase warrant (each whole warrant a "**Warrant**"), with each Warrant entitling the holder to acquire one Common Share at an exercise price of \$0.18 for a period of two years from closing.

Buchans Minerals paid Northern a work fee and a cash commission equal to 8% of the proceeds of the Offering. Buchans Minerals also issued Northern warrants ("**Broker Warrants**") to acquire 2,101,684 Units exercisable at \$0.11 per Unit for a period of two years from closing. Each Hard Dollar Warrant issued upon exercise of the Broker Warrants will be exercisable for one Common Share for two years from the closing at an exercise price of \$0.17 per Common Share.

All of the securities issued in connection with the Offering are subject to a hold period of four months and one day from the date of issue.

The net proceeds of the private placement will be used for general working capital purposes and to advance the Company's exploration and development projects, including the Lundberg & Engine House base metal deposits, the Woodstock manganese deposits and the Long Range exploration property (which includes the Goldquest, Portage, Range and String prospects).

About Buchans Minerals:

Buchans Minerals is an Atlantic Canada based resource company that is focused on exploring and developing mineral properties in New Brunswick and the historic Buchans mining camp in central Newfoundland, Canada.

Forward Looking Statements:

Certain information contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not

statements of fact. Although the Company believes the expectations reflected in such forward-looking statements are reasonable, they can give no assurance that such expectations will prove to have been correct. The Company cautions that actual performance will be affected by a number of factors, many of which are beyond their control, and that future events and results may vary substantially from what the Company currently foresees. The Company's forward looking statements are expressly qualified in their entirety by this cautionary statement.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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