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MIDNIGHT SUN MINING CORP. CLOSSES PRIVATE PLACEMENT

Vancouver, British Columbia, January 29, 2016 -- Midnight Sun Mining Corp. (the "Company" or "Midnight Sun") (TSX-V: **MMA**) has completed the third and final tranche of its previously announced non-brokered private placement. In the third tranche, the Company issued 4,045,000 units (the "Units") at a price of \$0.10 per Unit for gross proceeds of \$404,500. Each Unit consists of one (1) common share ("Common Share") in the capital of the Company and one (1) transferable Common Share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one Common Share of the Company for a period of twenty-four months from closing, at an exercise price of \$0.20.

All securities issued pursuant to the third and final tranche, including the Common Shares underlying the Warrants, are subject to a statutory hold period which expires on May 30, 2016.

In total, the Company issued 6,901,250 Units for gross proceeds of \$690,125. Finder's fees of \$13,400 were paid in cash and 134,000 Broker's Warrants were issued in connection with the Private Placement. Each Broker's Warrant entitles the holder to purchase one common share at a price of \$0.20 for a period of 24 months, expiring on January 29, 2018.

In total, Insiders of the Company purchased 1,570,000 Units for gross proceeds of \$157,000.

The net proceeds of the Offering will be used by the Company to fund further exploration work on its optioned Zambian mineral exploration permits as well as general working capital.

The completion of the private placement is subject to final acceptance by the TSX Venture Exchange.

Zambian Update

The Company has retained Blu Rock Mining Services Ltd to conduct a drill campaign of approximately 600-650 metres on the Company's optioned Solwezi Property. The drill program will test the previously identified (see Company news release dated May 7, 2015) Dumbwa Central soil anomaly and the Mitu targets, which are located approximately 10 kilometres south of the Dumbwa Central target. The Company anticipates results of this program during the first quarter of 2016.

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ON BEHALF OF THE BOARD

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This news release includes certain statements that may be deemed "forward-looking statements." All statements in this release, other than statements of historical facts, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include, changes in market conditions, unsuccessful exploration results, unanticipated changes in key management personnel and general economic conditions. Mining exploration and development is an inherently risky business. Accordingly the actual events may differ materially from those projected in the forward-looking statements. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.