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MIDNIGHT SUN MINING CORP. CLOSES FIRST TRANCHE OF PRIVATE PLACEMENT

Vancouver, British Columbia, November 1, 2016 -- Midnight Sun Mining Corp. (the "Company" or "Midnight Sun") (TSX-V: **MMA**) has completed the first tranche of its previously announced non-brokered private placement by issuing 6,232,000 units (the "Units") at a price of \$0.10 per Unit for gross proceeds of \$623,200. Each Unit consists of one common share ("Common Share") in the capital of the Company and one 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.

Finder's fees of \$28,256 were paid in cash and 282,560 Finder's Warrants were issued in connection with the Private Placement. Each Finder's Warrant entitles the holder to purchase one common share at a price of \$0.20 for a period of twenty-four months, expiring on October 31, 2018.

All securities issued pursuant to this tranche, including the Common Shares underlying the Warrants, are subject to a statutory hold period which expires on March 1, 2017.

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 this 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 on the Company's optioned Solwezi Property. The drill program will test the previously identified (see Company news releases dated May 7, 2015 and March 10, 2016) Dumbwa Central and Mitu targets.

ON BEHALF OF THE BOARD

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