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MIDNIGHT SUN MINING CORP. COMPLETES PRIVATE PLACEMENT

Vancouver, British Columbia, December 29, 2016 -- Midnight Sun Mining Corp. (the "Company" or "Midnight Sun") (TSX-V: MMA) has completed a non-brokered private placement by issuing 2,050,000 units (the "Units") at a price of \$0.12 per Unit for gross proceeds of \$246,000. 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 \$4,464.00 were paid in cash and 37,200 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 December 29, 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 May 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.

These securities being offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold in the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) absent U.S. registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

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

ON BEHALF OF THE BOARD

Robert Sibthorpe
President & CEO

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