

Northwest Arm Capital Increases Private Placement, Amends Option Agreement and Releases Additional Information on Wilding Lake Project and Qualifying Transaction

HALIFAX, Oct. 28, 2016 /CNW/ - Northwest Arm Capital Inc. ("**NWA**") (TSX-V:NWA.P), a capital pool company, is pleased to announce that it has increased the size of its private placement financing from \$1,250,000 to \$1,650,000 ("**Offering**"). The Offering is subject to receipt of all necessary approvals, including the approval of the TSX Venture Exchange ("**Exchange**"). The closing of the Offering and NWA's Qualifying Transaction announced on September 16, 2016 are expected to occur concurrently on or about November 8, 2016. NWA's filing statement for the Qualifying Transaction is available on SEDAR at www.sedar.com.

Trading of NWA's common shares on the Exchange was halted on September 15, 2016 in connection with the announcement of the Qualifying Transaction and NWA expects that trading will remain halted pending completion of the Qualifying Transaction.

In addition, NWA has entered into an agreement with Altius Resources Inc. ("**Altius**") to amend certain terms of the option agreement dated September 15, 2016 (the "**Option Agreement**"). As a result of the amendments, Altius will no longer have a right to appoint a director to the board of directors of the Corporation. Altius has also consented to the increase in the size of the Offering. Prior to the amendments, the Option Agreement, the Project (described below) and related underlying agreements were assigned to Altius effective October 1, 2016 by the former Altius Resources Inc., another wholly-owned subsidiary of Altius Minerals Corporation.

As announced on September 16 and 20, 2016, NWA's acquisition of an option to earn a 100% interest in a property referred to as the Wilding Lake Gold Project (the "**Project**") is intended to be NWA's Qualifying Transaction. Altius and NWA commissioned an independent technical report (the "**Report**") prepared in accordance with NI 43-101 to support the Qualifying Transaction. The Report has been filed with the Exchange and is available on SEDAR. The Report, entitled "NI 43-101 Technical Report on the Wilding Lake Project, Central Newfoundland, Canada", was prepared by David T.W. Evans, M.Sc., P.Geo. and Mr. Spencer Vatcher, B.Sc., P.Geo., of Silvertip Exploration Consultants Incorporated and has an effective date of September 28, 2016.

The interpretations and conclusions from the Report include the authors' opinion that based upon the data reviewed and the property visit to the Project, Altius' exploration program conforms to industry standards. The early stage exploration program at the Project has identified four new gold showings, Alder, Birch, the Third Spot and the Bridge showings. All showings can be classified as structurally-controlled orogenic style gold mineralization. The geological setting of the Alder showing, located along thrust faults within Silurian sedimentary rocks, and nature of mineralization, consisting of quartz-tourmaline veins containing visible gold, is similar to Marathon Gold Corp.'s ("**Marathon**") Valentine Lake deposits located approximately 15 km to the south.

Gold deposits at the Valentine Lake project and gold occurrences at the Project sit astride a regional, structural corridor marked by the trace of the Rogerson Lake Conglomerate. At Valentine Lake, the gold is hosted by quartz-tourmaline veins developed in the hanging wall to a major thrust which emplaced Neoproterozoic Valentine Lake Intrusive Suite rocks over the Rogerson Lake Conglomerate. At the Project, gold mineralization is also hosted by quartz-tourmaline veins associated with shearing along a thrust fault within the Rogerson Lake Conglomerate.

Marathon has identified four deposits and several other mineralized zones along an 18 km section of the Valentine Lake thrust fault, which is a section of the same regional structural corridor extending through the Project. The discovery of auriferous quartz-tourmaline veins at the Alder Showing demonstrates the potential for Valentine Lake-type deposits elsewhere along the regional structural corridor. The Project, contiguous with Marathon's mineral claims, covers approximately 50 km of this under-explored area.

The Report recommends following up on Altius' 2016 reconnaissance exploration program with a two phase exploration program, with Phase I to begin in the fall of 2016 and Phase II to follow in 2017. A budget of \$530,918 is recommended for Phase I work. The budget for Phase II, which consists mainly of a regional airborne magnetic survey and diamond-drilling, is dependent upon Phase I results.

The Phase I exploration program would include a ground magnetic survey, a soil geochemical survey, detailed prospecting encompassing the area around the Alder Showing and additional trenching at the Alder Showing, as well as follow-up prospecting and trenching of soil anomalies, and initial environmental baseline sampling.

The Phase II exploration program is dependent on results from Phase I and is recommended to include airborne magnetic and electromagnetic survey over the remainder of the Project and a diamond-drill program of approximately 2500 m to test the trend along strike and down dip/plunge.

Lawrence Winter, Ph.D., P.Geo., Vice President of Exploration for Altius, is the Qualified Person as defined by NI 43-101 responsible for the technical data presented in this release and has reviewed and approved this release.

Cautionary Statements

This press release may contain forward-looking information, such as statements regarding NWA's Qualifying Transaction, the Offering, the resumption of trading of NWA's common shares and exploration plans and targets for the Project. This information is based on current expectations and assumptions (including assumptions relating to general economic and market conditions) that are subject to significant risks and uncertainties that are difficult to predict, including risks relating to the ability to satisfy the conditions to completion of the Qualifying Transaction and Offering and adverse weather and other conditions that may impact the timing and methods used for the planned exploration program on the Project. Actual results may differ materially from results suggested in any forward-looking information. NWA does not assume any obligation to update forward-looking information in this release, or to update the reasons why actual results could differ from those reflected in the forward-looking information unless and until required by securities laws applicable to NWA. Additional information identifying risks and uncertainties is contained in the filings made by NWA with Canadian securities regulators, which filings are available at www.sedar.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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