



NEWS RELEASE

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KERMODE TO FOCUS ON EASTGATE GOLD PROJECT IN NEVADA

Kermode Resources Ltd. (KLM:TSX-V) January 29, 2018 announces the successful completion of a transaction to sell the company's long-held Jackson's Arm Gold Deposit (the "Project") in Newfoundland, Canada. Anaconda Mining Inc. (ANX:TSX) acquired 100% of the Project for cash and shares of ANX, the current value of which is approximately \$550,000. The terms are detailed below.

"Kermode Resources has initiated the first move in the process of moving on after a long period of hibernation. This asset has been a cornerstone asset of our company for many years and will be a benefit to Anaconda Mining. Between 1986 and 2008, we drilled approximately 130 of the 183 holes used to establish a NI 43-101 compliant resource estimate of 495,000 ounces of gold. While it was a difficult decision to sell this asset, this deal gives us the opportunity to focus on the Eastgate Gold Project in Nevada, which we intend to consolidate and advance." says Don Moore, CEO and Chairman of Kermode Resources.

Transaction terms: Anaconda Mining acquired 100% of the Jackson's Arm Gold Deposit with no residual interest held by Kermode Resources.

Anaconda Mining paid Kermode Resources an initial cash payment of \$25,000 and \$500,000-equivalent of ANX common shares, equal to 1,113,218 common shares ("Consideration Shares") based on the twenty-day volume weighted average trading price ending as of January 24, 2018. Anaconda Mining will also pay Kermode Resources an additional cash payment of \$25,000 on February 26, 2018. The Consideration Shares are subject to a hold period which will expire on May 27, 2018 in accordance with the rules and policies of the Toronto Stock Exchange and applicable Canadian securities laws and are also subject to further transfer restriction pursuant to the terms of the transaction.

About Eastgate Gold Project: Kermode Resources currently owns 15% of the Nevada Eastgate Gold Project, which has an extensive history of gold mining and exploration. Eastgate features a well-developed but largely untested hydrothermal system. The exploration objective is to define a high-grade, low sulphidation epithermal gold-silver deposit. The target has never been systematically tested at depth or along strike. The company's primary objective is to consolidate ownership of the project.

ON BEHALF OF THE BOARD

"D. Neil Briggs"

DIRECTOR

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