

(Expressed in United States dollars except where otherwise indicated)

GobiMin Inc. (TSX VENTURE:GMN) (the "Company" or "GobiMin") announces its financial results for the year ended December 31, 2016 and the declaration of an annual dividend of \$0.01 (CAD0.01) per share.

Financial Highlights

	2016	2015	2014
As at / For the year ended December 31,	\$	\$	\$
Revenue	-	-	-
Other revenue	0.7 million	0.6 million	0.7 million
Share of results of associates	0.4 million	(0.1 million)	0.1 million
Gain/additional gain on disposal of interest in an associate	9.5 million	3.5 million	3.9 million
Gain on fair value changes of financial assets	0.1 million	-	-
Net profit for the year	6.9 million	46,000	0.3 million
EBITDA ⁽¹⁾	7.6 million	0.6 million	0.6 million
Basic and diluted earnings per share	0.136	0.003	0.009
EBITDA per share ⁽¹⁾	0.146	0.012	0.011
Cash and cash equivalents	27.2 million	26.1 million	31.8 million
Cash and cash equivalents per share ⁽¹⁾	0.54	0.50	0.56
Working capital	30.9 million	23.1 million	26.0 million
Total non-current financial liabilities	-	29,000	42,000
Total liabilities	3.8 million	3.2 million	6.4 million
Total assets	85.3 million	81.3 million	88.2 million
Annual dividend per share	0.01	0.01	0.01

Note:

1. As non-IFRS measurements, EBITDA (earnings before interest income and expense, income taxes, depreciation and amortization), EBITDA per share and Cash and cash equivalents per share do not comply with IFRS and, therefore, the amounts presented in the above table may not be comparable to similar data presented by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Annual Dividend

On April 20, 2017, the Company declared an annual dividend of \$0.01 (CAD0.01) per share in accordance with its dividend policy and 2016 performance. The dividend is payable on June 22, 2017 to shareholders of record on May 26, 2017.

Business Summary and Development

The Company owns a 70% equity interest in a company incorporated in China to develop and operate the Sawayaerdun Gold Project (the "Gold Project") in Xinjiang. Up to December 31, 2016, the Gold project has completed accumulatively 254 surface drill holes for a total of 86,919 meters and concluded the exploration stage of work. Before the commencement of the development work on the property, GobiMin has continued to seek and negotiate with various business investors for the Gold Project during 2016. In respect of the conversion of the exploration licence into a mining licence, the Group is required to provide three Chinese standard geological reports. So far as at December 31, 2016, GobiMin has submitted two geological reports. We received approval for the first report and are awaiting the approval of the second report. In practice, the reports submitted would be amended subject to the comments of the relevant authorities. It is expected that it would take about six months to get the approval of each report. If the process goes well, GobiMin expects to obtain the approval of the second report in the third or fourth quarter of 2017 and the mining licence by the end of 2018. However, the Company is unable to control the length of the process which might be delayed subject to the regulatory conditions. The most important costs associated with the application process are the report preparation costs and mining licence fees. The fees for preparing the three reports are currently estimated at about \$0.1 million, of which about \$43,000 is not yet incurred. The mining licence fees would be determined by the relevant authorities at the final stage before granting the licence. GobiMin will hold the development work of the Gold Project and focus on the conversion of the exploration licence into a mining licence. The new mining licence would have enlarged mining area and production capacity. In the meantime, GobiMin will keep looking for business investors for the project, in order to minimize the related risks and maximize the benefit to the Group.

In August 2016, the Group disposed of 113,000,000 shares of Loco Hong Kong Holdings Limited ("Loco HK") to third parties for net proceeds of \$10.4 million and the equity interest in Loco HK held by GobiMin was reduced from 38.3% to 10.06% accordingly. At the date of disposal, Loco HK was derecognized as the Company's associate and the Group recognized a gain of \$9.5 million. The remaining 10.06% interest in Loco HK was then accounted for as listed securities. For the period from January 1, 2016 to the date of disposal, Loco HK recorded a net profit of approximately \$0.9 million, with GobiMin's share amounting to approximately \$0.4 million.

In addition, GobiMin owns a 40% equity interest in each of the three companies incorporated in China to engage in base metals and precious metal exploration, including nickel, copper, and gold, in Xinjiang, and a 2.66% equity interest in the Yanxi Copper Property.

Certain statements contained in this press release constitute forward-looking information. Such statements are based on the current expectations of management of GobiMin. You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause actual results, future circumstances or events to differ materially from those projected in the forward-looking information. Forward looking information includes without limitation, statements regarding the size and quality of the Company's mineral resources, progress in development of mineral properties, the prospective mineralization of the properties, and planned exploration programs. The reader should not place undue reliance on the forward-looking information included in this press release given that (i) actual results could differ materially from a conclusion, forecast or projection in the forward-looking information, and (ii) certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information could prove to be inaccurate. These statements speak only as of the date they are made, and GobiMin assumes no obligation to revise such statements as a result of any event, circumstance or otherwise, except in accordance with law.

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