



**OBAN MINING TO ACQUIRE NIOGOLD MINING
Announces \$10 Million Subscription Receipt Offering**

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DISSEMINATION IN THE UNITED STATES*

Toronto, Ontario (January 11, 2016) – Oban Mining Corporation (TSX:OBM) ("**Oban**") and NioGold Mining Corporation (TSX-V: NOX) ("**NioGold**") are pleased to announce that they have entered into a definitive arrangement agreement dated January 11, 2016 (the "**Arrangement Agreement**") pursuant to which Oban has agreed to acquire all of the issued and outstanding common shares of NioGold ("**NioGold Shares**"). The acquisition by Oban of all of the issued and outstanding NioGold Shares is expected to be completed by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the "**Arrangement**").

Particulars of the Transaction

Under the terms of the Arrangement Agreement, holders of NioGold Shares ("**NioGold Shareholders**") will be entitled to receive 0.4167 common shares of Oban ("**Oban Shares**") in exchange for each NioGold Share held, representing an implied offer price of \$0.50 per NioGold Share and a premium of approximately 51.5% based on the closing price of Oban Shares on the Toronto Stock Exchange (\$1.20) and NioGold Shares on the TSX Venture Exchange (\$0.33) on January 8, 2016 (being the last trading day prior to the announcement of the Arrangement).

The Arrangement will require the approval of at least 66⅔ percent of the votes cast by NioGold Shareholders at a special meeting expected to take place in March 2016 (the "**NioGold Meeting**"). NioGold Shareholders representing approximately 38.8% of the issued and outstanding NioGold Shares have entered into voting and support agreements with Oban in support of the Arrangement. The board of directors of NioGold, on the recommendation of its independent special committee (the "**NioGold Special Committee**"), has unanimously approved the Arrangement and will recommend that NioGold Shareholders vote **in favour** of the Arrangement.

The Arrangement will also require the approval of at least 50 percent of the votes cast by holders of Oban Shares ("**Oban Shareholders**") at a special meeting expected to take place in March 2016 (the "**Oban Meeting**"). Oban Shareholders representing approximately 35.5% of the issued and outstanding Oban Shares have entered into voting and support agreements with Oban in support of the Arrangement. The board of directors of Oban, on the recommendation of its independent special committee (the "**Oban Special Committee**"), has unanimously approved the Arrangement and will recommend that Oban Shareholders vote **in favour** of the Arrangement.

The Arrangement Agreement includes covenants typical of transactions of this nature, including with respect to non-solicitation, a right granted to Oban to match superior proposals for NioGold and a provision entitling NioGold to a fiduciary-out. In addition, NioGold and Oban have each agreed to pay a termination fee to the other party upon the occurrence of certain events.

Full details of the Arrangement will be included in the joint management information circular of NioGold and Oban describing the matters to be considered at the NioGold Meeting and Oban Meeting, respectively, which is expected to be mailed to the NioGold Shareholders and Oban Shareholders in early February 2016 and made available on SEDAR under the issuer profiles of each of NioGold and Oban at www.sedar.com.

Oban Private Placement

In connection with the Arrangement, Oban has also entered into an agreement with a syndicate of investment dealers led by Dundee Securities Ltd. ("**Dundee**"), and including Beacon Securities Limited, Medalist Capital Ltd., Cormark Securities Inc. ("**Cormark**"), Haywood Securities Inc. and M Partners Inc. (collectively, the "**Agents**") pursuant to which the Agents have agreed to offer for sale, on a "best efforts" private placement basis, 8,333,333 subscription receipts of Oban ("**Oban SRs**") at a subscription price of \$1.20 per Oban SR for total gross proceeds of \$10 million (the "**Offering**"). In addition, Oban has granted the Agents an option to offer for sale up to an additional 8,333,333 Oban SRs at a subscription price of \$1.20 per Oban SR exercisable in whole or in part at any time for a period of up to 48 hours prior to the closing of the Offering. The Agents will receive a cash commission equal to 5% of the gross proceeds of the Offering excluding insider participation.

Each Subscription Receipt entitles the holder thereof to receive, for no additional consideration and without further action on the part of the holder thereof, on or about the date (the "**Conversion Date**") that the Arrangement is completed (the "**Release Condition**") (i) one Oban Share, and (ii) one common share purchase warrant of Oban ("**Oban Warrant**"). Each Oban Warrant shall, following the Conversion Date, be exercisable into one Oban Share for a period of thirty-six (36) months from the closing date of the Offering at an exercise price of \$1.44.

The Oban Warrants shall be callable by Oban following the Conversion Date should the daily volume weighted average trading price of the Oban Shares on the Toronto Stock Exchange exceed \$3.00 for a period of twenty (20) consecutive trading days, at any time during the period (i) beginning on the date that is four months and one day from the closing date of the Offering, and (ii) ending on the date the Oban Warrants expire ("**Call Trigger**"). Following a Call Trigger, Oban may give notice in writing ("**Call Notice**") to the holders of Oban Warrants that any Oban Warrant that remains unexercised by the holder thereof shall expire thirty (30) days following the date on which the Call Notice is given.

The Offering is expected to close on or about February 3, 2016, which, for greater certainty, is before the date on which the Release Condition is expected to be satisfied, if at all. As such, the total gross proceeds of the Offering, less expenses and 50% of the cash commission, are expected to be deposited in escrow (the "**Escrowed Proceeds**") with an escrow agent pending notice being given by Oban to the Escrow Agent that the Release Condition has been satisfied, if at all. Following the delivery of such notice to the escrow agent, if at all, the Escrowed Proceeds shall be released to the account of Oban and the Oban SRs shall automatically convert into Oban Shares and Oban Warrants.

If the Release Condition is not satisfied prior to April 29, 2016, or if Oban announces to the public by news release that it does not intend to satisfy the Release Condition (each a "**Termination Event**"), then (i) the escrow agent shall return the Escrowed Proceeds to the holders of the Subscription Receipts, an amount equal to the aggregate subscription price for the Oban SRs held by such holder, together with a *pro rata* portion of the interest earned on the Escrowed Proceeds, and (ii) the Oban SRs shall be cancelled with no further force or effect.

All securities issued pursuant to the Offering and applicable securities laws in Canada are subject to a hold period that will expire four months and one day from the closing date of the Offering. The Offering is subject to receipt of regulatory approvals, including the final approval of the Toronto Stock Exchange, as well as the satisfaction of customary closing conditions. Oban intends to use the proceeds from the Offering to fund the continued exploration of its mineral exploration projects and for general corporate purposes.

Insiders of Oban, including Osisko Gold Royalties Ltd. ("**Osisko**"), and management and directors of Oban, are expected to participate in the Offering for approximately 60% of the Offering. After giving effect to the Oban SRs acquired by Osisko under the Offering, Osisko is expected to hold a 19.9% interest in Oban (on a partially-diluted basis giving effect only to the exercise of the Oban Warrants held by Osisko).

John Burzynski, President and Chief Executive Officer of Oban, stated: "We are very pleased to announce today's business combination with NioGold. This transaction provides an excellent opportunity for NioGold and Oban shareholders to combine assets with strong access to capital, and our management groups experience and track record of building valued mining companies. With the successful conclusion of this deal, we will have two development stage projects in Quebec as well as the promising Garrcon and Jonpol deposits in Ontario. Today's merger with NioGold brings us another step closer to our goal of becoming Canada's next leading intermediate mining company." He also commented that, "The Offering is expected to provide Oban with funds to continue to develop our key projects at Windfall Lake and Marban, even as market conditions remain challenging for gold exploration and development companies, and to further explore the projects recently acquired from Northern Gold Mining Inc."

John W.W. Hick, Chairman of the NioGold Special Committee, stated: "We are very pleased to be joining forces with Oban, which has both strong management and a strong balance sheet that will help move Marban forward. The combination of our teams and projects will be beneficial for the shareholders of both companies."

Advisors and Counsel

Cormark has acted as the exclusive financial advisor of NioGold. Cormark has provided an oral opinion to the board of directors of NioGold that, based upon and subject to certain assumptions, limitations and qualifications in the opinion, the consideration being offered by Oban in respect of the Arrangement is fair, from a financial point of view, to NioGold and the NioGold Shareholders. NioGold expects to receive a written opinion from Cormark prior to the mailing of the joint management information circular to NioGold Shareholders. Lavery, de Billy, L.L.P. has acted as legal counsel to NioGold.

Dundee has acted as the exclusive financial advisor of Oban. Dundee has provided a written opinion to Oban and the board of directors of Oban that, based upon and subject to certain assumptions, limitations and qualifications in the opinion, the consideration being offered by Oban in respect of the Arrangement is fair, from a financial point of view, to Oban and the Oban Shareholders. Primary Capital Inc. ("**Primary Capital**") has acted as the exclusive financial advisor of the Oban Special Committee. Primary Capital has provided an opinion to the Oban Special Committee that, based upon and subject to certain assumptions, limitations and qualifications in the opinion, the consideration being offered by Oban in respect of the Arrangement is fair, from a financial point of view, to Oban and the Oban Shareholders. Bennett Jones LLP has acted as legal counsel to Oban.

Shareholder Questions

For shareholder inquiries regarding the Arrangement, please contact Laurel Hill Advisory Group:

North America Toll Free: 1-877-452-7184
Collect Calls Outside North America: 416-304-0211
Email: assistance@laurelhill.com

About Oban Mining Corporation

Oban is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada. Oban owns a 100% interest in the high-grade Windfall Lake gold deposit located between Val-d'Or and Chibougamau in Québec, and also holds a 100% undivided interest in a large area of claims in the surrounding Urban Barry area of Québec. In addition, Oban holds properties in the Larder Lake Mining Division located in northeast Ontario, which includes the Jonpol and Garrcon deposits on the Garrison property, the Buffonta past producing mine and the Gold Pike mine property. Oban also holds interests and options in a number of additional properties in northern Ontario. Oban is well financed with approximately \$65 million in cash, cash equivalents and marketable securities.

For further information on Oban please contact:

John Burzynski
President & Chief Executive Officer
Tel: (416) 848-9504

About NioGold Mining Corp.

NioGold is a mineral exploration and development company focused on gold. NioGold's projects are located in the heart of Québec's prolific Abitibi gold mining district. The Cadillac, Malartic and Val-d'Or mining camps in this district have produced over 45 million ounces of gold since the 1930s and presently encompass six producing gold mines, including the prolific Canadian Malartic mine located adjacent to NioGold's flagship Marban project. NioGold's land holdings within the Abitibi presently cover 125 square kilometres and encompass seven former gold producers, notably the Norlartic mine, Kierens mine, Marban mine and Malartic Hygrade mine, which collectively produced 630,000 ounces of gold. NioGold's experienced and qualified technical team are overseeing the advancement of these projects, targeting expansion of the resource base and reserve definition of the Marban Block project.

For further information on NioGold please contact:

Robert Wares
President & Chief Executive Officer
Telephone: (604) 856-9887

The distribution of the Oban Shares (as defined herein) in connection with the Arrangement (as defined herein) and Offering (as defined herein) will not be registered under the United States Securities Act of 1933 (the "U.S. Securities Act") and the Oban Shares may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release

shall not constitute an offer to sell or the solicitation of an offer to buy the Oban Shares, nor shall there be any offer or sale of the Oban Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Cautionary Note Regarding Forward-Looking Information

*This news release contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the anticipated benefits of the Arrangement to Oban and Oban Shareholders; the anticipated benefits of the Arrangement to NioGold and NioGold Shareholders; the exchange ratio and value of the Oban Shares being delivered as arrangement consideration; the market capitalization of Oban following the completion of the Arrangement; the timing and receipt of the required shareholder, court, stock exchange and regulatory approvals for the Arrangement; the timing and ability of Oban and NioGold to satisfy the conditions precedent to completing the Arrangement; the anticipated timing for mailing the joint management information circular to the NioGold Shareholders and Oban Shareholders in respect of the matters to be considered by such shareholders at the NioGold Meeting and Oban Meeting, as the case may be, in respect of the Arrangement; the closing of the Arrangement; the Offering; the satisfaction of the Release Condition, if at all; the participation by insiders of Oban in the Offering; the amount to be returned to holders of Oban SRs should the Release Condition not be satisfied; the timing and receipt of the required stock exchange and regulatory approvals for the Offering; the length of the current market cycle and requirements for an issuer to survive in the current market cycle; future growth potential of Oban and NioGold and their respective business; and future mine development plans.*

These forward-looking statements are based on reasonable assumptions and estimates of management of Oban and NioGold, as the case may be, at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Oban or NioGold, as the case may be, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: satisfaction or waiver of all applicable conditions to closing of the Arrangement (including receipt of all necessary shareholder, court, stock exchange and regulatory approvals or consents and the absence of material changes with respect to the parties and their respective businesses, all as more particularly set forth in the Arrangement Agreement); the synergies expected from the Arrangement not being realized; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets and the market price of Oban Shares and NioGold Shares; the satisfaction or waiver of all applicable conditions to closing of the Offering (including receipt of all necessary stock exchange and regulatory approvals or consents); the satisfaction of the Release Condition and the automatic conversion of the Oban SRs into Oban Shares and Oban Warrants; fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. In addition, the failure of a party to comply with the terms of the Arrangement Agreement may result in that party being required to pay a non-completion or other fee to the other party, the result of which could have a material adverse effect on the paying party's financial position and results of operations and its ability to fund growth prospects and current operations. Although the forward-looking statements contained in this news release are based upon what management of NioGold and/or Oban, as the case may be, believes, or believed at the time, to be reasonable assumptions, NioGold and/or Oban, as the case may be, cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended.

Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, NioGold and Oban assume no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved of the information contained herein.