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Agnico Eagle Increases 2016 Exploration Budget by \$US2.5 Million Principally Directed at Definition and Expansion Drilling

Agnico Eagle Extends Central Zone Mineralization 175 Meters Northwest Toward Avan Zone.

Vancouver, BC – Barsele Minerals Corp. – (TSX-V: BME) (“Barsele”) is pleased to provide a sixth operational progress update for the current exploration program within the Barsele Au-VMS Project area in Västerbottens Län, northern Sweden. The exploration program is being operated by joint venture partner **Agnico Eagle Mines Limited. – (TSX, NYSE: AEM) (“Agnico Eagle”)**. Ownership in the project is 55% Agnico Eagle and 45% Barsele.

Phase-2 drilling continues, with three diamond drills and one BOT (base of till) machine, testing for both gold and the VMS targets. Thirteen holes totaling 2,625 metres were completed during the month of August; CNT16-(002-005), AVA16-(008-010), KOH16-(001-006). Two additional validation holes CNT16-006 and CNT16-012 were drilled in September and are reported in this release

Drill holes CNT16-(001-002), were designed to test the northwestern extension of the Central Zone toward the Avan Zone. These holes successfully extended the mineralized corridor approximately 175 metres to the northwest and to depths varying between 270 and 460 metres below surface. The highlight result from CNT16-001 is 27.00 metres core length (estimated 20.3 metres true thickness) grading 1.80 g/t gold. Hole CNT16-002 returned 134.00 metres core length (estimated 100.50 metres true thickness) grading 1.11 g/t gold, including 39.00 metres core length (estimated 29.30 metres true thickness) grading 2.41 g/t gold. Base of hole analytical results are pending.

Results from holes CNT16-001 and CNT16-002 are considered to be highly significant as they extend the Central Zone toward the previously noted area of improving ground preparation, and alteration and mineralization at depth at Avan.

Holes CNT16-(003-004-006-012) were designed to validate drill results from pre-existing holes in the Central Zone. CNT16-003 yielded 26.0 metres core length (estimated 19.5 metres true thickness) grading 1.78 g/t gold, plus 10.50 metres core length (estimated 7.9 metres true thickness) grading 10.99 g/t gold uncut (1.55 g/t gold cut). Hole CNT16-004, returned 55.0 metres core length (estimated 41.3 metres true thickness) grading 1.27 g/t gold. Hole CNT16-006 yielded 126.00 metres core length (estimated 94.50 metres true thickness) grading 1.66 g/t gold uncut (1.59 g/t gold cut).

Hole CNT16-012 returned 148.60 metres core length (estimated 111.50 metres true thickness) grading 1.38 g/t gold uncut (1.19 g/t gold cut), including 20.00 metres core length (estimated 15.00 metres true thickness) grading 4.72 g/t gold uncut (3.34 g/t gold cut).

Drill Highlights Reported in this News Release

Central and Avan Drilling Program (July-September, 2016)						
Hole	From (m)	To (m)	Core Length (m)	True Thickness (m)	Au (g/t) (g/t)	Top-Capped at 20 g/t Au (g/t)
AVA16-008	65.00	67.00	2.00	1.50	4.00	
	139.00	155.00	16.00	12.00	1.00	
CNT16-001	247.50	264.00	16.50	12.40	0.80	
	358.00	380.00	22.00	16.50	0.62	
	403.00	430.00	27.00	20.30	1.80	
	465.00	492.00	27.00	20.30	0.65	
CNT16-002	207.00	212.00	5.00	3.80	3.06	
	266.00	278.00	12.00	9.00	1.44	
	380.00	385.00	5.00	3.80	1.47	
	433.00	567.00	134.00	100.50	1.11	
incl.	433.00	472.00	39.00	29.30	2.41	
incl.	487.00	498.80	11.80	8.90	0.92	
incl.	514.00	529.00	15.00	11.30	1.69	
More Results Pending						
CNT16-003	27.00	53.00	26.00	19.50	1.78	
	69.50	80.00	10.50	7.90	10.99	1.55
CNT16-004	32.00	41.00	9.00	6.80	1.60	
	58.00	113.00	55.00	41.30	1.27	
CNT16-006	45.00	171.00	126.00	94.50	1.66	1.59
CNT16-012	2.70	151.30	148.60	111.50	1.38	1.19
incl.	121.00	141.00	20.00	15.00	4.72	3.34

The Phase-1 regional drilling program targeting VMS horizons at Kohobben has been completed. The presence of silver, lead and zinc minerals in tentatively identified exhalative horizons is considered to be a positive indicator for massive sulphide mineralization. Hole KOH16-001 reported in this release yielded 5.0 metres core length (estimated 3.8 metres true thickness) grading 10.92 g/t silver, 1.08 percent lead and 2.10 percent zinc.

Kohobben Zone Drilling Program Result

Drill hole	Location	From (m)	To (m)	True Thickness (m)	Silver grade (g/t)	Copper grade (%)	Lead grade (%)	Zinc grade (%)
					All grades uncapped			
KOH16-001	Kohobben	126.0	131.0	3.8	10.92	0.01	1.08	2.10

Barsele's President, Gary Cope comments, *"The northwest extension drilling at Central has yielded two highly significant intervals of good grade rock in holes CNT16-001 and CNT16-002. We are optimistic that Agnico Eagle will establish continuity between the Central and Avan zones. We are also encouraged with the first drill result from the Kohobben VMS target area."*

In 2016, Agnico Eagle plans to spend approximately \$US 7.5 million on exploration to further evaluate the mineral potential on the property. This work will include expansion drilling, validation drilling, regional drilling, and base of till drilling; all of which is ongoing. Planned drill meterage has increased from 19,000 to 36,000 meters. In addition, environmental base line studies (water chemistry, biota in water, nature inventory) continue.

About the Barsele Gold Project

The Barsele Project is located on the western end of the Proterozoic "Skellefte Trend," a prolific volcanogenic massive sulphide deposits belt, where it intersects with the "Gold Line" in Northern Sweden. Both polymetallic deposits and intrusive hosted orogenic gold deposits are present in this region and on the property. Current and past producers in the region include Boliden, Kristineberg, Bjorkdal, Svartliden, and Storliden.

In September of 2015, mineral resource estimates were released for the Barsele Project in four zones, the Central, Avan and Skiråsen Gold Zones and the Norra VMS Zone. The resource estimate for the Central-Avan-Skiråsen Zones states an Indicated Resource of 14.1 million tonnes grading 1.21 g/t gold for 547,000 contained ounces, plus an Inferred Resource of 20.2 million tonnes grading 0.97 g/t gold for 627,000 contained ounces. The polymetallic Norra Zone contains an Indicated Resource of 110,000 tonnes grading 3.13 g/t gold, 30.3 g/t silver, 0.53 % copper and 0.72 % zinc, plus an Inferred Resource of 310,000 tonnes grading 1.62 g/t gold, 12.7 g/t silver, 0.26 % copper and 0.42 % zinc. All zones were estimated at a gold cut-off grade of 0.6 g/t.

Art Freeze, P.Geol. is the Qualified Person as defined in NI 43-101 and takes responsibility for the technical disclosure contained within this newsrelease.

About Barsele Minerals Corp.

Barsele is a Canadian-based junior exploration company comprised of highly qualified mining professionals. Barsele's main property is the Barsele Gold Project in Västerbottens Län, Sweden, a joint venture with Agnico Eagle Mines Limited.

ON BEHALF OF THE BOARD OF DIRECTORS

Gary Cope
President

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