

PAT DICAPO UPDATES OWNERSHIP IN DARNLEY BAY RESOURCES LIMITED

TORONTO, Canada (December 21, 2016) Pat DiCapo (the “**Acquiror**”) announces that on December 20, 2016, his ownership and the ownership by PowerOne Capital Markets Limited, a joint actor of the Acquiror (the “**Joint Actor**”) of securities of Darnley Bay Resources Inc. (“Darnley Bay”) has been updated as a consequence of a private placement transaction completed by Darnley Bay (the “**Transaction**”). In connection with the Transaction, the Joint Actor acquired 1,016,047 warrants (“**Warrants**”) to purchase common shares (the “**Shares**”) at a price of \$0.20 per Share in consideration for acting as a finder, and the ownership of securities by the Acquiror, together with the Joint Actor, decreased below 10%.

The Shares issuable upon exercise of the acquired Warrants would represent approximately 0.82% of the issued and outstanding Shares on a partially diluted basis as of December 20, 2016. Immediately prior to the Transaction, the Acquiror directly owned and controlled 4,600,000 Shares, along with Warrants entitling the Acquiror to acquire an additional 4,600,000 Shares, and the Joint Actor held Warrants entitling the Joint Actor to acquire 2,080,000 Shares. Pre-Transaction, the 4,600,000 Shares represented approximately 8.25% of the issued and outstanding Shares (or approximately 18.08% on a partially diluted basis, assuming the exercise of all Warrants held by the Acquiror and the Joint Actor). Immediately following the Transaction, the Acquiror continued to directly own and control 4,600,000 Shares, along with Warrants entitling the Acquiror to acquire an additional 4,600,000 Shares, whereas the Joint Actor held Warrants entitling the Joint Actor to acquire 3,096,047 Shares. Post-Transaction, the Acquiror’s percentage ownership in the Shares represented approximately 3.94% (or approximately 9.89% on a partially diluted basis, assuming the exercise of all Warrants held by the Acquiror and the Joint Actor).

The Acquiror and Joint Actor may, depending on market and other conditions, increase or decrease their beneficial ownership, control or direction over additional securities of the securities or otherwise. Neither the Acquiror nor the Joint Actor have any plans related to any of the matters in the enumerated list in Item 5.1 of Form 62-103F1.

To obtain a copy of the report filed pursuant to applicable securities regulations in connection with the foregoing, please contact:

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