

Cap-Ex Increases Land Holdings in the Blackwater Region, British Columbia

Cap-Ex Iron Ore Ltd. (TSX-V: CEV) (“Cap-Ex” or the “Company”) has entered into a mineral property exploration rights and sale agreement (the "Purchase Agreement") dated August 15, 2016 with TTM Resources Inc. ("TTM") to purchase a 100% interest in three claims (the “Property”) adjoining the southeastern part of the Company’s Aspen Property in the Blackwater region of the Nechako Plateau in British Columbia.

In addition to the purchased claims, TTM has granted Cap-Ex a first right of refusal on six additional claims adjoining Cap-Ex’s Aspen Property to the northwest. These claims host the Chu molybdenum-copper deposit and several gold showings. Pursuant to the exploration right granted under the Purchase Agreement, Cap-Ex has the sole right to explore the claims until November 30, 2017, at which time it must, subject to certain conditions, make an offer regarding option, purchase or joint venture of the claims.

Both properties is located approximately 115 kilometres (kms) southwest of Vanderhoof, in central British Columbia and covers an area of approximately 4,100 hectares. The properties are readily accessible along a well developed network of established forestry roads in the area and 15 kilometres northeast of New Gold Inc.’s 9.5 million ounce Blackwater gold deposit. At the Blackwater deposit, disseminated gold-silver mineralization is associated in shear-hosted veins, hosted in Jurassic-aged Hazelton Group volcanic rhyolites. At the Chu deposit, molybdenite and copper mineralization is associated with an apparent modified quartz veinlet stockwork hosted by hornfelsed fine-grained sandstone and granodioritic intrusive rocks.

Pursuant the terms of the Purchase Agreement, Cap-Ex, subject to regulatory approval, must pay TTM \$25,000 in cash, issue 250,000 common shares of the Company and grant TTM a 2% NSR on the property. Cap-Ex may, at any time, reduce the NSR to 1.0% by paying the sum of \$500,000 to TTM.

All securities issued pursuant to the Purchase Agreement are subject to a four month hold period from the date of issuance. The Agreement is subject to the acceptance of the TSX Venture Exchange. This news release has been reviewed by Adrian Smith, Director, and a Qualified Person as that term is defined in NI 43-101.

Further to the news release dated August 3, 2016, wherein Cap-Ex



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announced it was completing a private placement of up to 10 million units of the Company at \$0.06 per unit, the Company reports the private placement is fully subscribed.

ABOUT CAP-EX IRON ORE LTD.

Cap-Ex Iron Ore Ltd. is a Canadian listed company, focused on creating shareholder value through discoveries and strategic development of mineral properties worldwide.

For additional information please visit the Company's website at www.cap-ex.ca. You may also email info@cap-ex.ca or call investor relations at (604) 669-2279.

CAP-EX IRON ORE LTD.

"Andrew Bowering"

Chairman

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