



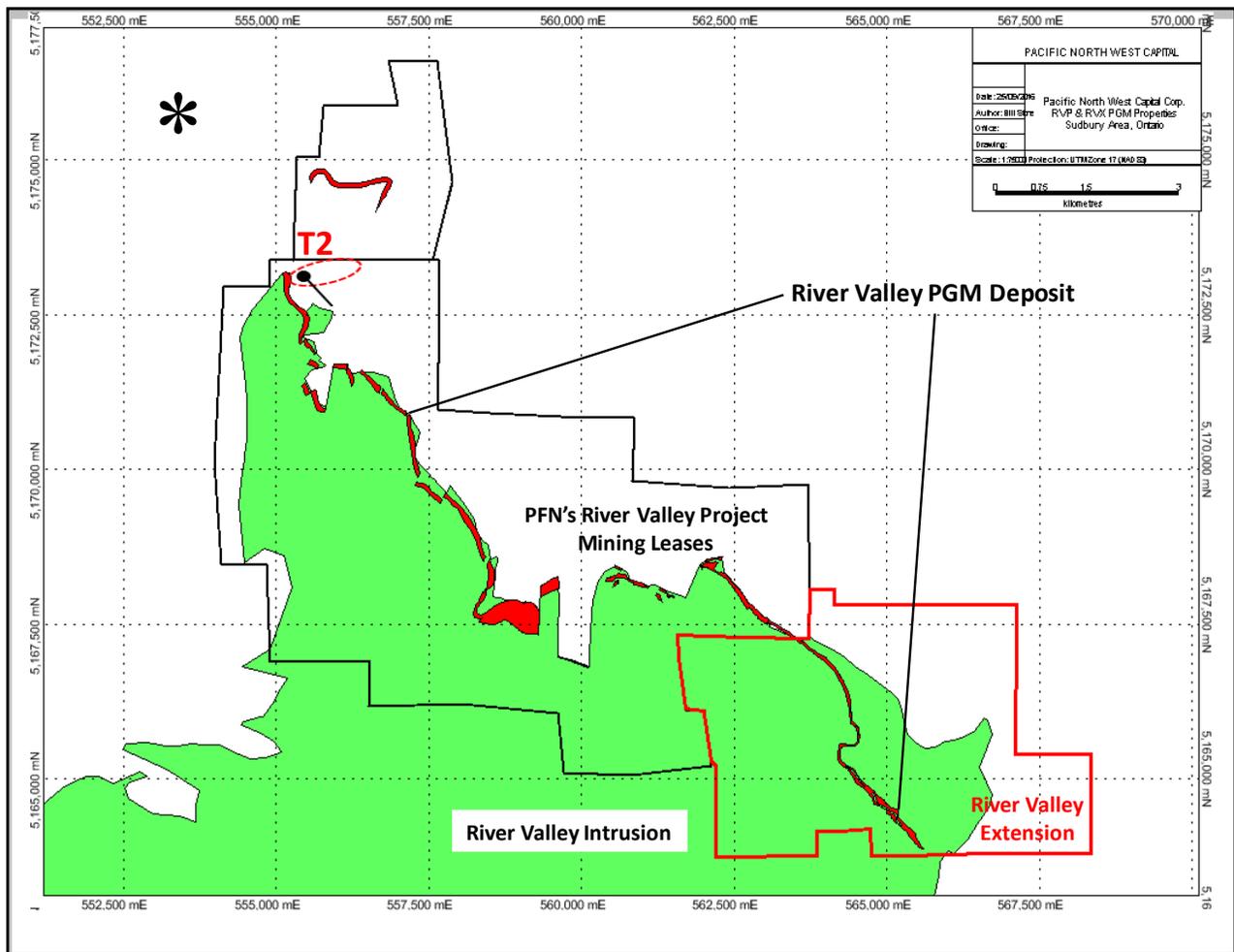
## **Pacific North West Capital Corp. Expands River Valley Extension Property, Near Sudbury, Ontario**

- **PFN's newly staked claims increases size of its River Valley Extension property to 2150 ha**
- **Expands coverage of footwall and internal targets within the River Valley Intrusion**
- **PFN's property position at River Valley increased to a total of 76 km<sup>2</sup> or 7600 ha**
- **PFN's River Valley Project consists of a Primary Platinum Metal Deposit**
- **2.5 Moz Platinum Metals in near-surface Measured and Indicated Resources**
- **Within 100 road-km of Sudbury and strong infrastructure and community support**
- **Summer-Fall Surface Exploration Programs underway**
- **New 100%-owned Li Division with Pegmatite Projects in Manitoba and Brine Projects in Nevada – Summer/Fall surface programs underway**

**October 5, 2016 - Vancouver, British Columbia** – Pacific North West Capital Corp. (“PFN” the “Company”) (TSXV: PFN OTCQB: PAWEF FSE: P7J) announces staking of 8 new unpatented mining claims adjacent to its recently acquired River Valley Extension property (“RVX” – see PFN press release dated [August 4<sup>th</sup>, 2016](#)), located next to the company’s 100% owned River Valley PGM deposit (Figure 1). **The River Valley PGM deposit on RVX has been targeted in drill programs completed by the previous owner (Mustang Minerals Corp.) that returned high-grade PGM assays at shallow depths.** Collectively, the 100%-owned acquired and newly staked claims of the RVX now comprise 2153 ha and are located within 100 road-kms of the City of Sudbury, Ontario.

**The expanded RVX overlies the southeast extension of the River Valley PGM deposit, as indicated in drill results, mineralized outcrops and geophysical surveys, and the footwall rocks and interior units of the River Valley Intrusion.** Recent drilling of the footwall rocks to PFN’s River Valley Project, located on the same mineralized trend to the NW, discovered high-grade and near surface PGM mineralization at T2 (see PFN press release dated [March 11<sup>th</sup>, 2015](#)). Geological and geophysical trends on the RVX suggest presence of similar footwall targets.

**Internally, the River Valley Intrusion on the RVX remains vastly under-explored. Surface grab samples, geophysical surveys and sporadic drilling on the RVX have returned high-grade PGM assays.** However, the focus of exploration has generally been along the basal margin of the River Valley Intrusion and, more recently, in the footwall rocks to the intrusion. Field exploration programs are currently underway on the RVX to develop targets for drill testing, in 2017. Approximately \$140K in assessment credits can be applied to the claims within the RVX property, allowing PFN to focus exploration on the highest priority targets.



**Figure 1: Geological map showing the location of PFN's 100% owned River Valley Extension PGM property over the southeast corner of the River Valley Intrusion, adjacent to the River Valley PGM Project.**

## About PFN's Platinum Group Metals Division

### River Valley is Canada's Largest Undeveloped Primary PGM Deposit.

Achievements to date and Future Plans for River Valley are outlined below as follows:

1. **PFN currently has 100% ownership in the River Valley Project**, subject to a 3% NSR, with Options to Buy Down
  2. **Completed Exploration and Development Programs, on the River Valley Property:**  
Include more than 600 holes drilled, since year 2000, and several Mineral Resource Estimates and Metallurgical Studies
  3. Results for the current (2012) Mineral Resource Estimate are below
  4. **2015 Drill Program confirms New High Grade T2 Discovery**
  5. Exploration and Development Plans outlined for 2016
  6. **Ongoing Strategic Partner Search for River Valley Project**
  7. **Results for the current Mineral Resource Estimate are summarized below:**
    - Prepared by Tetra Tech (Wardrop)
    - **High Confidence:** Measured plus Indicated = 72% of total
    - Reported on PdEq basis: Pd=40% & Pt=20% of the Payable Metals
    - Pd to Pt ratio = 2.5:1; Cu to Ni ratio = 3:1
    - **High Grade Potential:** particularly in the north part of the River Valley Deposit
- Resources under Evaluation for Development Potential as Open Pit Mining Operation

NI43-101 Compliant Mineral Resource Estimate at Cut-Off Grade of 0.8 gpt PdEq - Effective May 1, 2012 (TetraTech)											
Class	PdEq Cut-off (g/t)	Tonnes	Pd (g/t)	Pt (g/t)	Rh (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Ni (%)	Co (%)	PdEq (g/t)
Total Measured	0.80	25,584,850	0.63	0.23	0.022	0.04	0.55	0.06	0.02	0.003	1.46
Total Indicated	0.80	65,754,700	0.56	0.21	0.020	0.04	0.26	0.06	0.02	0.002	1.35
Total Measured+Indicated	0.80	91,339,550	0.58	0.22	0.021	0.04	0.34	0.06	0.02	0.002	1.38
Total Inferred	0.80	35,911,000	0.36	0.14	0.014	0.03	0.11	0.06	0.03	0.002	1.07

Contained Metal Contents				
Class	PGM+Au (oz)	PdEq (oz)	PtEq (oz)	AuEq (Oz)
Total Measured	742,130	1,168,450	555,400	823,710
Total Indicated	1,720,900	2,774,470	1,318,800	1,955,900
Total Measured+Indicated	2,463,030	3,942,920	1,874,200	2,779,610
Total Inferred	614,000	1,201,000	571,000	847,000

**Notes:**  
Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is not certainty that all or any part of the mineral resource will be converted into mineral reserves  
Long-term forecast prices (US\$): \$896/oz Pd, \$1885/oz Pt, \$1271/oz Au, \$3.0/lb Cu, \$9.7/lb Ni, \$15.9/lb Co  
Resource estimate based on 462 holes for 100,000 metres drilled at sectional spacing of 25 metres to 100 metres on eight separate mineralized zones  
See www.pfncapital.com for more details and notes on the mineral resource estimate

## Phase 1 Metallurgy (SGS Canada Inc. 2013)

- **Material:** fresh drill core
- **Primary & Regrind Sizes for Locked Cycle Test:**  
 $P_{80}=71\ \mu\text{m}$  and  $P_{80}=19\ \mu\text{m}$ , respectively
- **Bulk Concentrate Grades: 16% Cu, 2% Ni, 189 g/t PGM**
- **Metal Recoveries: 84% Cu, 22% Ni, 69% PGM**
- **Smelter Payable Metals:**  
Pd, Pt, Au, Cu, Ni probable; Rh likely; Co, Ag possible
- **Deleterious Metals: NONE! (No talc)**
- **Conclusion:** A sulphide concentrator could effectively process River Valley deposit material

## Next Steps

- Investigate effects of **grade variability** on metal recovery and concentrate grade
- Targeting bulk concentrate with grades of **18%-20% Cu** and **200-250 g/t Pd+Pt+Au (plus Rh)**
- Budget = ~\$250,000
- PFN anticipates targeting high grade near-surface material in the early part of any potential mining operation

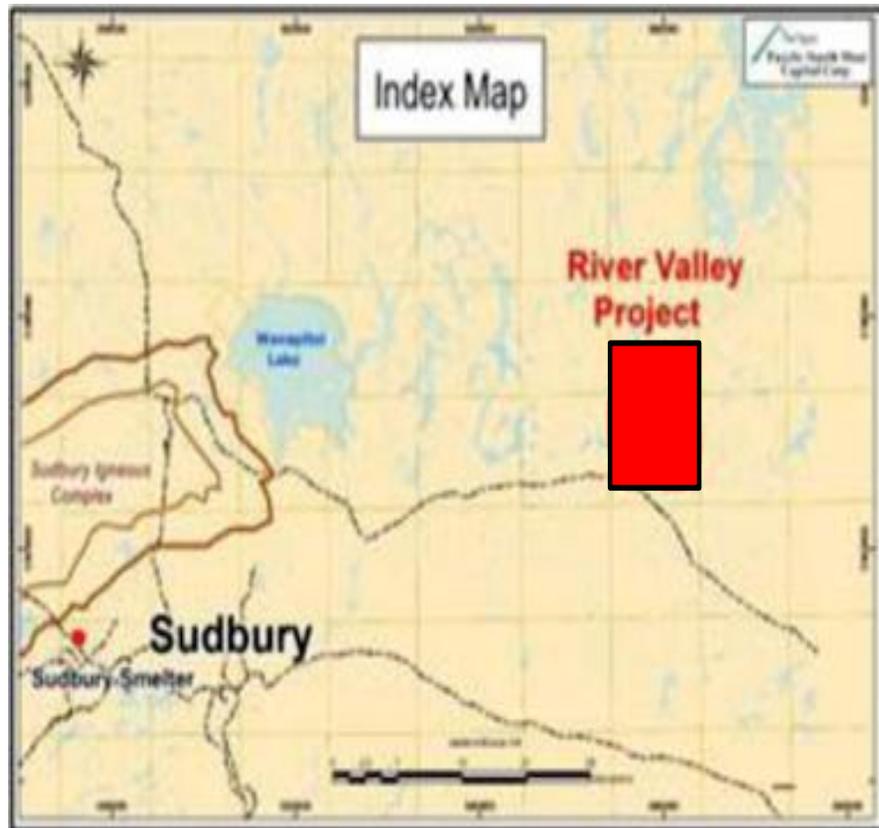
### 8. Results for the 2015 Discovery Drill Program on the T2 Target are as follows:

- Drill hole intercepts much higher than the average grade, of current Mineral Resource Estimate
- Possible New Mineralized Zone at the north end of the River Valley Deposit
- Show potential to take the River Valley PGM Project in a New Direction
- More drilling planned



**9. Exploration and Development Plans for 2016**

- **Mineral Prospecting and Geological Mapping on surface: In Progress**
- Drill Programs targeted to add more, higher grade: **Drilling Slated for Fall 2016**
- Geological Interpretation and 2D/3D Modelling of all Drill and Surface Results
- Ongoing Strategic Partner Search for River Valley



**Map showing the location of River Valley PGM Project relative to the City of Sudbury.**

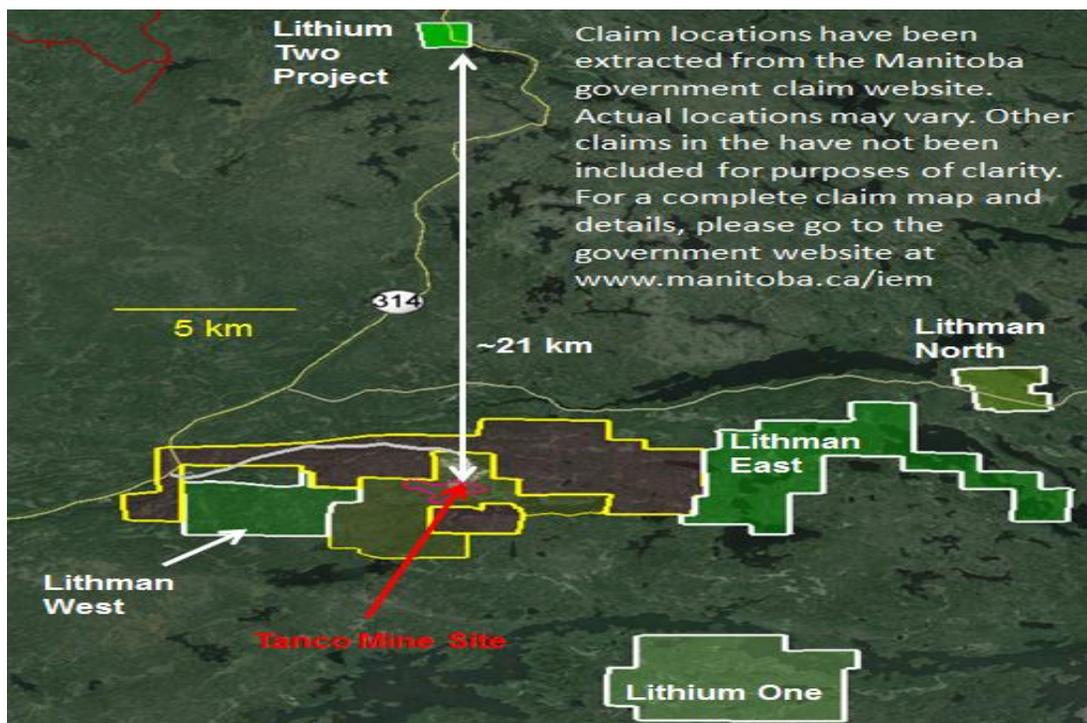
## About PFN's Lithium Division

**The Company's Lithium Division** will focus on the Discovery, Acquisition, Exploration and Development of Lithium Projects in Canada. In the United States, the Company will use its wholly owned U.S.A subsidiary to Acquire and Develop Projects, in Active Mining Camps, in Nevada, Arizona and California.

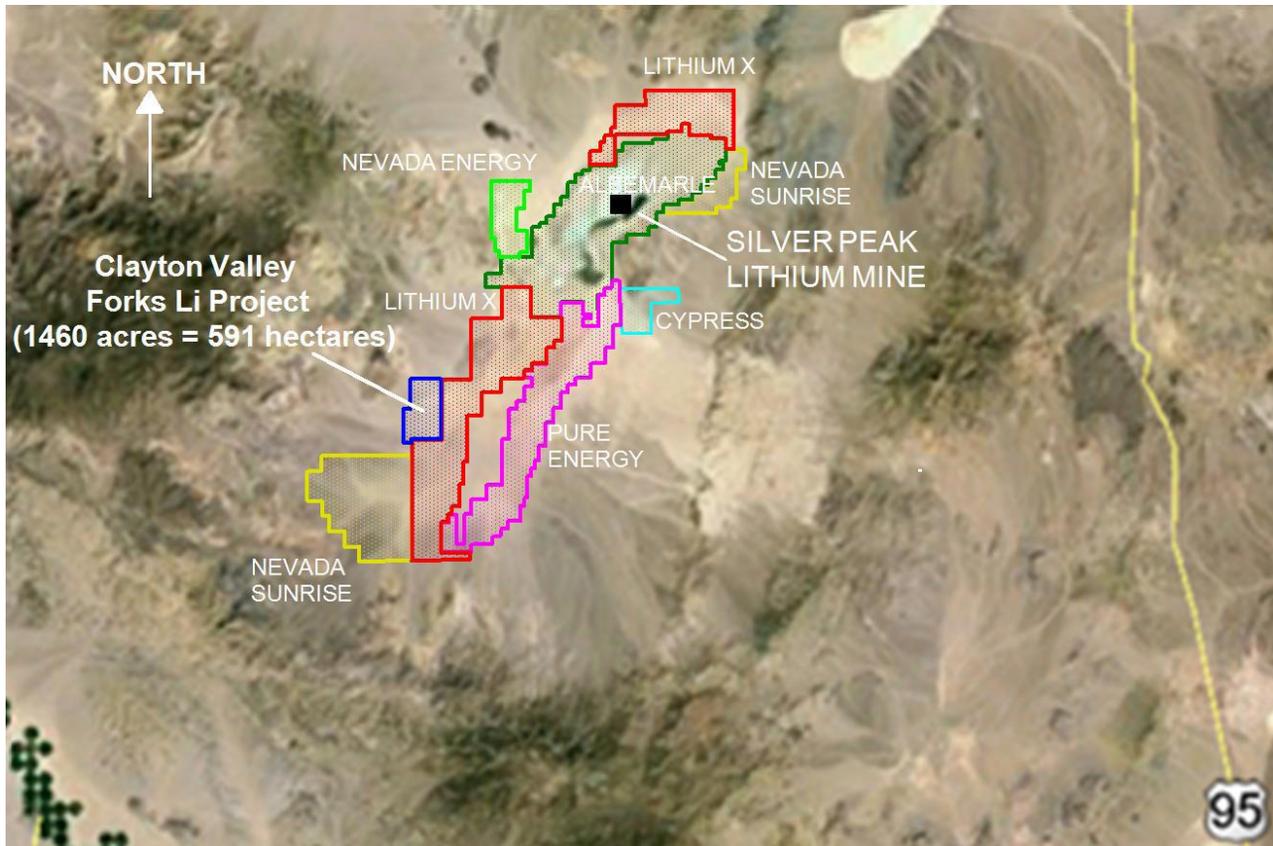
**Management believes that these New Age Metals, Lithium, PGMs and Rare Earths, have robust macro trends with surging demands and limited supply.** Going forward, this New Division will Explore for the Minerals needed to fuel the demand for Energy Storage and other Core 21st Century Technologies.

**The Company has a Growing Portfolio of Lithium Projects:** The Clayton Valley Forks Li Project, in Nevada, is a recent Lithium Brine Project acquired by the Company (**see PFN News Releases:** [April 25<sup>th</sup>, 2016](#) and [May 9<sup>th</sup>, 2016](#)). **The Company also has several Hard Rock Lithium Projects in Canada:** To date the Company has Acquired 5 Hard Rock Lithium Projects, in the Winnipeg River Pegmatite Field, in SE Manitoba (**see PFN News Releases:** [April 21<sup>st</sup> 2016](#), [May 24<sup>th</sup>, 2016](#), [June 15<sup>th</sup>, 2016](#), [July 5<sup>th</sup>, 2016](#) and [July 21<sup>st</sup>, 2016](#)). This Pegmatite Field hosts the giant Tanco Pegmatite that has been mined for Tantalum, Cesium and Spodumene (one of the primary Lithium ore minerals) in varying capacities, since 1969. Today, the Tanco Mine is focused on the Mining and Production of Cesium Formate, a drilling fluid for the petroleum industry. PFN's Li Projects are strategically situated to further Explore this Pegmatite Field. **Presently, the Company is the Largest Claim Holder in the Winnipeg River Pegmatite Field.**

Lithium and Platinum Group Metal Prices have improved drastically in recent months. **Lithium supplies remain in deficit, relative to their demand.** Both Metals Groups are used for the expanding worldwide automobile industry (conventional and electric). In the case of PGMs, demand is increasing for Autocatalysts, a key component for reducing toxic emissions, for automotive, gasoline and diesel engines. **Regarding Lithium, there is an ever increasing demand for batteries in cellphones, laptops, electric cars, solar storage, wireless charging and renewable energy products.**



**PFN's 5 New Lithium Projects in Manitoba, Surrounding Tanco Mine**



**Figure 1: Company claim blocks in the Clayton Valley area of Nevada**

(Figure 1 is a Company-made composite and not intended for redistribution.

The Company accepts no responsibility for the accuracy of these claim blocks, other than the claim block associated with the Clayton Valley Forks Li Project)

**Clayton Valley is located in Esmeralda County, Nevada, host to the Albemarle Corporation’s Silver Peak Lithium Mine and Brine processing operations. The mine has been in operation since 1967 and remains the only Brine based Lithium Producer in North America.** The new project acquisition in Nevada provides the Company a project, in an area that is well known for its Lithium Carbonate production. Clayton Valley is a centralized location in Nevada, with highway access, power infrastructure, water and local labour.

**The company’s new Lithium Brine Project will be approximately 3.5 hours away from Tesla’s Gigafactory, which has a planned annual Lithium-ion battery production capacity of 35 gigawatt-hours per year, by 2020. The CV West Li project is located approximately 3 hours north of the Faraday Electric Car Factory to be operated in Las Vegas, Nevada.**

**Clayton Valley is one of the few locations globally known to contain commercial-grade Lithium-Enriched Brines.**

## **QUALIFIED PERSON**

The contents contained herein that relates to Exploration Results or Mineral Resources is based on information compiled, reviewed or prepared by Dr. Bill Stone, Principal Consulting Geoscientist for Pacific Northwest Capital. Dr. Stone is the Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the technical content.

On behalf of the Board of Directors

***“Harry Barr”***

**Harry G. Barr**  
**Chairman and CEO**

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