

APAC RESOURCES INC.

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NEWS RELEASE

APAC OPTIONS SHUSWAP SILVER PROJECT IN B.C. AND TERMINATES LEKCIN PROPERTY OPTION

February 16, 2017

APAC RESOURCES INC. (the “Company”) (CSE: “APG”) is pleased to announce that it has entered into an option agreement with arm’s length vendors (the “Vendors”) to acquire a 100% interest in the Shuswap Silver Project in British Columbia, Canada.

The Shuswap silver-base metal and gold property (the “Property”) is located in southern British Columbia, between the towns of Salmon Arm and Sicamous, and consists of approximately 3,208 ha of landholdings. The Property is well-endowed with infrastructure. The Trans-Canada Highway and a corridor of power lines pass through the northern part of the Property. The C.P.R. main rail line cuts the Property and a network of logging roads provide very good access to most areas of the Property.

Silver-lead-zinc mineralization was discovered in 1958 and an intensive exploration program of was initiated. That activity began with trenching, either by drilling and blasting or by bulldozer alone, ultimately exposing massive base metal sulfide mineralization in several places over about 500 meters along a west-northwest – east-southeast trend and about 350 meters across that trend.

More recent exploration has discovered new zones of mineralization exposed in new logging roads. A new zone of mineralization was discovered during the 2008 program with the following results:

Sample ID	Source	Pb [ppm]*	Zn [ppm]* [ppb]	Ag [ppm]*	Au [ppm]	Sample width	Lithology
545551	chip	2.44%	3.3%	70.6	9.8	1m	20% mineralization
545552	chip	2.23%	4.37%	64.5	15.3	1m	30% mineralization
545553	chip	5907.4	1588	3.3	<0.5	45cm	quartzite & mineralization
545554	chip	234.2	490	0.9	<0.5	10cm	silica & quartz shear
545555	chip	2.98%	2.17%	27.7	2.6	10cm	massive to semi-massive zone
545556	chip	1.23%	3.96%	10.2	<0.5	40cm	quartz in shear, 25% sulfides
545557	chip	1.29%	1.91%	34.2	3.4	70cm	silica & quartz shear
545558	chip	6425.5	9412	19.8	<0.5	50cm	quartz & shear zone
545559	chip	186.6	605	0.5	<0.5	30cm	quartz & shear zone
545560	chip	647.7	258	2.0	<0.5	30cm	quartz & alteration
545561		1.06%	0.32%	12.3	<0.5	30cm	quartz & silicification

Sample ID	Source	Pb [ppm]*	Zn [ppm]* [ppb]	Ag [ppm]*	Au [ppm]	Sample width	Lithology
545562	chip	432.7	161	1.8	<0.5	30cm	quartz & schist
545563	chip	68.8	105	0.2	<0.5	50cm	quartz lens
545564	chip	3716.5	3942	15.3	2.0	20cm	quartz lens
545565	chip	1998.7	2406	7.1	<0.5	boulder	pitted quartzite
545566	grab	82.0	62	0.7	<0.5	boulder	pitted quartzite
545567	grab	68.6	208	0.4	<0.5	boulder	pitted quartz
545568	grab	3.51%	8.73%	20.9	4.4	40 x 20cm	massive sulfides
545569	chip	0.64%	1.09%	6.7	<0.5	50 x 50 cm	altered quartzite

Note: no standards were submitted with the samples for analysis.

A separate zone of epithermal style gold mineralization has also been discovered in the south-central portion of the Property. Outcrops of a bleached breccia and/or pitted chalcedonic and cockscomb varieties of quartz appear in a few places. Grabs from this zone have shown elevated gold values up to 2.6 grams per tonne Au. This represents a new exploration target on the Property and further exploration is planned for this new discovery area in the 2017 field season.

Under the terms of the option agreement, the Company can acquire a 100% interest in the Property by paying to the Vendors the sum of \$100,000 and issuing 750,000 common shares in installments over a five-year period, and incurring expenditures on the Property in the aggregate amount of \$1,100,000 over the same term, subject to a 2% net smelter returns royalty (of which 1 percent can be purchased for \$750,000 and the remaining 1 percent can be purchased for the additional sum of \$750,000).

Stephen B. Butrenchuk, P.Geo., a Qualified Person under National Instrument 43-101, has reviewed and approved the technical information in this press release.

Also, the Company announces that it has terminated its option agreement in regards to the Lekcin Property located in British Columbia.

ON BEHALF OF THE BOARD OF DIRECTORS

s/ "Robert Coltura"

Robert Coltura,
President and Chief Executive Officer

THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED, NOR APPROVED OR DISAPPROVED THE CONTENT OF THIS PRESS RELEASE.