Kam Chuen Resource Holdings Ltd.
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EARLY WARNING NEWS RELEASE

Kam Chuen Resources Holdings Limited ("**Kam Chuen**") announced today that, per the terms of an option agreement and amendments thereto (the "**Option Agreement**") with Midnight Sun Mining Corporation (TSXV:MMA) (the "**Company**"), Kam Chuen now owns approximately 11.12% of all of the issued and outstanding common shares of the Company (collectively, the "**Common Shares**").

Kam Chuen acted as the agent of its subsidiary Zambian High Light Mining Investment Limited ("**High Light**") in the Option Agreement. The shareholders of High Light are Zambia Gold Common Resources Holdings Limited ("**Gold Common Holdings**", a subsidiary of Kam Chuen) and Zambia-Zhengyuan Mining Company Limited ("**Zhengyuan**"). Zhengyuan is not a subsidiary of Kam Chuen.

Per the Option Agreement, Kam Chuen obtained beneficial ownership of 1,333,333 Common Shares on August 3, 2013 (the "**2013 Shares**"). Kam Chuen made disposition of 333,333 Common Shares to Zhengyuan on August 3, 2013. The 2013 Shares were issued on February 14, 2014.

Per the Option Agreement, on July 31, 2016 Kam Chuen obtained beneficial ownership of a further 14,000,000 Common Shares (the "**2016 Shares**"). Kam Chuen made dispositions of its interest in the Common Shares, on July 31, 2016, as follows;

- 3,125,000 Common Shares to Zhengyuan;
- 937,500 Common Shares to Ying Cheung Mining Industry Development ("**Ying Cheung**"); and
- 1,500,000 Common Shares to Yiu Sin Ko ("**Ko**")

(the "**Dispositions**")

The 2016 Shares were issued on February 10, 2017, including to Zhengyuan, Ying Cheung and Ko, in the respective amounts of the Dispositions to them.

The disposition to Zhengyuan was made owing to Zhengyuan's status as a shareholder in High Light. The dispositions to Ying Cheung and Ko were made in satisfaction of debts owed to them by High Light. Following the Dispositions, Kam Chuen did not at any time have beneficial ownership, control, direction over, directly or indirectly or in any combination, of any of the Common Shares then owned by Zhengyuan, Ying Cheung or Ko.

On July 31, 2016 and immediately prior to the Dispositions, Kam Chuen became subject to early warning reporting under Canadian securities laws and was considered the beneficial owner or was deemed the beneficial owner of 15,000,000 Common Shares, representing approximately 32.01% of the Company's Common Shares on a non-diluted basis and approximately 27.24% on a fully-diluted basis.

Immediately subsequent to the Dispositions, Kam Chuen beneficially owned approximately 20.14% of the Company's Common Shares on a non-diluted basis and approximately 17.14% on a fully-basis. Kam Chuen has not made any subsequent disposal of Common Shares.

As a result of inadvertence on the part of Kam Chuen and because of their lack of knowledge of Canadian securities laws, news releases and early warning reports required by applicable securities legislation to be filed for the above described subscription for Common Shares was not filed. The execution of the definitive Option Agreement, and the share subscriptions provided thereunder, was first announced by the Company in a press release dated November 29, 2013 and a subsequent amendment, providing for the immediate issuance of the remaining shares outstanding under the Option Agreement, was announced by the Company in a press release dated October 3, 2016 and a material change report of the same date.

Kam Chuen acquired all of the above-noted Common Shares or securities convertible into Common Shares for investment purposes and not for the purpose of exercising control or direction over the Company. Any subsequent acquisition or disposition of securities in the Company will be in accordance with Canadian securities law or as instructed by Canadian securities regulators.