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## PROPOSED ISSUANCE OF SHARES IN SETTLEMENT OF DEBT

NOT FOR DISTRIBUTION TO UNITED STATES WIRE SERVICES OR  
FOR DISSEMINATION IN THE UNITED STATES

December 19, 2017

**Vancouver, British Columbia – Lincoln Mining Corporation, TSX-V: LMG** ("Lincoln" or the "Company") announces it is arranging agreements with numerous creditors pursuant to which Lincoln plans to issue up to 13,029,755 shares to settle indebtedness of up to \$1,046,481, at a deemed issue price of \$0.085 per share in respect of certain related parties of the Company and at a deemed issue price of \$0.05 for the balance.

The issuance of the shares remains subject to the approval of TSX Venture Exchange.

The Company expects that the proposed debt settlements will assist the Company in seeking new financing transactions to advance the development of the Company's Pine Grove project and for working capital.

A total of 10,932,572 shares are to be issued to related parties in settlement of an aggregate of \$929,268.92 in debt. The amounts owing to such related parties comprise accrued directors' fees and a portion of accrued management and consulting fees owing to the Company's directors and officers, as the case may be, who have foregone payment of such fees over up to the past four years in order to assist the Company in preserving its cash and maintaining its operations and the development of its projects.

The participation by the insiders is considered a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transaction will be exempt from the formal valuation and minority shareholder approval requirements under MI 61-101 on the basis that the debt settlement with related parties constitutes the distribution of securities of the Company for cash consideration of less than \$2.5 million; neither the Company nor, to the knowledge of the Company after reasonable inquiry, the related parties, has knowledge of any material information concerning the Company or its securities that has not been generally disclosed; and the debt settlement with each related party will have been unanimously approved by the Company's independent directors.

Lincoln also announces that it does not plan to close any further tranches of its previously announced private placement. Pending completion of the foregoing shares for debt transaction, Lincoln is considering various new financing opportunities and will update the market as circumstances warrant.

Lincoln Mining Corp. is a Canadian precious metals exploration and development company with two projects in various stages of exploration and development, namely the Pine Grove gold

property in Nevada and the Oro Cruz gold property in California. In the United States, the Company operates under Lincoln Gold US Corp. and Lincoln Resource Group Corp., both Nevada corporations.

For further information, please contact Investor Relations at 604-688-7377 or visit the Company's website at [www.lincolnmining.com](http://www.lincolnmining.com).

**On behalf of Lincoln Mining Corporation**

*"Paul Saxton"*

Paul Saxton, President & CEO

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

THIS PRESS RELEASE INCLUDES FORWARD-LOOKING STATEMENTS OR INFORMATION. ALL STATEMENTS OTHER THAN STATEMENTS OF HISTORICAL FACT INCLUDED IN THIS RELEASE, INCLUDING WITHOUT LIMITATION, STATEMENTS REGARDING THE PROPOSED SHARES FOR DEBT TRANSACTION AND THE EXPECTED BENEFITS THEREOF, ARE FORWARD-LOOKING STATEMENTS THAT INVOLVE VARIOUS RISKS AND UNCERTAINTIES. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL PROVE TO BE ACCURATE AND ACTUAL RESULTS AND FUTURE EVENTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN SUCH STATEMENTS. IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THE COMPANY'S PLANS OR EXPECTATIONS INCLUDE THE AVAILABILITY OF CAPITAL AND FINANCING TO MAINTAIN THE COMPANY'S PROJECTS; CHANGES IN PLANNED WORK OR USE OF PROCEEDS RESULTING FROM LOGISTICAL, TECHNICAL OR OTHER FACTORS; GENERAL ECONOMIC, MARKET OR BUSINESS CONDITIONS; FLUCTUATING METAL PRICES; THE POSSIBILITY OF COST OVERRUNS OR UNANTICIPATED EXPENSES IN WORK PROGRAMS; REGULATORY CHANGES; TIMELINESS OF GOVERNMENT OR REGULATORY APPROVALS AND OTHER RISKS DETAILED HEREIN AND FROM TIME TO TIME IN THE FILINGS MADE BY THE COMPANY. THE COMPANY MAKES ALL REASONABLE EFFORTS TO UPDATE ITS CORPORATE MATERIAL, DOCUMENTATION AND FORWARD-LOOKING INFORMATION ON A TIMELY BASIS.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the Company's securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and may not be offered or sold within the United States or to U.S. persons unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.