



## NEWS RELEASE

### NEMI SETTLES GOLD LOAN WITH AMERICAN BONANZA

May 2, 2014 – NEMI Northern Energy & Mining Inc. ("NEMI"; CNSX:NNE) announces that it has entered into an agreement with American Bonanza Gold Corp. ("BZA"; TSX:BZA) and Kerr Mines Inc. ("Kerr"; TSX:KER), pursuant to which it has agreed to settle its previously disclosed outstanding gold loan facility with BZA, having an aggregate principal amount of USD\$2,100,000.

On April 14, 2014, BZA announced the entering into of an arrangement agreement with Kerr, in which it will be acquired by Kerr in a transaction which will result in existing BZA shareholders receiving 0.53 common shares of Kerr in exchange for each BZA common share held. Further information regarding the arrangement is available under BZA's profile on SEDAR, [www.sedar.com](http://www.sedar.com), and readers are encouraged to review the terms and conditions of the arrangement.

NEMI has agreed to settle the full amount of the gold loan in consideration for 48,762,489 common shares of BZA, and a secured promissory note of Kerr, in the principal amount of USD\$2,100,000. The note will bear interest at a rate of 6% per annum, with six semi-annual payments of principal and interest commencing on June 20, 2015, and is convertible into common shares of Kerr at a price of \$0.06 per share. The note will be secured by a pledge of the assets and share capital of Bonanza Explorations Inc., an operating subsidiary of BZA. The settlement is subject to regulatory approval, to all of the conditions to the arrangement between Kerr and BZA being satisfied, and to other conditions customary in transactions of this nature.

#### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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*This news release includes forward looking statements that are subject to assumptions, risks and uncertainties. Statements in this news release which are not purely historical are forward looking statements, including without limitation any statements concerning NEMI's intentions, plans, estimates, expectations or beliefs regarding the future. Although NEMI believes that any forward looking statements in this news release are based on reasonable assumptions, there can be no assurance that any such forward looking statements will prove to be accurate. NEMI cautions readers that all forward looking statements, including without limitation those relating to NEMI's future operations and business prospects, are based on assumptions none of which can be assured, and are subject to certain risks and uncertainties that could cause actual events or results to differ materially from those indicated in the forward looking statements. Readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance on forward looking statements.*

*Any forward looking statements are made as of the date of this news release, and NEMI assumes no obligation to update the forward looking statements, or to update the reasons why actual events or results could or do differ from those projected in the forward looking statements. NEMI assumes no obligation to update any forward looking statements, whether as a result of new information, future events or otherwise.*

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