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BUCHANS ANNOUNCES UPGRADED RESOURCE FOR BUCHANS PROJECT, NEWFOUNDLAND, CANADA

Buchans Minerals Corporation (TSXV: BMC) ("Buchans Minerals" or the "Company"), together with its joint venture partner, Minco plc ("Minco"), is pleased to announce that a new resource estimate for the Lundberg base metal deposit in central Newfoundland has successfully upgraded the majority of the previously estimated Inferred resource of 21.82 million tonnes as well as increased the overall tonnage to an **Indicated resource of 23.44 million tonnes** and an additional **Inferred resource of 4.31 million tonnes**.

Warren MacLeod, President & CEO of Buchans Minerals stated: *"We are pleased to have successfully upgraded the deposits' Inferred resources to the higher confidence, Indicated category while also increasing the project's overall tonnage. The Indicated resource now opens the door for completion of a revised mining plan and detailed metallurgical studies leading to completion of a pre-feasibility study to determine the viability of developing an open pit mine."*

The following table presents current Indicated and Inferred resource tonnages and grades for the combined Lundberg and Engine House zones. The zones are comprised of sulphide vein-stockworks and disseminated sulphide mineralization associated with a previously mined volcanogenic massive sulphide (VMS) deposit known as the Lucky Strike mine. The Lundberg and Engine House zones extend to surface beneath former surface and near surface workings of the former Lucky Strike, high-grade, massive sulphide ore body.

Table 1: 2013 Resource Statement – Tonnage and grades*

NSR (\$US) Cut-off	Category	Rounded Tonnes	Zinc (Zn) %	Lead (Pb) %	Copper (Cu) %	Silver (Ag) g/t	Gold (Au) g/t
15	Indicated	23,440,000	1.41	0.60	0.35	5.31	0.07
	Inferred	4,310,000	1.29	0.54	0.27	4.47	0.08

* Notes: The effective date of the mineral resource estimate is February 22, 2013. Tonnages have been rounded to the nearest 10,000 tonnes. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The new resource estimate was completed by Mercator Geological Services Limited ("Mercator"), following drilling of 58 new surface diamond drill holes totaling 8,184 metres in 2012, and is based on validated results from a total of 231 diamond drill holes totaling 24,519 metres of drilling.

Mercator used a Net Smelter Return ("NSR") calculator to generate NSR values for each block, based on interpolated block metal grades and using three-year (2010-2012) trailing average metal prices of \$0.95/lb zinc, \$1.00/lb lead, \$3.68/lb copper, \$29.00/ounce silver, and \$1,493.65/ounce gold; metallurgical recoveries as projected in the Preliminary Economic Assessment on the Lundberg and Engine House Deposits, Newfoundland, Canada completed by Tetra Tech Wardrop

and dated August 11, (“2011 PEA”); and using current smelter and shipping terms for similar concentrates.

The average Net Smelter Return value per tonne of mineralization was calculated to be **\$42.15/T for Indicated resources** and **\$35.95/T for Inferred resources**.

The resource statement uses a cut-off grade value of \$15 NSR per tonne, which represents an estimated break-even cut off. It approximates the \$14.80/tonne operating cost defined by Tetra Tech Wardrop, in the 2011 PEA, which consists of a \$2.27/tonne mining and \$12.53/tonne processing costs.

As such, the NSR values, as calculated, represent the value of each resource block, assuming they were mined, milled and the concentrate produced was sold on standard smelter terms. All pricing reflects US currency.

The new resource, in which the Lundberg and Engine House zones are reported together under a single resource, and in which the majority of the previously reported Inferred resource has been upgraded to the Indicated category has significantly improved the quality of the Buchans project. The total contained metal is shown below in Table 2.

Table 2: 2013 Resource Statement – Total metal*

NSR (\$US) Cut-off	Category	Rounded Tonnes	lbs Zn	lbs Pb	lbs Cu	oz Ag	oz Au
15	Indicated	23,440,000	728,635,728	310,057,757	180,867,025	4,001,686	52,753
	Inferred	4,310,000	122,574,667	51,310,326	25,655,163	619,406	11,086

**Notes: Tonnages have been rounded to the nearest 10,000 tonnes. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

In addition, the resource was expanded in the portions of the deposit located closest to surface in the eastern part of Lundberg zone and along the fringes of the previous inferred resource. A 3D oblique image that shows the expanded resource can be viewed at Buchans Minerals’ website at: <http://www.buchansminerals.com>.

Estimation Methodology:

The mineral resource estimate completed by Mercator is based on validated results of 231 diamond drill holes, including 51 surface diamond drill holes totaling 7,235 metres completed in 2012 by Minco and Buchans Minerals, which combined with previous drilling by Buchans Minerals Corp, totals 24,519 metres of diamond drilling. Modeling was performed using Gemcom Surpac® 6.3.1 modeling software with zinc, lead, copper, silver, gold and barite grades estimated using inverse distance squared (“ID²”) interpolation methodology from 1 metre down hole assay composites. The resource block model was set up as a partial percentage model with a block size of 5m (x) by 5m (y) by 5m (z).

Metal grade assignment was peripherally constrained by two separate wire-framed solid models based on sectional geological interpretations and a minimum included combined grade that reflects a \$10 NSR value.

The Lundberg resource solid is the larger of the two adjacent zones, measures approximately 700 metres east-west and 400 metres north-south, and plunges from the bedrock-overburden interface in the southeast to a maximum depth of 350 metres below surface to the northwest.

The Engine House resource solid measures approximately 250 metres east-west and 175 metres north-south, and plunges from the bedrock overburden interface in the east to a maximum depth of 125 metres below surface in the west.

Null values were assigned to all prior underground development and stoped areas from the historic mine through solid models created for the previous resource estimate. All resource blocks intersecting these prior mined solids were removed from the estimate.

Interpolation ellipsoid ranges and orientations were developed through assessment of variography combined with geological interpretations and mining history information. Major axis orientations conform to the down plunge directions for both the Lundberg and Engine House solids, these being 320° and 270° respectively, with plunges varying between 10° and 40° locally. The semi-major axes occur within stratigraphy and perpendicular to the major axes, while minor axes are oriented at a high angle to stratigraphy in the down-hole direction. Major, semi-major, and minor axis ranges of 75 metres, 50 metres, and 25 metres, respectively, were used for initial interpolation passes for all metals. A second interpolation pass at double these ranges was used to interpolate grades in all blocks not evaluated in the first pass. At least 3 and a maximum of 12 contributing assay composites, with no more than 4 composites allowed from a single drill hole, were required to interpolate a valid block grade.

Results from 4,458 separate laboratory determinations of specific gravity were used to develop an interpolated specific gravity model using ID² methodology specified above.

Indicated resources are defined as all interpolated blocks with 9 or more contributing composites with a maximum average distance of 55 metres from the block centroid that are within a 50 metre range of a 2008 or 2012 drill holes.

Inferred resources are defined as all other interpolated blocks meeting the \$15/tonne NSR cut off and occurring within the deposit peripheral constraints. No Measured resources were defined.

Qualified person and sampling procedure:

Peter C. Webster, P. Geo., of Mercator Geological Services Limited monitored the 2012 drilling program, and is responsible for the resource estimates presented in this news release. Mr. Webster is an independent third party geologist, President of Mercator Geological Services Limited, and a Qualified Person as defined under National Instrument 43-101 of the Canadian Securities Administrators. Historical information used in this resource estimation has been validated and all information obtained from drilling by Buchans Minerals has followed logging, sampling and assaying procedures as per the QA/QC protocol described in Buchans Minerals' press release dated September 13th, 2012.

Paul Moore, M.Sc., P.Geo., (NL), Buchans Minerals Vice President of Exploration, a Qualified Person within the meaning of National Instrument 43-101 of the Canadian Securities Administrators, supervised the 2012 drill program and has reviewed the contents of this release for accuracy.

Minco & Buchans Joint Venture Agreement:

On April 30th, 2012, Buchans Minerals Corporation and Minco announced an agreement granting Minco the right to earn a 51% interest in the Buchans base metal properties in central Newfoundland by spending CDN\$8 million to advance the Lundberg deposit to final feasibility over four (4) years and further explore the extensive mineral properties in the region held by Buchans Minerals.

Minco is initially required to spend CDN\$3.5 million over the first two years to advance the project through pre-feasibility. Following the completion of the new resource estimate Minco has indicated

that they now plan to undertake a range of ongoing development activities that will include geotechnical engineering, open-pit mine plan, metallurgy, plant design, engineering, environmental studies and an economic evaluation.

Following the expenditure of CDN\$3.5 million and the completion of a Pre-Feasibility Study, Minco will have the option to proceed to complete a final feasibility study by spending a further CDN\$4.5 million over the following two years and thereby earn a 51% interest in the project.

About Buchans Minerals:

Buchans Minerals is an Atlantic Canada-based resource company that has three main assets that include its 100% owned base metal properties near Buchans in Central Newfoundland (optioned to Minco plc), its 100% owned manganese property located near Woodstock (optioned to Minco) in New Brunswick, and its 50% owned gold & copper Long Range property in central Newfoundland.

Forward Looking Statements & Disclaimer

Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the potential of the Buchans Minerals projects, are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of our common share price and volume and the additional risks identified the management discussion and analysis section of our interim and most recent annual financial statement or other reports and filings with the TSX Venture Exchange (the "Exchange") and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and Buchans Minerals undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release, and no securities regulatory authority has either approved or disapproved of the contents of this release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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