



NEWS RELEASE

POSITIVE PRELIMINARY ECONOMIC ASSESSMENT OPTIONS FOR THE FAYOLLE DEPOSIT

Laval, Canada, April 9th, 2013 – **TYPHOON EXPLORATION INC.** (TYP: TSX-V) is pleased to report results of a **positive Preliminary Economic Assessment study done on the Fayolle Deposit**, located 30km of the town of Rouyn-Noranda, Quebec.

The PEA study was prepared by InnovExplo with contributions from SNC-Lavalin with respect to chapter 20, "Environmental Studies, Permitting and Social or Community Impact". **The PEA was prepared with the objective to compare two (2) distinct and independent scenarios, the open pit approach versus an underground mining approach**, all in accordance with Standards of Disclosure for Mineral Projects defined by National Instrument 43-101 ("NI 43-101").

"The report indicates an economic potential **to recover 74,813 oz. of gold** from an open pit **including resources amenable to mining of 568,941 tonnes at 4.35 grams per tonne**", noted Mr. David Mc Donald, President of Typhoon Exploration Inc.

The Preliminary Economic Assessment study of the Fayolle Deposit, based on a 43-101-compliant technical report, will be filed on the Company's website www.explorationtyphon.com and on SEDAR www.sedar.com within 45 days.

HIGHLIGHTS (*open pit scenario*)

For the open pit scenario, the PEA study shows potential viability for 568,941 tonnes of diluted resources at 4.35 g/t gold (representing 74,813 ounces of recovered gold) at a minimum cut-off grade of 0.84 g/t gold. This open pit mineralized material was obtained from a global undiluted mineral resource of 1,814,800 tonnes at 2.68 g/t gold (representing 156,497 ounces of gold) at a similar minimum cut-off grade of 0.84 g/t gold.

- The operation plan takes into account a 3,937,889 tonnes pit shell to be mined during a 3-year mine life (including one year of pre-production) with an average mine run of 350,000 tonnes of mineralized material per year, down to a depth of 85 metres with a strip ratio of 3.7.
- The average daily mineralized material production planned will be around 1,000 tonnes per day. The model uses the assumption that the material will be trucked 40 kilometres away to the lamgold Westwood mill.

- Preliminary metallurgical testing done on two samples returned between 94% and 97% recovery using conventional cyanidation. A recovery rate of 94% is selected for this study and **on the environmental side, testing done on two composites samples suggests that acid generation is highly unlikely to occur from these samples considering the high carbonate/low sulphur content profile of both types of mineralized rocks.**

The study includes 100% of reclamation costs at the beginning of the project.

The pre-production capital costs, sustaining, and reclamation costs for the Fayolle Deposit open pit option are evaluated respectively at CAD\$4.96 M, CAD\$ 0.93 M and CAD\$4.4 M. The average cash cost is estimated at US\$697 per ounce of gold or \$ 92 per tonne milled. The financial analysis, using a price of gold of US\$1,518 per ounce, indicates a pre-tax net present value ("NPV") (using a 7% discount rate) of CAD\$30.15 million with a pre-tax internal rate of return ("IRR") of 166%. On an after tax basis, the IRR is estimated at 110%.

HIGHLIGHTS (Underground scenario)

For the underground scenario, the PEA study shows potential viability for 449,426 tonnes of diluted resources at 4.73 g/t gold (representing 64,195 ounces of recovered gold) at a minimum cut-off grade of 2.5 g/t gold. This underground mineralized material was obtained from a global undiluted mineral resource of 548,500 tonnes at 5.75 g/t gold (representing 101,399 ounces of gold) at the same minimum cut-off grade of 2.5 g/t gold.

- The different mining methods considered to optimize the cost and recovery of each mineralized lenses are as follow: mechanized cut and fill, long hole stoping, room and pillar.
- The mineralized material zones will be accessed by a portal and a ramp representing a total of 2,082 meters of development.
- The average daily production of mineralized material planned will start at 750 tonnes per day and will gradually reach an average of 1000 tonnes per day during a life of mine of 27 months (including 1 year of pre-production). The model uses the assumption that the material will be trucked 40 kilometres away at the lamgold Westwood mill.
- Preliminary metallurgical testing done on two samples returned between 94% and 97% recovery using conventional cyanidation. A recovery rate of 94% is selected for this study.

The pre-production capital costs and sustaining costs for the Fayolle Deposit underground project are evaluated at CAD\$22.7 M. The average cash cost is estimated at US\$1205 per ounce of gold and \$173 per tonne milled. The financial analysis, using a price of gold of US\$1,518 per ounce, indicates a pre-tax net present value ("NPV") (using a 7% discount rate) of CAD\$5.61 million with a pre-tax internal rate of return ("IRR") of 26.21%. On an after tax basis, the IRR is estimated at 19.12%.

PROJECT HIGHLIGHTS : Open pit option**Assumptions**

| | |
|------------------------------------|-------|
| Gold Price (US\$/ounce) | 1,518 |
| Foreign exchange rate (CAD\$/US\$) | 1.004 |
| Net Smelter Royalty (%) | 2% |

Mineral Resources

| | |
|--|-----------|
| Indicated undiluted resources (tonnes) at a cut-off grade of 0.8 g/t | 1,814,800 |
| Grade (g/t) | 2.68 |
| Contained gold (oz) | 156,497 |

Mine Parameters

| | |
|---|-----------|
| Resources potentially viable to mining (tonnes) | |
| Cut-off grade of 0,84 g/t diluted | 568,941 |
| Diluted grade (g/t) | 4.35 |
| Total contained gold (oz) | 79,589 |
| Waste material (tonnes) | 2,092,148 |
| Overburden material (tonnes) | 1,276,800 |
| Average strip ratio | 3.7 : 1 |
| ROM average daily production rate (tonnes/day) | 1,000 |
| Milling recovery (%) | 94% |
| Total recovered gold (oz) | 74,813 |
| Pre-production period, post permitting (months) | 12 |
| Mine life including pre-production (months) | 36 |
| Average annual gold production (ounces) | 24,938 |

Costs

| | |
|---|-----|
| Capital Expenditures (total, including sustaining, CAD\$) | 5.9 |
| Total cash cost (CAD\$/tonne milled) | 92 |
| Total cash cost (US\$/ounce) | 697 |
| Royalties (CAD\$/ounce) | 30 |

Financial Analysis

| | |
|---|-------|
| Net cash flow (CAD\$ Million) | 38.52 |
| Cash Surplus After-tax (CAD\$ Million) | 23.39 |
| NPV 7% Discount pre-tax (CAD\$ Million) | 30.15 |
| IRR pre-tax (%) | 166% |
| NPV 7% Discount after-tax (CAD\$ Million) | 17.89 |
| IRR after-tax (%) | 110% |

PROJECT HIGHLIGHTS : Underground option**Assumptions**

| | |
|------------------------------------|-------|
| Gold Price (US\$/oz) | 1,518 |
| Foreign exchange rate (CAD\$/US\$) | 1.004 |
| Net Smelter Royalty (%) | 2% |

Mineral Resources

| | |
|--|---------|
| Indicated undiluted resources (tonnes) at a cut-off grade of 2.5 g/t | 548,500 |
| Grade (g/t) | 5.75 |
| Contained gold (oz) | 101,399 |

Mine Parameters

| | |
|--|-------------|
| Resources potentially viable to mining (t) at a cut-off grade of 2.5 g/t diluted | 449,426 |
| Diluted grade (g/t) | 4.73 |
| Total contained gold (oz) | 68,293 |
| Waste material (t) | 142,398 |
| Overburden material (t) | 445,450 |
| ROM average daily production rate (tpd) | 750 to 1000 |
| Milling recovery (%) | 94% |
| Total recovered gold (oz) | 64,195 |
| Pre-production period, post permitting (months) | 12 |
| Mine life including pre-production (months) | 27 |
| Average annual gold production (oz) | 28,531 |

Costs

| | |
|---|-------|
| Capital Expenditures (total, including sustaining, CAD\$) | 22.7 |
| Total Costs (CAD\$/tonne milled) | 173 |
| Total Costs (US\$/oz) | 1,205 |
| Royalties (CAD\$/oz) | 30 |

Financial Analysis

| | |
|---|--------|
| Net cash flow (CAD\$ Million) | 9.45 |
| Cash Surplus After-tax (CAD\$ Million) | 6.45 |
| NPV 7% Discount pre-tax (CAD\$ Million) | 5.61 |
| IRR pre-tax (%) | 26.21% |
| NPV 7% Discount after-tax (CAD\$ Million) | 3.31 |
| IRR after-tax (%) | 19.12% |

PROPOSED SURFACE INFRASTRUCTURE

The proposed mine infrastructure presents similar characteristics for both underground and surface options.

Overall, an area of approximately 0.6 km² of ground will be impacted by the mining activity.

- Site access road; a distance of 2.25 kilometres will need to be upgrade for the circulation of heavy equipment;
- Parking and guardhouse;
- Temporary modular building for office and garages
- Fuel storage, explosive storage installation in accordance with current regulation
- Polishing pond for pumping water: No waste water management has been evaluated upfront for this study considering a low acid water generation potential indicated by preliminary tests.
- Power consumption: The Fayolle Project is currently not served by an electric power line. Due to the short duration of both options, it was evaluated that only generators would be used to provide electricity.
- ROM stockpile of 26,900 tonnes capacity (temporary) located at the truck charging station for the mill,
- Overburden stockpile and waste rock stockpiles will be required for the two options. These infrastructures will require a footprint of 111,100m² and 42,107m² respectively for the surface and the underground option. The excavation of the ramp portal and the glory holes explains the large volume of material generated by the underground option.

MINE CLOSURE AND RECLAMATION

The closure and reclamation costs for the Fayolle Deposit are estimated at CAD\$1.7 M for the underground option and CAD\$4.4 M for the open pit option. A detailed closure plan will have to be submitted with the feasibility study. Wherever practical, a progressive reclamation approach of the mining site will be done.

CAPITAL COSTS ESTIMATES

This PEA is based on current budgetary prices coming from contractors acting within the Abitibi region. In addition to InnovExplo's technical expertise to evaluate the two potential scenarios, this evaluation is also based on other reliable information. The evaluation of custom milling was provided by lamgold, Westwood Project. The after-tax cash flow estimation was completed by Samson Bélair/Deloitte & Touche.

ADDITIONAL TECHNICAL INFORMATION RELATED TO THE PRELIMINARY ECONOMIC ASSESSMENT

The Fayolle property is composed of 39 claims covering 1,475.15 hectares 100%-owned by Typhoon and subject to an earn-in agreement with Aurizon Mines.

- The project is located along a prolific geological belt, the Abitibi gold belt and, more specifically, on the LaPause - Manneville faults intersection.
- The drilling density used to build the resources estimate supporting the PEA allowed to reach the indicated level (see TYP press release September 6th, 2012).
- **The Fayolle Project is located 1.4 km from the Aiguebelle National Park** and is managed under a MOU signed with the town of Rouyn-Noranda. Typhoon Exploration has always maintained strict working protocol in the field, and open communication with the town representatives.
- A pool of experienced manpower is available in Abitibi, where the project is located.

GEOLOGY

Gold mineralization of the Fayolle Zone is mainly contained in deformed komatiitic rocks and altered intermediate intrusions near the contact with massive basalt and silicified sediments. Shear zones and fault patterns observed are generally oriented west to north-west, corresponding to a major inflexion of the La Pause Fault.

The dense and complex dykes swarm is characterized by changing orientation and perceived as a strong favourability indicator for gold mineralization.

Mineralization is part of a stacking of pluri-metric zones located inside a 50 to 100 metre wide favourable structural envelope, plunging moderately towards the east. Visually, this mineralized structure corresponds to tectonic breccias. The grades can generally be correlated with the intensity and complexity of brecciation. Alteration is characterized by carbonates, chlorite and fuchsite in ultramafic rocks and by albite-hematite in dykes. Gold is mostly observed as free grains up to a millimetre in size in both host rocks.

MINERAL RESOURCES

The updated mineral resource estimate integrates the results of all the drill programs on the Fayolle deposit since the mineral resource estimate prepared by InnovExplo Inc. published on October 9, 2012. A total of 253 surface holes and 68,826 metres are included in the updated mineral resource estimate, of which 92 holes and 30,927 metres have been drilled since May 2010, when Aurizon and Typhoon Exploration Inc. ("Typhoon") first entered into an exploration joint venture on the Fayolle Project.

All of the updated mineral resources are in the Indicated mineral resource category. Different capping grades have been applied, and are referenced on the resource table on the following page.

| Indicated Mineral Resources– as at September 2012 ⁽¹⁾ | | | |
|--|-----------|------------------------|------------------|
| Grade Cut-off (gold grams/tonne) | Tonnes | Grade (grams/tonne) | Gold (ounces) |
| 0.4 | 3,573,900 | 1.6 | 188,000 |
| 0.6 | 2,423,300 | 2.2 | 170,000 |
| 0.8 | 1,814,800 | 2.7 | 156,000 |
| 1.0 | 1,451,500 | 3.1 | 146,000 |
| 2.0 | 701,000 | 5.0 | 112,000 |
| 2.5 | 548,500 | 5.8 | 101,000 |
| 3.0 | 438,000 | 6.5 | 92,000 |
| 4.0 | 295,500 | 8.0 | 76,000 |
| 5.0 | 216,400 | 9.3 | 64,000 |

NOTES:

- The Independent and Qualified Persons for the Mineral Resource Estimate, as defined by NI 43-101, are Pierre-Luc Richard, M.Sc., P.Geo. and Alain Carrier, M.Sc., P.Geo., both from InnovExplo Inc. The effective date of the estimate is August 3, 2012 and officially published on October 9, 2012 (press release published by Typhoon and Aurizon on September 6th, 2012).
- These Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability.
- Results are presented undiluted and in situ. The estimate includes four (4) gold-bearing zones.
- Resources were compiled at cut-off grades ranging from 0.40 g/t Au to 5.00 g/t Au. Cut-off grades must be re-evaluated in light of prevailing market conditions (gold price, exchange rate and mining cost). No pitshell was used and lower cut-offs are therefore only for comparison.
- A fixed density of 2.82 g/cm³ was used in mineralized material zones.
- A minimum true thickness of 2.0 metres was applied, using the grade of the adjacent material when assayed, or a value of zero when not assayed.
- High grade capping was done on the raw data and established at 40 g/t Au for Zone 1, Zone 2 and the Envelope, and at 90 g/t Au for Zone 3.
- Compositing was done on drill hole sections falling within the mineralized zone envelopes (composite = 1 metres).
- Resources were evaluated from drill hole using the ID2 interpolation method in a multi folders percent block model.
- The Indicated category is defined by the drill hole spacing and established geological continuity.
- Ounce (troy) = Metric Tons x Grade / 31.10348. Calculations used metric units (metres, tonnes and g/t).
- The number of metric tons was rounded to the nearest hundred. Any discrepancies in the totals are due to rounding effects. Rounding followed the recommendations laid out in NI 43-101.
- InnovExplo is not aware of any environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the Mineral Resource Estimate.

METALLURGICAL TESTWORK

As the gold can be found in two different types of rocks, two gold-bearing composite samples were examined by SGS Mineral Services: a Komatiite composite, containing an assay grade of 7.78 grams of gold per tonne and an intrusive composite, containing an assay grade of 4.59 grams of gold per tonne. After 48 hours, gold recoveries ranged from 94% to 97% for both composites. Finer grinding typically increased the gold recovery at the cost of higher cyanide consumption.

Gravity separation testing on the Komatiite composite showed a 27.3% Gravity Recoverable Gold ("GRG"). Gravity separation testing on the Intrusive composite showed a 41.4% GRG. The combination of gravity recovery and cyanidation of the gravity tail did increase the overall gold recovery by 1-3%. This demonstrates that this concept would be beneficial from a plant design and financial perspective.

Bond ball mill testing indicated that the two composites fell in the medium range of hardness compared to the SGS database (12.0-14.1 kWh/t).

AGREEMENT WITH AURIZON MINES LTD.:

Typhoon Exploration Inc. signed an option agreement with Aurizon Mines Ltd., for the development of its Fayolle gold property (100%-owned by Typhoon), located in the heart of Abitibi's mining projects. Pursuant to the Agreement, Aurizon has the option to acquire up to a 65% interest in the Fayolle Project by incurring total expenditures of (CAD) \$25 M and by subscribing for common shares of the Corporation for gross proceeds of (CAD) \$2 M. To date, Aurizon Mines Ltd. have invested CAD\$9,003,825 in exploration expenditures and have subscribed to 3 private placements of CAD\$500,000 each, totaling CAD\$1,500,000.

ABOUT TYPHOON EXPLORATION INC.

- Typhoon Exploration Inc. holds only 24,101,235 shares outstanding.
- The Fayolle Property offers the company the potential to host important gold resources.

THE COMPANY OWNS THE FOLLOWING PROJECTS:

- Fayolle Project, 100%-owned by Typhoon Exploration Inc. / Rouyn-Noranda region
(See agreement with Aurizon Mines Ltd. in press release dated May 18, 2010)
- Faille 1 Project, 100%-owned by Typhoon Exploration Inc. / Rouyn-Noranda region
- Monexco Project, 100%-owned by Typhoon Exploration Inc. / Chibougamau region, in the heart of Plan Nord territory
- Nordair Project, 100%-owned by Typhoon Exploration Inc. / James Bay region, in the heart of Plan Nord territory
- Aiguebelle-Goldfields Project, 51%-owned by Typhoon and 49%-owned by Agnico-Eagle Mines Limited / Rouyn-Noranda region
- Destorbelle Project, 50%-owned by Typhoon and 50%-owned by Diamond Frank Exploration Inc. / Rouyn-Noranda region

For more information, visit SEDAR's website at www.sedar.com or the company's website at www.typhoonexploration.com

QUALIFIED PERSON

Mr. Daniel Gaudreault, P. Eng., Geol. (OIQ No. 39834), of Géologica Groupe-Conseil, is the Qualified Person as defined by NI 43-101, to supervise the preparation of this press release.

The Independent and Qualified Persons for the PEA, as such terms are defined by NI 43-101, are Sylvie Poirier, Eng. (OIQ 112196), Alain Tremblay, Eng. (OIQ107489) and Alain Carrier, M.SC., P.Geo. (OGQ no.281) of InnovExplo Inc. and Denis Isabel FEC, PhD, Eng. (OIQ no. 36006) of SNC-Lavalin Inc. (chapter 20, “Environmental Studies, Permitting and Social or Community Impact”).

The common shares of Typhoon Exploration Inc. are listed on the TSX Venture Exchange under the symbol “TYP”.

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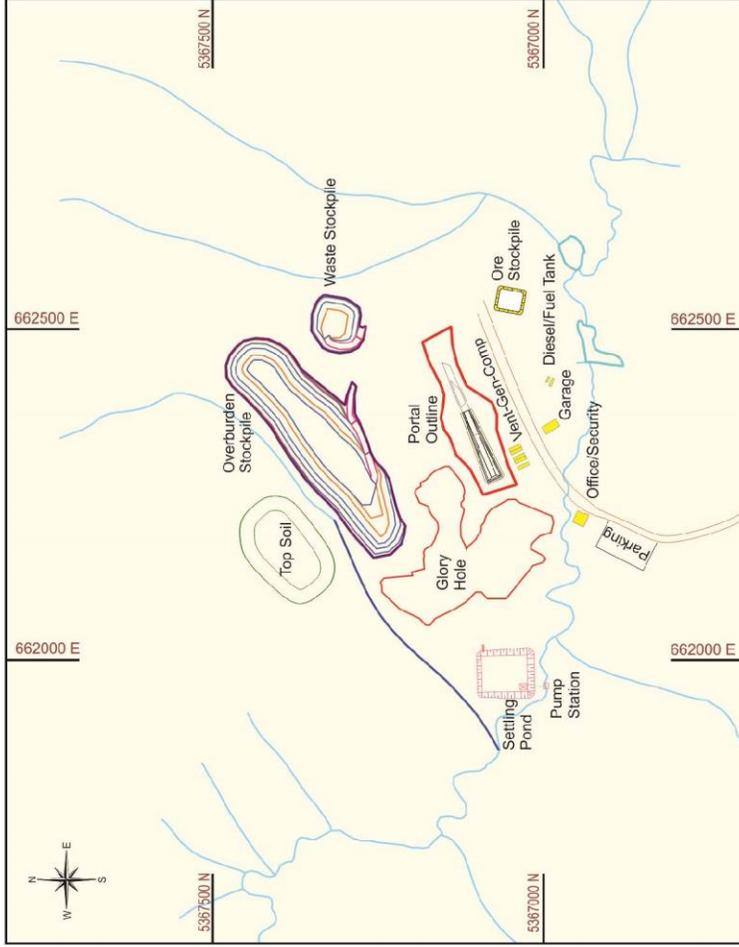
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Forward-Looking Statements

This news release contains statements that constitute “forward-looking information” or “forward-looking statements” within the meaning of applicable securities legislation. This forward-looking information is subject to numerous risks and uncertainties, certain of which are beyond the control of Typhoon. Actual results or achievements may differ materially from those expressed in, or implied by, this forward-looking information. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that Typhoon will derive therefrom. Forward-looking information is based on the estimates and opinions of Typhoon at the time the information is released and Typhoon does not undertake any obligation to update publicly or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. Neither 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.

Fayolle Project

Underground



Open Pit

