



BEARCLAW OPTIONS AXE PROPERTY

Vancouver, B.C. - April 9, 2012: Bearclaw Capital Corp. (TSX-V: BRL) (the “Company”) is pleased to announce that it has entered into an option agreement with Xstrata Copper Canada (a division of Xstrata Canada Corporation) (“Xstrata”) and Weststar Resources Corp. dated March 21, 2012 (the “Option Agreement”). The Company and Weststar are parties to a joint venture (the “Axe JV”) in which they hold the beneficial interest in 25 mineral claims located in British Columbia, Canada, known as the Axe Property, with the Company holding a 30% interest and Weststar holding a 70% interest (the “Participating Interest”).

The Axe Property consists of 25 mineral claims (4,983 hectares), located in the Similkameen Mining division, 20 Km north of Princeton, British Columbia. The property is an advanced stage project with known porphyry copper mineralization, which has been the subject of numerous drill programs since the 1960’s. Under the terms of the option agreement, the Company and Weststar have agreed to grant Xstrata an option to earn a 51% interest in the Axe Property (“the Option”).

Acquisition of 51% Interest

Pursuant to the agreement, from the date of the execution (the “Commencement Date”) of the Option Agreement and continuing until the earlier of: (i) four years from the Commencement Date; (ii) the exercise of the Option; or (iii) the termination of the Option Agreement (the “Earn-In Period”), the Company and Weststar intend to grant Xstrata the sole and exclusive right to carry out exploration activities on and evaluate the Axe Property for minerals and to grant Xstrata the Option.

In order to exercise the Option, during the Earn-In Period, Xstrata must incur CDN\$3,000,000 of expenditures in exploration activities on the Axe Property by the end of the Earn-In Period.

In order to maintain the Option during the earn-In Period, Xstrata must pay to the Company and Weststar (collectively, in proportion to their Participating Interest in the Axe Property):

- (a) CDN \$25,000 on the Commencement Date;
- (b) CDN\$25,000 on the first anniversary of the Commencement Date;
- (c) CDN\$30,000 on the second anniversary of the Commencement Date;
- (d) CDN\$40,000 on the third anniversary of the Commencement Date;
- (e) CDN\$60,000 on the fourth anniversary of the Commencement Date.



If Xstrata exercises the Option, a Joint Venture will be formed between Xstrata, the Company and Weststar with respect to the Axe Property as evidenced by a formal joint venture agreement with Xstrata as the initial operator holding a 51% Participating Interest and the Company and Weststar a 14.7% and 34.3% Participating Interest respectively.

Upon exercise of the Option, Xstrata will have the option to acquire an additional 24% undivided interest in the Axe Property (increasing its interest to 75%, absent other adjustments) by either completing a feasibility study on the Axe Property or incurring no less than CDN\$15,000,000 in feasibility study expenditures on the Axe Property and providing the Company and Weststar with evidence of such expenditures. In the event Xstrata exercises the second option and acquires an undivided 75% interest in the Axe Property, then the Company will have a 7.5% and Weststar a 17.5% Participating Interest in the Axe Property respectively.

Under the Option Agreement, the Company and Weststar have also granted Xstrata a right of first refusal (“ROFR”) over any direct or indirect sale or transfer by the company and/or Weststar of any of their respective interest in the Axe Property, which ROFR will terminate at the end of the Earn-In Period if Xstrata has not exercised the Option.

On behalf of the Board

Scott M. Ross, President and Chief Executive Officer
Bearclaw Capital Corp.

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