

RNC Minerals Announces Beta Hunt Drilling Update, 2nd High Grade Gold Intersection At Western Flanks

2018 Gold Mined Production Increased by 99% to 73,801 Ounces

- **Further confirmation of Lunnon Sediment potential to generate high grade coarse gold. Key intersections (estimated true width):**
 - **Second high-grade intersection at Western Flanks – 395.9 g/t over 4.75 m (including 2,210 g/t over 0.85 m) in hole WFN-063 (hole located 8 metres from previously released hole WFN-029 containing 7,621 g/t over 0.22 m)**
 - **High grade intersection at north end of A Zone – 468 g/t over 0.21 m in hole AZ13-156**
- **New results from Western Flanks drilling confirms broad zones of mineralization, and significant gold intersections outside and to the north of the existing resource. Key intersections (estimated true width):**
 - **WFN-065 – 3.07 g/t over 39.13 m (including 5.24 g/t over 7.05 m and 4.49 g/t over 10.09 m)**
 - **WFN-058 – 3.13 g/t over 16.86 m (including 11.66 g/t over 2.67 m) and 3.03 g/t over 18.89 m (including 4.75 g/t over 4.61 m)**
 - **WFN-045 – 4.17 g/t over 19.14 m (including 8.92 g/t over 3.58 m) and 4.63 g/t over 7.61 m**
- **Improving grades and thicknesses in A Zone. Key intersections (estimated true width):**
 - **AZ13-156 – 6.02 g/t over 6.20 m (separate from high grade sediment intersection reported above)**
 - **AZ15- 034 – 7.84 g/t over 5.63 m including 66.90 g/t over 0.38 m**

TORONTO, Feb. 25, 2019 /CNW/ - RNC Minerals (TSX: RNX) (RNC) is pleased to announce ongoing underground drill results and fourth quarter production results from its 100% owned Beta Hunt Mine. To date, 168 holes have been completed under this drilling campaign, totaling 16,669 metres. Since RNC's January 22 release, assay results have been received for an additional 29 holes, totaling 2,765 metres. The latest drill results at A Zone target both the sediment layer in close proximity to the Father's Day Vein discovery and the southern extension of the resource above the sediment layer. At Western Flanks, drilling continued to define the northern extension of mineralization outside the existing resource, while also tracing the sediment layer. In addition to results presented to date, 93 holes totaling 8,139 metres have been drilled for which results are pending.

Mark Selby, President and CEO of RNC, commented "The ongoing drill program continues to be successful, delivering on multiple objectives as we work to unlock the tremendous exploration potential at Beta Hunt. The 2,210 g/t intersection within 8 metres of our previously announced record intersection in Western Flanks is further confirmation of the potential of the intersection between the mineralized shears and the property-wide Lunnon sediment layer for further high grade coarse gold discoveries. Drilling in the A Zone continues to extend the resource, with multiple intersections exceeding 4 g/t, including two intersections in excess of 6 g/t and 5.5 metres at the margins of the existing resource. At Western Flanks, multiple wide intersections highlight the scale potential of this shear while containing significant 4 to 6 g/t intervals. We will continue to provide regular updates as this 40,000 metre exploration program advances."

Drilling in Western Flanks

A total of 53 holes totaling 5,870 metres have now been completed at Western Flanks. Drilling is aimed at extending and upgrading the existing resource, with focus around the interpreted position of the sediment layer which has the potential to host high grade coarse gold intersections. Since RNC's January 22 news release, assay results have been received for a further 7 holes totaling 895 metres. Drilling has again highlighted the coarse gold-sediment association with drill hole WFN-063 yielding an intersection of 2,210 g/t over 0.85 metres (within 395.9 g/t over 4.75 metres) (true width) hosted by quartz-veined pyritic sediment located within 8 metres of the previously released drill intersection in WFN-029, 7,621 g/t over 0.28 metres (Figure 2). This result reinforces RNC's theory that the newly discovered sedimentary layer carries the potential for multiple, new, high grade discoveries.

Additionally, thick drill intersections in the Western Flanks (including: 3.07g/t over 39.13 metres (including 5.24 g/t over 7.05 metres

and 4.49 g/t over 10.09 metres) in hole WFN-065, 3.13 g/t over 16.86 metres (including 11.66 g/t over 2.67 metres) and 3.03 g/t over 18.89 metres (including 4.75 g/t over 4.61 metres) in hole WFN-058, and 4.17 g/t over 19.14 metres (including 8.92 g/t over 3.58 metres) and 4.63 g/t over 7.61 metres in hole WFN-045) illustrate the nature of the Western Flanks as a thick, variably mineralized shear zone. These intersections all lie to the north of and outside of the existing Western Flanks resource and provide strong potential for significant additions to the resource.

Figure 2 – Western Flanks Long Section looking East showing current drilling pierce points and selected intersections of the Western Flanks shear from current drill results. Note: The Western Flanks Shear is, in part, made up of multiple lodes over a width of approximately 50m. All intersections are reported as estimated true widths.

Drilling in A Zone

A total of 115 holes for 10,800 metres have now been drilled along the A Zone shear. Drilling has infilled around the Father's Day Vein and the northern limit and southern limits of the A Zone (see Figure 3).

Since RNC's January 22 news release, assay results have been received for a further 22 holes totaling 1,870 metres. The bulk of drilling to date has been focused around the Father's Day Vein to more clearly understand the geology in this heavily mineralized section of the mine. These results continue to support strong mineralization along strike of the Father's Day Vein, such as 7.84 g/t over 5.63 metres in AZ15-034 including 66.9 g/t over 0.38 metres. This result occurs 90 metres south of the previously reported hole AZ15-013, which returned 1,406 g/t over 0.50 metres true width and is located just 7 metres below the Father's Day Vein.

Drilling is now focused on extending and upgrading the northern and southern margins of the existing resource. Limited results received to date, such as 60.48 g/t over 1.69 metres in AZ15-156 including 468g/t over 0.21 metres associated with the Lunnon sediment in the hanging wall lode, as well as 6.02 g/t over 6.20 metres in the main A Zone lode, provide confidence that the existing resource will be upgraded as further results are received.

Going Forward

Future drilling in the current 40,000 metre program will increasingly focus on infilling and extending resources in A Zone and Western Flanks to support an updated resource expected to be produced by the end of the second quarter. Once the resource drilling is completed in the second quarter, the remaining drilling will test several exploration targets, including the Fletcher Trend.

Table 1: Significant drill results since January 22nd, 2019

Please refer to the following link for the full summary table of significant drill results from A Zone and Western Flanks received since January 22nd, 2019: [Beta Hunt Table 1](#)

Table 2: Location and status of holes drilled in the current campaign beginning October 10, 2018.

Please refer to the following link for the full summary table of the hole location and status of holes drilled in the current campaign beginning October 10, 2018: [Beta Hunt Table 2](#)

2018 Gold Production

Production from the Beta Hunt Mine totaled 73,801 mined gold ounces for the full-year 2018, at an average grade of 4.48 g/t, increases of 99% and 106%, respectively over 2017 results. For the fourth quarter of 2018, mined gold ounces were 15,341, an increase of 21% versus the fourth quarter of 2017. The production table below (Table 1) breaks out production of high grade coarse gold and total gold production.

Mark Selby, President and CEO of RNC, commented, "Record 2018 gold production reflects the tremendous impact from the Father's Day Vein discovery and high-grade coarse gold production. Production in the fourth quarter was in line with our expectations with the previously announced suspension of bulk mining production at Beta Hunt (see RNC news release dated November 28, 2019), as we continue to focus on the exploration program. Production guidance will not be provided until the resource update is completed and a decision to fully restart bulk production is made."

Table 3: Beta Hunt Mine December 31, 2018 Production Results

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Beta Hunt Gold Operation¹	Q4 2017	Q4 2018	2017	2018
Gold tonnes mined (000s)	160	65	531	512
Gold mined grade (g/t Au) ^{3,4}	2.47	7.28	2.17	4.48
Gold mined - coarse gold / specimens (ounces)	-	9,500	-	31,139
Gold mined (ounces)	-	5,841	-	42,662
Total gold mined (ounces) ^{2,3,4}	12,722	15,341	37,027	73,801
Gold tonnes milled (000s)	158	72	507	493
Gold mill grade (g/t Au)	2.39	9.42	2.16	4.22
Gold Recovery (%)	90%	95%	91%	93%
Gold milled (ounces)	12,128	21,574	35,307	66,918
Gold sales (ounces) ¹	12,896	19,512	33,578	62,806

1 Note: numbers may not add due to rounding

2 The difference in gold sales ounces and gold mined ounces is due to timing differences in receipt of gold sales depending on completion date of tolling campaigns

3 Final grades are determined once mined material has been processed

4 As of December 31, 2018, 64.8 kt of gold mineralization remained on the ROM pad for tolling

Compliance Statement (JORC 2012 and NI 43-101)

The disclosure of scientific and technical information contained in this news release has been approved by Alger St-Jean, Vice-President, Exploration of RNC, a Qualified Person under NI 43-101.

The technical information in this news release relating to drilling results at the Beta Hunt Mine is based on information reviewed by Steve Devlin, who is a Member of the Australian Institute of Mining and Metallurgy. Mr. Devlin is a full time employee of Salt Lake Mining Pty Ltd, a 100% owned subsidiary of RNC, and has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Drill core sampling was conducted by Beta Hunt personnel. Samples are shipped to SGS Mineral Services of Kalgoorlie for preparation and assaying by 50 gram fire assay analytical method. First sample of each sample submission incorporates a barren rock sample as a flush to clean the lab crusher and pulveriser and as a check for contamination. Analytical accuracy and precision are monitored by the analysis of insertion of additional blank material and certified standards. The lab is also required to undertake a minimum of 1 in 20 wet screens on pulverised samples to ensure a minimum 90% passing at -75µm.

About RNC Minerals

RNC has a 100% interest in the producing Beta Hunt gold mine located in Western Australia where a significant high grade gold discovery - "Father's Day Vein" - was recently made. RNC is currently completing a 40,000 metre drill program, the results of which will be incorporated into an updated NI 43-101 compliant Mineral Resource Estimate and mine plan targeted for Q2 2019. Beta Hunt gold resource potential is underpinned by multiple gold shears with gold intersections across a 4km strike length which remain open in multiple directions adjacent to an existing 5km ramp network. RNC also has a 28% interest in a nickel joint venture that owns the Dumont Nickel-Cobalt Project located in the Abitibi region of Quebec which contains the second largest nickel reserve and eighth largest cobalt reserve in the world. RNC owns a 35% interest in Orford Mining Corporation, a mineral explorer focused on highly prospective and underexplored areas of Northern Quebec. RNC has a strong management team and Board with over 100 years of

mining experience. RNC's common shares trade on the TSX under the symbol RNX. RNC shares also trade on the OTCQX market under the symbol RNKLF.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of RNC, production guidance and the potential of the Beta Hunt Mine.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of RNC to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; results of exploration programs; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash operating costs, failure to obtain regulatory or shareholder approvals. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to RNC's filings with Canadian securities regulators, including the most recent Annual Information Form, available on SEDAR at www.sedar.com.

Although RNC has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and RNC disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

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For further information: Rob Buchanan, Director, Investor Relations, T: (416) 363-0649, www.rncminerals.com

Additional assets available online:  [Photos \(3\)](#)  [Documents \(2\)](#)

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