

## RNC Minerals Announces \$18 Million Bought Deal Financing

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TORONTO, Aug. 26, 2019 /CNW/ - RNC Minerals (TSX: RNX) ("RNC" or the "Company") is pleased to announce that it has entered into an agreement with Haywood Securities Inc. ("Haywood") as lead underwriter and sole bookrunner, on its own behalf and on behalf of a syndicate of underwriters (together with Haywood, the "Underwriters"), pursuant to which the Underwriters have agreed to purchase, on a "bought deal" basis, 45,000,000 common shares of the Company (the "Common Shares"), at a price of \$0.40 per Common Share (the "Issue Price"), for gross proceeds to the Company of \$18,000,000 (the "Offering").

The Company has granted the Underwriters an over-allotment option, exercisable at the Issue Price for a period of 30 days following the closing of the Offering, to purchase up to an additional 6,750,000 Common Shares (representing 15% of the Common Shares offered pursuant to the Offering) to cover over-allotments, if any, or for market stabilization purposes.

The net proceeds received by the Company from the Offering will be used for the continued ramp up of production at Beta Hunt and integration with the Higginsville Gold Operations, and for working capital and general corporate purposes.

The Common Shares under the Offering will be offered by way of short form prospectus in each of the provinces of Canada, including Québec, pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions*. The Common Shares will not be offered or sold in the United States except under Rule 144A or Regulation D or in such other manner as to not require registration under the United States Securities Act of 1933, as amended.

The Offering is scheduled to close on or about September 19, 2019 and is subject to certain conditions including, but not limited to, receipt of all regulatory approvals, including the approval of the Toronto Stock Exchange and the applicable securities regulatory authorities.

The securities offered in the Offering have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor will there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

### **About RNC**

RNC is currently focused on the integration of its Beta Hunt Gold Mine with its recently acquired Higginsville Gold Operation ("HGO") in Western Australia. A significant high-grade gold discovery - "Father's Day Vein" - was made in September 2018 at Beta Hunt. The significant Beta Hunt gold resource potential is underpinned by multiple gold shears with gold intersections across a 4 km strike length which remain open in multiple directions adjacent to an existing 5 km ramp network. RNC has a 100% interest in HGO, which is comprised of a low cost 1.4 Mtpa gold mill and a substantial portfolio of gold tenements. In addition, RNC owns 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 ninth largest cobalt reserve in the world. RNC also owns a 24% 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, Higginsville Gold Operation and Dumont Nickel – Cobalt Project. As noted, RNC anticipates providing guidance in the coming weeks. RNC cautions readers not to annualize July production unless and until supported by such guidance.*

*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](http://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.*

*The decision to produce at the Beta Hunt Mine was not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, which include increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on RNC's cash flow and future profitability. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions. An updated mineral resource estimate is summarized in the "Technical Report on The Beta Hunt Mine, Kambalda, Western Australia" dated August 12, 2019. It is further cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability.*

*A production decision at the Higginsville gold operations was made by previous operators of the mine, prior to the completion of the acquisition of the Higginsville gold operations by RNC and RNC made a decision to continue production subsequent to the acquisition. This decision by RNC to continue production and, to the knowledge of RNC, the prior production decision were not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, which include increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on RNC's cash flow and future profitability. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.*

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