

RNC Minerals Announces August Gold Production Of 8,104 Ounces And Update To Bought Deal Financing

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TORONTO, Sept. 6, 2019 /CNW/ - RNC Minerals (TSX: RNX) ("RNC" or the "Company") is pleased to announce gold production for the month of August 2019 of 8,104 ounces. Paul Andre Huet, Chairman & CEO, commented: "August gold production of 8,104 ounces is further evidence of a strong start to the second half of the year, with total July-August production of 15,977 ounces. Material processed during August was comprised of Beta Hunt mined material, mined material from the Baloo Stage I open pit and run of mine stockpiles."

In addition, further to its press release dated August 26, 2019, announcing an \$18,000,000 bought deal financing (the "Offering"), the Company has agreed with Haywood Securities Inc., as lead underwriter on behalf of a syndicate of underwriters (collectively, the "Underwriters"), to amend the terms of the Offering.

Under the amended terms of the Offering, the Underwriters have agreed to purchase 45,000,000 units of the Company (the "Units") at a price of \$0.40 per Unit, for gross proceeds to the Company of \$18,000,000. Each Unit will consist of one common share in the capital of the Company (a "Common Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant shall be exercisable to acquire one Common Share (a "Warrant Share") at a price per Warrant Share of \$0.50 for a period of 24 months from the closing date of the Offering. The Company and the Underwriters have also agreed to reduce the cash commission payable by the Company from 6.0% to 4.5% of the gross proceeds from 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 Units (representing 15% of the Units 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 Units 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 Units 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 20, 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 completion of the Offering, the use of proceeds of the Offering and the potential of the Beta Hunt Mine, Higginsville Gold Operation and Dumont Nickel – Cobalt Project. RNC cautions readers not to annualize monthly production unless and until supported by guidance from the Company.

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.

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