

## **Pala Investments Makes US\$4 Million Investment Into RNC Minerals**

TORONTO, Sept. 19, 2017 /CNW/ - RNC Minerals (TSX: RNX) ("RNC") has entered into a US\$4 million 18-month Convertible Term Debt Facility (the "Facility") with Pala Investments Limited ("Pala").

Mark Selby, President and CEO, commented, "I am pleased to have this investment by Pala, one of the world's leading mining private equity groups and an investment leader in the battery materials sector. This investment highlights the position of the Dumont Nickel Project as one of the world's largest resources of both nickel and cobalt, two key components of the batteries used in the growing electric vehicle market. Dumont is the only fully permitted, shovel ready, large scale nickel and cobalt project located in a low-risk political jurisdiction that could deliver significant volumes of both metals to market this decade."

Stephen Gill, Pala Investments Managing Partner, commented: "we are pleased to provide funding to RNC as they move towards positive project cash generation. We look forward to working with RNC as part of their broader nickel development and consolidation strategy, including providing strategic and financial support where appropriate."

The unsecured Facility will bear interest at a rate of 15% per annum payable at the end of the 18-month term. Pala will have the right to convert the debt into RNC shares at a price of C\$0.2537 per share (a 25% premium to the RNC share price over a 20-day VWAP), along with certain other conversion rights. As part of the transaction, RNC issued five million warrants to Pala, exercisable for three years at C\$0.25 per share.

Proceeds of the Facility will be used for general RNC corporate purposes and to fund the on-going ramp-up of the RNC Beta Hunt gold mine.

### **About the Dumont Nickel Project**

The Dumont Nickel Project is one of the world's largest undeveloped, permitted and shovel-ready nickel and cobalt sulphide deposits. When in production, Dumont is expected to rank as the fifth-largest nickel sulphide operation in the world by annual production and the largest cobalt mine in North America. It contains the third largest nickel reserve in the world and one of the largest cobalt reserves outside of Africa.

### **About RNC**

RNC is a multi-asset mineral resource company focused primarily on the acquisition, exploration, evaluation and development of base metal and precious metal properties. RNC's principal assets are the producing Beta Hunt gold and nickel mine in Western Australia, a 50% interest in the nickel joint venture with Waterton that holds the Dumont Nickel Project in the Abitibi region of Quebec, and a 30% stake in the producing Reed Mine in the Flin Flon-Snow Lake region of Manitoba, Canada. RNC also owns a majority interest in the West Raglan and Qiqavik projects in Northern Quebec. RNC has a strong management team and Board with over 100 years of mining experience at Inco and Falconbridge. RNC's common shares trade on the TSX under the symbol RNX. RNC shares also trade on the OTCQX market under the symbol RNKLF.

### **About Pala**

Pala is a multi-strategy investment company focused on the mining and metals value chain with a strong track record of successful investments and value creation. Pala's team has extensive experience within the sector and seeks to assist companies in which it has long-term shareholdings by providing strategic advice and innovative solutions in development, production, expansion and turnaround situations. Pala also pursues a range of liquid investment strategies. Pala invests across all geographies and in all mining commodities as well as mining services and consumables. For more information, visit [www.pala.com](http://www.pala.com).

### **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 and Reed mines.*

*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; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash 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 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.*

SOURCE RNC Minerals

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