RNC Announces Withdrawal Of US$12 Million From Dumont Joint Venture

TORONTO, June 18, 2018 /CNW/ - RNC Minerals (TSX: RNX) ("RNC") announces that in lieu of the previously announced debt extension and equity raise (see RNC news releases dated May 31, 2018), RNC is withdrawingUS$12 million of its capital from the Dumont joint venture (the "Dumont JV") formed in April 2017 with Waterton Precious Metals Fund II Cayman, LP and Waterton Mining Parallel Fund Onshore Master, LP (collectively, "Waterton").

Mark Selby, President and CEO of RNC, commented, "This cash withdrawal avoids significant equity dilution at current price levels and allows a significant reduction in RNC's debt with the elimination of the majority of its debt payments in 2018. With the improved visibility from the Beta Hunt sale process, we believe that the value of the debt extension announced on May 31, 2018 has been reduced. RNC continues to focus its strategic efforts on the advancement of the Dumont Nickel-Cobalt Project, which contains the world's largest undeveloped reserves of both cobalt and nickel."

RNC will retain US$4 million of cash in the Dumont JV, which will be more than sufficient to cover its share of the expenditures that are planned to advance Dumont towards a construction decision. With the improved visibility on a sale of Beta Hunt reinforced by RNC's receipt of multiple non-binding indicative offers, the benefit associated with the prior-announced debt extension has been reduced as RNC expects that this debt will be repaid out of the proceeds of sale (or assumed by a Beta Hunt purchaser as part of the total consideration for the asset). This cash withdrawal and the planned sale of Beta Hunt would eliminate a significant portion of RNC's debt and fund the majority of the company's debt repayments due in 2018. RNC will also not be proceeding with the purchase of the Beta Hunt nickel royalty that was announced on May 31, 2018.

RNC currently owns 50% of the Dumont JV, which in turn holds the Dumont Nickel-Cobalt Project. In order to obtain the withdrawal of these funds, RNC has agreed remove the Dumont project conversion cap under the US$10 million convertible note entered into by RNC and Waterton in June 2017. As a result, if these conversion rights are exercised by Waterton for additional units of the Dumont JV, RNC's interest would be diluted to approximately 28% (as compared to 40% under the prior terms of the convertible debenture, assuming that Waterton converted the full US$10 million in principal and RNC repaidUS$5.5 million of the convertible note in cash). If RNC were diluted to approximately 28% of the Dumont JV, RNC would retain its right to act as manager of the Dumont JV, but would no longer hold veto rights on certain fundamental joint venture matters or the ability to trigger certain exit rights included in the current joint venture arrangements.

About RNC Minerals

RNC is a multi-asset mineral resource company with a portfolio of nickel, cobalt, and gold production and exploration properties. RNC has a 50% interest in a nickel joint venture with Waterton 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 (the largest undeveloped nickel and cobalt reserves in the world). RNC has a 100% interest in the producing Beta Hunt gold and nickel mine located in Western Australia and a 42% interest in Orford Mining Corporation, a mineral explorer focused on highly prospective and underexplored areas of Northern Quebec and the Carolina Gold Belt inthe United States. RNC also has a 29% stake in the producing Reed Mine in Manitoba. 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.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information," including without limitation statements relating to the the withdrawal of capital from the Dumont JV, the liquidity and capital resources of RNC, production guidance and the sale of the Beta Hunt Mine as well as the potential of the Dumont development project.

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: failure of the parties to sign definitive agreements and satisfy conditions of closing; 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.

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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