

Beta Hunt Mine Gold Head Grade Increases For Sixth Consecutive Quarter

Achieved mined and milled grades > 3 g/t target

TORONTO, July 31, 2018 /CNW/ - RNC Minerals Corporation (**"RNC"**) (TSX: RNX) announces that its Beta Hunt Mine produced a total of 13,320 mined gold ounces in Q2 2018, a 60% increase versus the corresponding quarter in 2017. The mine has seen improvements in grade in the second quarter of this year, with the commencement of production from the Western Flanks Central and AWF 14 Level stopes. The mined grade for the quarter improved to 3.14 g/t, including specimen gold mining on 15 level which contributed 1,445 ounces of production for the quarter from recently discovered structures at the contact between the upper and lower horizons of the Lunnon basalt. The mining plan, using small scale gold mining in specimen gold areas (Air Leg/Jack Leg), will continue into Q3.

Mark Selby, President and CEO of RNC, commented, "The second quarter saw continued improvements in mined and milled grades at Beta Hunt in excess of our 3g/t target for the first time. Current tolls continue to perform well. These improvements in grade are largely a function of mining higher grade stopes in deeper sections of A Zone, Western Flanks and Western Flanks East. The discovery of specimen grade material at the Upper/Lower Basalt contact provides potential for much larger volumes of specimen grade material than at the nickel/gold contact where they had previously been mined. We continue to make good process in the final phase of the sale process for Beta Hunt towards the closing and completion of a transaction which we expect will occur in August 2018."

112 kt of material was milled at an average grade of 3.24 g/t to produce 11.8 koz of gold, a 41% improvement from first quarter production. Milling grades were significantly higher as higher grade mined material and specimen grade material was processed, partially offset by lower than expected milling volumes due to the timing of tolling schedules. A significant portion of the back log of mined material was processed during July and the balance of excess inventory will be processed during the remainder of the third quarter. During June, 34 kt of material was processed at a head grade of 4.64 g/t for 4,939 ounces contained, which includes 1,445 oz recovered from 15 level.

132 kt of material was mined at Beta Hunt at an average grade of 3.14 g/t to produce 13.3 koz during the second quarter, a 3% decrease versus the first quarter. Mined production was lower than in the first quarter due to a combination of a focus on mining the very high grade specimen gold in certain areas of the mine and the delays in completing financing for the mine in May and June which led to production constraints.

Table 1: Beta Hunt Mine Q2 2018 Production Results

Beta Hunt Gold and Nickel Operation ¹	Q2 2018	Q1 2018	YTD Q2 2018	2018 Q1 to 2018 Q2 % Change
Gold tonnes mined (000s)	132	169	301	-22%
Gold mined grade (g/t) ^{3,4}	3.14	2.54	2.81	24%
Gold mined (ounces) ^{2,3,4}	13,320	13,780	27,100	-3%
Gold tonnes milled (000s)	112	110	222	0%
Gold mill grade (g/t)	3.24	2.36	2.83	37%
Gold Recovery (%)	91	92	92	0%
Gold milled (ounces)	11,844	8,372	20,216	41%
Gold sales (ounces) ¹	11,508	7,978	19,486	44%
Nickel tonnes mined (000s)	8.3	7.8	16.1	6%
Nickel tonnes milled (000s)	8.3	8.7	17.0	-5%
Nickel mill grade, nickel (%)	2.55	1.89	2.21	35%
Nickel in concentrate tonnes (000s)	0.19	0.14	0.32	36%

Note that production numbers are preliminary estimates and final grades and ounces can only be determined once mined material has been processed. With delays in tolling at the end of the quarter, 126.5kt of gold mineralization, or just over 95% of material mined during quarter, remained in inventory and had not yet been processed.

- Note: numbers may not add due to rounding.
- 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.
- Final grades are determined once mined material has been processed.
- As of June 30, 2018, 126.5 kt of gold mineralization from Q1 & Q2 2018 production remained on the ROM pad for tolling in the

- subsequent quarter, compared to 105.5 kt of gold as of March 31, 2018.
Due to large amount of Q1 & Q2 production remaining in inventory and not tolled at the end of the quarter due to weather and milling disruptions, the mined tonnes and grade have not been fully reconciled at this point in time
- 5.

Technical Disclosure

The disclosure of scientific and technical information contained in this news release has been approved by Kevin Small, Director, Mining Operations of RNC with respect to mining results and by Johnna Muinonen, Vice President, Operations of RNC with respect to milling results, both Qualified Persons under NI 43-101.

About Royal Nickel Corporation

RNC is a multi-asset mineral resource company with a portfolio of nickel, cobalt, and gold production and exploration properties. RNC has a 28% 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 reserve and second largest undeveloped cobalt reserve in the world). RNC has a 100% interest in the producing Beta Hunt gold and nickel mine located in Western Australia and a 36% interest in Orford Mining Corporation, a mineral explorer focused on highly prospective and underexplored areas of Northern Quebec and the Carolina Gold Belt in the United States. RNC also has a 27% 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 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.

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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