

RNC Minerals Exercises Purchase Option To Acquire Higginsville Mill And Mining Operations

TORONTO, May 13, 2019 /CNW/ - RNC Minerals (TSX: RNX) (**RNC**) is pleased to announce that it has exercised the previously-announced (see RNC news release dated March 26, 2019) purchase option to acquire the Higginsville Gold Operation (**HGO**) from Westgold Resources Limited ("**Westgold**"). On closing, RNC will pay Westgold A\$25 million in cash and A\$21 million in RNC shares (satisfied by the issuance of 49.8 million RNC shares), for total consideration of A\$50 million (including the A\$4 million deposit previously satisfied in RNC shares). RNC expects to finance the cash component of the purchase price with cash on hand and additional non-dilutive capital. The acquisition is expected to close on or about June 10, 2019.

The acquisition of the Higginsville operations and its modern, low cost 1.3 Mtpa gold mill will provide a key piece of RNC's strategy to unlock the significant potential of its Beta Hunt gold mine. The Higginsville mill will significantly reduce milling cost for Beta Hunt (RNC expects processing cost savings in excess of C\$15 per tonne, a 35% reduction). HGO includes a 367,000 ounce reserve within a 1.2 million ounce measured & indicated gold resource, along with a further 0.7 million ounce inferred resource¹, all located on a 386 square kilometer land position in the Kalgoorlie gold region. RNC successfully tolled Beta Hunt material through the HGO mill in 2018, achieving 94% gold recovery.

Mark Selby, President and CEO of RNC, commented "With the completion of our extensive due diligence process, we look forward to completing this transaction. The combination of the Higginsville Mill and our Beta Hunt Mine will transform RNC's gold operations in Western Australia into a multi-mine operation anchored by the 1.3 Mtpa HGO Mill, the exciting high grade and resource potential at Beta Hunt, and a large land position in the Kalgoorlie gold region. Once the transaction closes, RNC will rapidly integrate Beta Hunt and HGO to begin unlocking this value for our shareholders."

About the Higginsville Gold Project

Higginsville is located 57km south of RNC's Beta Hunt Operation and 107km south of the regional mining centre of Kalgoorlie (Figure 1). The acquisition includes a 1.3Mt operating processing facility, historical JORC² Mineral Resources of 1.9Mozs and Ore Reserves of 0.37Mozs, and 386 square kilometres of tenure with gold mineralization potential (Figure 1). A qualified person has not done sufficient work on behalf of RNC to classify the historical estimate noted Tables 1 and 2 below as current mineral resources or mineral reserves and RNC is not treating the historical estimates as current mineral resources or mineral reserves. The Higginsville tenements are located along strike and close to the mining centres of Norseman and St Ives and cover over 50 kms of the highly prospective Norseman-Wiluna Greenstone belt.

¹ The information is extracted from the report entitled '2018 Annual Update of Mineral Resources & Ore Reserves' dated on October 2, 2018 and is available to view on Westgold Resources Limited's website (www.westgold.com.au) and the ASX (www.asx.com.au).

Mineral Resources are quoted inclusive of Ore Reserves. RNC confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. A qualified person has not done sufficient work on behalf of RNC to classify the historical estimate noted here and in Tables 1 and 2 as current mineral resources or mineral reserves and RNC is not treating the historical estimates as current mineral resources or mineral reserves.

² As per the 2012 JORC (Joint Ore Reserves Committee) Code.

Qualified Person

The scientific and technical information contained in this news release has been reviewed and approved by Alger St-Jean, Vice-President, Exploration of RNC, a Qualified Person under NI 43-101.

About RNC Minerals

RNC has a 100% interest in the producing Beta Hunt gold mine located in Western Australia where a significant high grade gold discovery - "Father's Day Vein" - was made. RNC is currently completing a 40,000 metre drill program, the results of which will be incorporated into an updated NI 43-101 compliant Mineral Resource Estimate targeted for Q2 2019. Beta Hunt gold resource potential is underpinned by multiple gold shears with gold intersections across a 4km strike length which remain open in multiple directions adjacent to an existing 5km ramp network. RNC also has 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 eighth largest cobalt reserve in the world. RNC owns a 33% 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 Purchase Option, production guidance and the potential of the Beta Hunt Mine and Dumont Nickel – Cobalt 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: 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 cashoperating 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.

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

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