

## RNC Minerals Announces Filing Of Technical Report For Beta Hunt Gold Resource Update

- 395% increase in global Measured & Indicated resource to 944 koz
- 195% increase in global Inferred resource to 406 koz
- Low discovery cost for Measured and Indicated resource of A\$7.30 per oz
- Beta Hunt Resource update provides solid resource base for integrated Beta Hunt-Higginsville Gold Operations (HGO)
- Resource definition and exploration focus will now shift to optimizing historical resources near Higginsville Mill

TORONTO, Aug. 13, 2019 /CNW/ - RNC Minerals (TSX: RNX) ("RNC") is pleased to announce that a technical report prepared in respect of its gold resource update for the Beta Hunt Mine, Kambalda, Western Australia ("Resource Update") has been filed under RNC's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on RNC's website at [www.rncminerals.com](http://www.rncminerals.com).

This Resource update represents a substantial increase to the mineral resource for the Beta Hunt Mine at a low discovery cost of A\$7.30/oz. The Measured and Indicated Resource of 944 koz and Inferred Resource of 406 koz includes current resources for the Western Flanks Zone (see RNC news release dated June 27, 2019) and the A Zone based on the recently completed resource definition drilling program at Beta Hunt.

"This increase in the Beta Hunt resource size is an outstanding result at a low discovery cost of A\$7.30/oz. We are aiming to convert these resources into reserves, which we expect will be completed in the fourth quarter. These reserves will support the design of an optimized mine plan and updated production profile for Beta Hunt." said Paul Andre Huet, Chairman and CEO. "The resource remains open down plunge - we expect to continue building on the resource inventory, which will place RNC in a stronger position as we move forward with a systematic review of the entire historical HGO resource inventory."

The recently completed resource definition drilling program at Beta Hunt has significantly added to the resource base of the mine by upgrading and extending the mineral resources at Western Flanks and A Zone (Table 1). A total of 16,144 metres of drilling in 135 drill holes were completed at Western Flanks during the current grade control, resource definition and exploration drilling program<sup>1</sup>. Mineralization at Western Flanks has now been defined across a 1.2 km strike length and to a depth of 150 to 250 metres below the basalt contact. At A Zone, a total of 23,233 metres of drilling in 194 drill holes were completed. Mineralization at A Zone has now been defined across a 1.8 km strike length and to a depth of 200 to 400 metres below the basalt contact.

The increase in Measured and Indicated Resource for both Zones was achieved at a discovery cost of A\$7.30 per ounce.

1. Previously reported as 16,876 metres in 144 holes. Corrected for mis-assignment of A Zone holes.

### Mineral Resource Estimate

The following table presents the current Beta Hunt Mineral Resource Estimate:

**Table 1: Beta Hunt Mine Gold Mineral Resources**

Resource <sup>1,2,3,4</sup>	Measured			Indicated			Measured & Indicated			Inferred		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Western Flanks <sup>5</sup>	447	2.8	40	7,001	3.0	670	7,448	3.0	710	2,481	3.1	250
A Zone <sup>6</sup>	254	2.7	22	2,403	2.7	212	2,657	2.7	234	1,628	3.0	156
Total	701	2.8	62	9,404	2.9	882	10,104	2.9	944	4,109	3.1	406

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
2. The Mineral Resource estimates include Inferred Mineral Resources that are normally considered too speculative geologically to have

*economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that Inferred Mineral Resources will be converted to Measured and Indicated categories through further drilling, or into Mineral Reserves once economic considerations are applied. Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding*

3. *Gold Mineral Resources are reported using a 1.6 g/t Au cut-off grade*
4. *Mineral Resources described here are based on information compiled by Paul Ellison, Senior Geologist for Salt Lake Mining Pty.Ltd. Paul Ellison is an employee of Salt Lake and is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM,).*
5. *Mineral Resource Estimate as of 26 June 2019.*
6. *Mineral Resource Estimate as of 9 August 2019*

The gold Mineral Resources for the Western Flanks Zone and A Zone increased significantly compared to the prior gold Mineral Resource estimate of December 31, 2017 as a result of infill and exploration diamond drilling completed since that date.

#### **Comparison to Previous Mineral Resource (December 2017)<sup>2</sup>**

##### **Western Flanks Mineral Resource**

- Measured and Indicated resource increased by 565 koz to 710 koz
- Inferred resource increased by 165 koz to 250 koz

##### **A Zone**

- Measured and Indicated increased by 143 koz to 234 koz
- Inferred increased by 50 koz to 156 koz
- A Zone now includes the Western Flanks East Resource previously reported separately

##### **Total**

- Measured and Indicated gold Mineral Resources increased by 705 koz to 944 koz
- Inferred gold Mineral Resource increased by 198 koz to 406 koz

#### **2. Inclusive of mine depletion**

Mineral Resources for Western Flanks and A Zone are reported at a 1.6 g/t Au cutoff. The comparisons noted above are to the previous Mineral Resource estimate reported at a 1.8 g/t Au cut-off and effective December 31, 2017 which was published by press release on April 26, 2018 and can be found on RNC's website at [www.rncminerals.com](http://www.rncminerals.com) and at [www.sedar.com](http://www.sedar.com). See below for further detail regarding the basis for, and effect of, this change.

At Western Flanks, the resource definition drill program has extended the resource by over 400 metres to the north and 50 metres down dip (Figure 2), intersecting significantly greater thicknesses of mineralization in many areas. A revised geological model for mineralization at Western Flanks based on information from recent drilling and mining has significantly enhanced the understanding of the structural controls on mineralization and has provided improved parameters for resource modeling.

At A Zone, the resource model now incorporates the previously reported Western Flanks East resource which is the southern strike extension of the A Zone.

A lower cut-off grade of 1.6g/t Au was used for reporting purposes and reflects lower milling costs that are a result of owning our own mill, lower mining costs and a higher gold price when compared to the 1.8g/t Au cut-off used for the 2017 Mineral Resource estimate.

The grade-tonnage curve shown below (Figure 4) shows the impact of varying cut-off grades for Beta Hunt. For example, using a 1.8 g/t Au cut-off as used in the 2017 Beta Hunt Resource estimate yields:

8,679 kt @ 3.1 g/t Au containing 944 koz<sup>1</sup>

Which compares to the 2017 Western Flanks Indicated resource estimate at 1.8 g/t cut-off of:

2,353 kt @ 3.2 g/t Au containing 239 koz<sup>1</sup>.

Evaluating the 2019 Mineral Resource using a higher cut-off grade of 2.7 g/t Au yields a Measured and Indicated resource of 4,310 kt @ 4.0 g/t

Au containing 557 koz<sup>1</sup> ounces which would still be three times larger on a contained gold basis than the previous 2017 Measured and Indicated resource.

*1. The reader is cautioned that these figures should not be misconstrued with a Mineral Resource Statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of a cut-off grade*

The high-grade coarse Father's Day style gold occurrences associated with the Shear Zone/Lunnon Sediment intersection horizon are not represented in the resource model due to the extreme nuggety nature of this type of bonanza mineralization. These occurrences are best considered as a potential periodic significant bonus to mine production.

On the basis of these resource estimate updates, RNC Minerals plans to complete a gold reserve estimate at Beta Hunt mine that we expect will support resumption of full-scale production at Beta Hunt in Q4 2019.

#### **Expansion Potential**

The successful definition of significant mineral resources along the Western Flanks and A Zone shear zones highlights the exploration potential of the other shears on the property including the fault offset of the mineralized shear system to the south of the Alpha Island Fault (Figure 5). Historical drilling has demonstrated that these shears contain gold mineralization. Stage 1 of the planned exploration drilling program designed to test three shear zones from underground positions was recently completed with assays pending - these will be released once final results are received and validated.

At this stage, however, following the recent acquisition of the Higginsville Gold Operations (HGO), the balance of the Beta Hunt exploration drilling program is to be deferred while exploration and resource definition activities will be focused on opportunities for short term additions to the resource base at HGO.

#### **Compliance Statement (JORC 2012 and NI 43-101)**

The Mineral Resource estimates set out in this release have been prepared using accepted industry practice and classified in accordance with the JORC Code, 2012 Edition by Paul Ellison, MAusIMM, under the supervision of Stephen Devlin, FAusIMM. Both are employees of Salt Lake Mining Pty. Ltd (SLM), a 100% owned subsidiary of RNC Minerals.

Mr. Ellison is a Senior Geologist for SLM and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition.

Mr. Devlin is Vice President Exploration and Growth for SLM and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code, 2012 Edition and fulfils the requirements to be a "Qualified Person" for the purposes of NI 43-101.

Mr. Devlin has reviewed and approved the disclosure of the technical information included in this news release.

The "JORC Code" means the Australasian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia. There are no material differences between the definitions of Mineral Resources under the applicable definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM Definition Standards") and the corresponding equivalent definitions in the JORC Code for Mineral Resources.

Drill core sampling was conducted by SLM personnel. Samples are shipped to SGS Mineral Services of Kalgoorlie for preparation and assaying by 50 gram fire assay analytical method. All diamond drilling samples submitted for assay will include at least one blank and one Certified Reference Material ("CRM") per batch, however small the batch of drillhole samples, plus one CRM or blank every 20 samples. In samples with observed visible gold mineralization, a coarse blank is inserted after the visible gold mineralization to serve as both a coarse flush to prevent contamination of subsequent samples and a test for gold smearing from one sample to the next which may have resulted from inadequate cleaning of the crusher and pulveriser. The lab is also required to undertake a minimum of 1 in 20 wet screens on pulverised samples to ensure a minimum 90% passing at -75µm. Where problems have been identified in QAQC checks, SLM personnel and the SGS laboratory staff have actively pursued and corrected the issues as standard procedure.

#### **About RNC**

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. 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 the Higginsville

Gold Operation in Western Australia, which is comprised of a low cost 1.3 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 mineral resource estimates and the potential of the Beta Hunt Mine and Higginsville Gold Operations.*

*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](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.*

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

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