TSX : RNX

RNC MINERALS

RNC

# Focused on Value Creation

April 3, 2019

# Disclaimer

**Cautionary Statements Concerning Forward-Looking Statements**

This presentation provides certain financial measures that do not have a standardized meaning prescribed by IFRS. Readers are cautioned to review the stated footnotes regarding use of non-IFRS measures.

This presentation contains "forward-looking information" including without limitation statements relating to the guidance for production; costs of sales, C1 cash costs, all-in sustaining costs and capital expenditures, and relating to the potential of the Beta Hunt Mine.

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 presentation 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.

**Cautionary Statement Regarding the Beta Hunt Mine**

The decision by SLM to produce at the Beta Hunt Mine was not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on SLM's cash flow and future profitability. It is further cautioned that the PEA is preliminary in nature and includes inferred resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. No mining feasibility study has been completed on Beta Hunt. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that the PEA will be realized.

**Cautionary Note to U.S. Readers Regarding Estimates of Resources**

This presentation uses the terms "measured" and "indicated" mineral resources and "inferred" mineral resources. The Company advises U.S. investors that while these terms are recognized and required by Canadian securities administrators, they are not recognized by the SEC. The estimation of "measured" and "indicated" mineral resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. The estimation of "inferred" resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. It cannot be assumed that all or any part of a "measured", "inferred" or "indicated" mineral resource will ever be upgraded to a higher category.

Under Canadian rules, estimates of "inferred mineral resources" may not form the basis of feasibility studies, pre-feasibility studies or other economic studies, except in prescribed cases, such as in a preliminary economic assessment under certain circumstances. The SEC normally only permits issuers to report mineralization that does not constitute "reserves" as in-place tonnage and grade without reference to unit measures. Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that any part or all of a "measured", "indicated" or "inferred" mineral resource exists or is economically or legally mineable. Information concerning descriptions of mineralization and resources contained herein may not be comparable to information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

# RNC – Focused on Value Creation

**Western Australia**

**Beta Hunt Mine (100%)**
**Gold Producer**

- Prolific Kalgoorlie/Kambalda region of Western Australia, over 85 million ounces of historic production
- Producing gold mine with recent high grade Father's Day Vein discovery - potential for high grade coarse gold across all shear zones
- Massive gold exploration potential – gold intersections over 4 km strike, remains open in all directions
- 5km ramp infrastructure in place adjacent to gold structures (and just 150 metres above high grade coarse gold potential)
- 40,000 metre drill program underway, end Q2 resource update

**Quebec, Canada**

**Dumont Nickel-Cobalt**
**Project (28%)**

- 2nd largest nickel reserve in the world, 5th largest nickel sulphide discovery ever
- 9th largest cobalt reserve (2nd largest undeveloped cobalt reserve)
- Shovel ready, all permitting complete – feasibility update Q2/19
- RNC - Waterton (RNC 28%) JV to advance Dumont, grow nickel business

# Corporate Overview

RNX LISTED ON TMX Toronto Stock Exchange

RNC

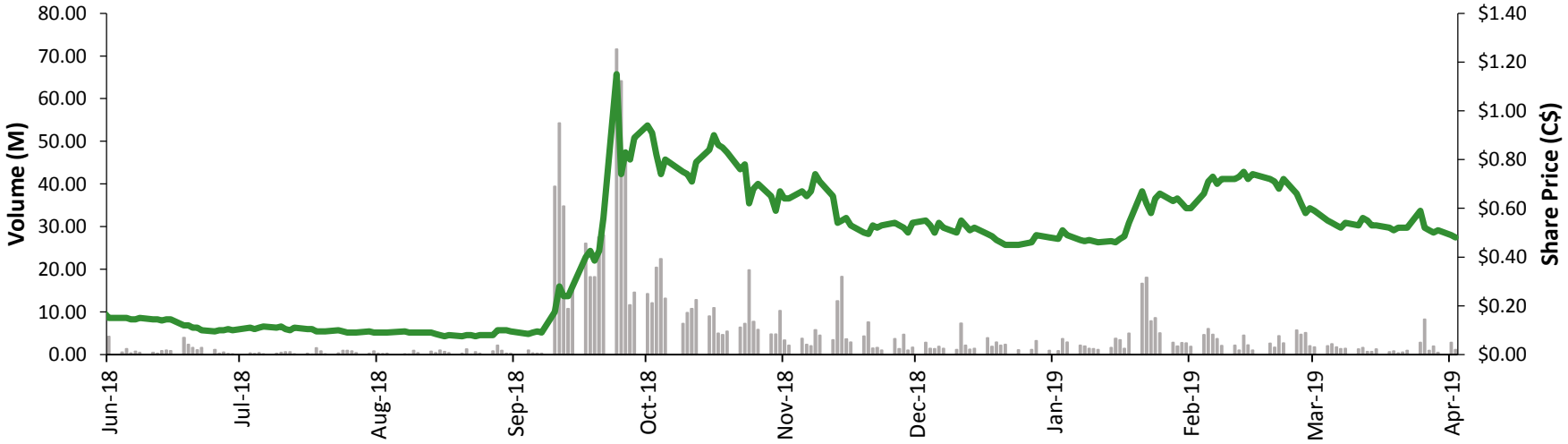
## Share Structure[1]:

| | |
|---|---|
| **Basic Shares Outstanding[1]:** | **475.8 million** |
| Options *(ave. exercise price: C$0.36)* | 35.0 million |
| Warrants *(exercise price: C$0.46)* | 0.9 million |
| Deferred/Restricted Share Units | 4.2 million |
| Contingent Shares | 7.0 million |
| **Fully Diluted Shares Outstanding:** | **522.9 million** |
| **Directors and Officers Share Ownership:** | **~3%** |
| **Eric Sprott** | **~10%** |

**Balance Sheet Highlights:**

- **Market Capitalization[1]: C$242 million**
- **Cash and Cash Equivalents[2]: C$5.2 million**

## Share Price:




1. Shares outstanding, fully diluted shares outstanding, shareholdings and market capitalization as at March 29, 2019
2. Cash and cash equivalents as at December 31, 2018, plus value of gold specimens held for sale at contained gold value (without premium which RNC expects to realize); $12 million bought deal financing announced on March 26, 2019 and scheduled to close on April 18, 2019.

# Highly Experienced Management Team

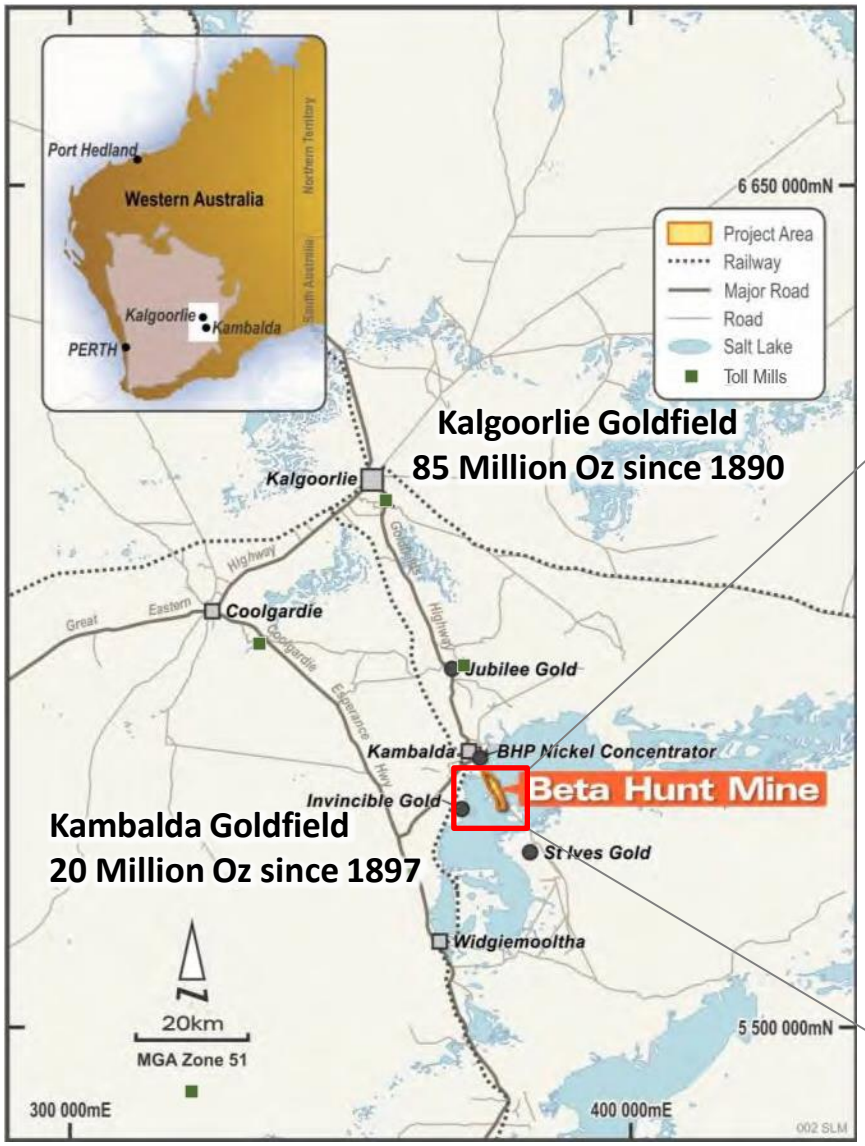
## DIRECTORS

| | |
|---|---|
| **PAUL HUET** | Former President, CEO and Director of Klondex Mines |
| **SCOTT M. HAND** | Former Chairman & CEO of Inco Limited |
| **WARWICK MORLEY-JEPSON** | Former Executive Vice President of Kinross Gold Corporation. |
| **PETER GOUDIE** | Former Executive Vice President, Marketing at Vale Inco and Inco Limited |
| **WENDY KEI** | Accomplished financial executive with over 25 years of experience; serves on the boards of Ontario Power Generation and Guyana Goldfields |

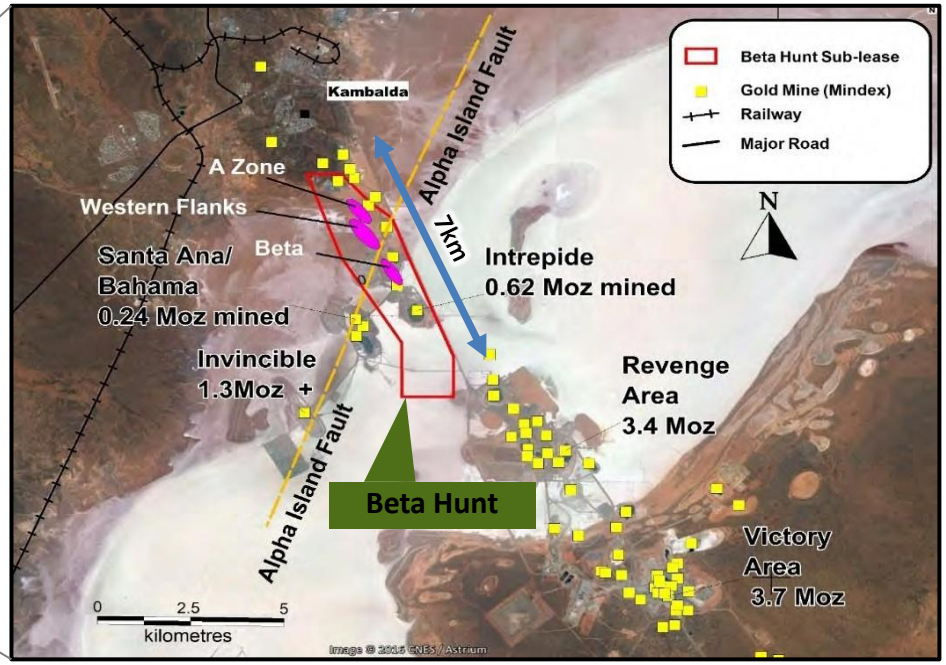
## MANAGEMENT

| | |
|---|---|
| **MARK SELBY**<br>*President & CEO* | Over 20 years mining industry experience and has been President and CEO of RNC since February 2014<br>Former VP, Strategy at Inco limited and Vice President, Business Planning at Quadra |
| **TIM HOLLAAR**<br>*Chief Financial Officer* | Over 20 years experience in mining industry finance positions<br>Has served in senior finance and marketing positions with several nickel companies |
| **JOHN LEDDY**<br>*Vice President, Business Development & General Counsel* | 20 years' experience as a business lawyer and in private equity, specializing in M&A, capital raising/ structuring and other strategic transactions<br>Former Partner in Business Law Group (M&A) at Osler, a leading Canadian corporate law firm |
| **JOHNNA MUINONEN**<br>*Vice President, Nickel* | Strong technical and operating mineral processing background; 9 years at Vale Inco/Inco Limited Including the project management group at Vale Inco as project leader for Vale ultramafic project |
| **ALGER ST-JEAN**<br>*Vice President, Exploration* | 15 years in the mining industry, primarily focused on nickel<br>Former Senior Geologist with Xstrata Nickel (formerly Falconbridge) |
| **KEVIN SMALL**<br>*Vice President, Project Development* | 26 years experience in underground mine operations in precious and base metals<br>Successful record in mine management including at Inco, Kirkland Lake Gold and St. Andrews Goldfields |
| **CHRISTIAN BROUSSEAU**<br>*Project Director* | 20 years of engineering and construction experience in the canadian mining industry<br>Held senior project roles at Detour Gold, Osisko and Falconbridge |

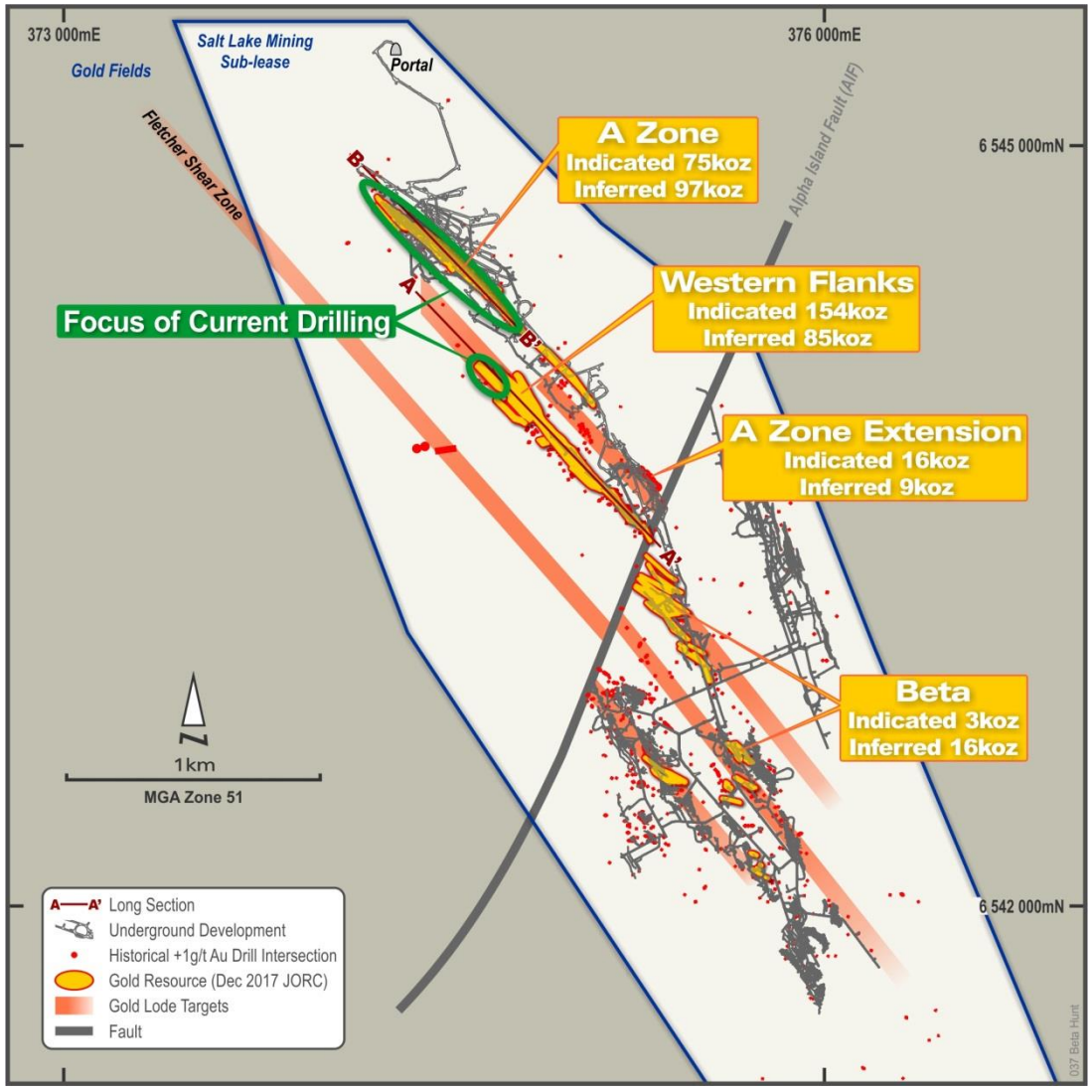
# Beta Hunt Mine:
# Located in a Well-Endowed Gold Region




- 600km east of Perth, Western Australia
- Kalgoorlie goldfield – 85 Moz since 1890
- Kambalda goldfield – 20 Moz since 1897
- Only operating underground mine in the Kambalda Dome and Lunnon Basalts
- 7 km of prime gold exploration ground



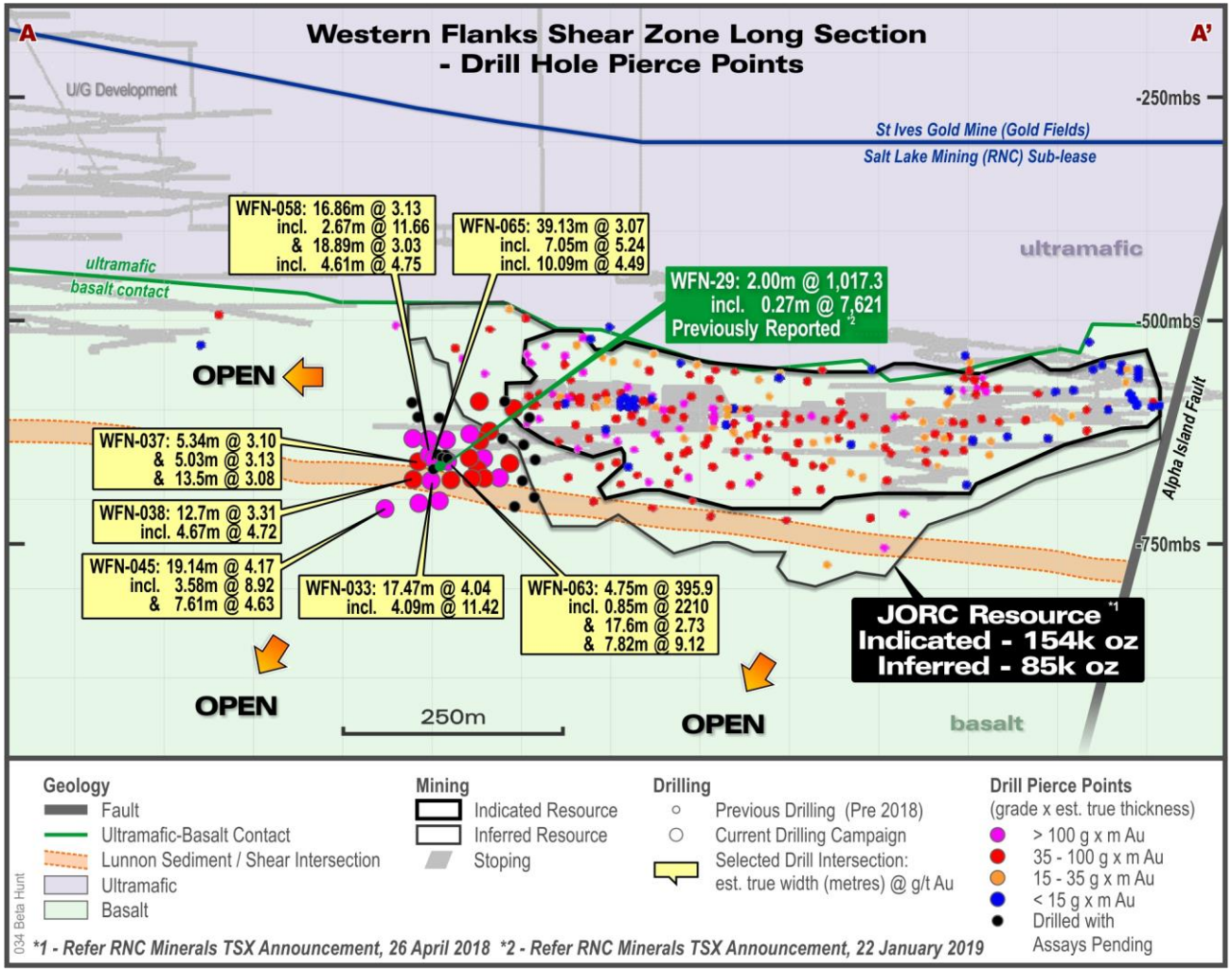
# Beta Hunt Mine:
# 40,000 Metre Drill Program Underway




**Plan View of Beta Hunt Sub-lease showing focus of recent drill campaign and location of A Zone and Western Flanks long sections**

- 4 shears – open at depth and along strike. Historic gold intersections for 4+ km
  - Only two with gold resources, open in all directions
  - Other two largely untested
- New sedimentary layer creates bonanza grade gold across all 4 shears across entire strike length
- Mineralized shears continue to deliver broad zones of mineralization, and significant gold mineralization outside the current resource

# Beta Hunt Mine:
# 40,000 Metre Drill Program Underway

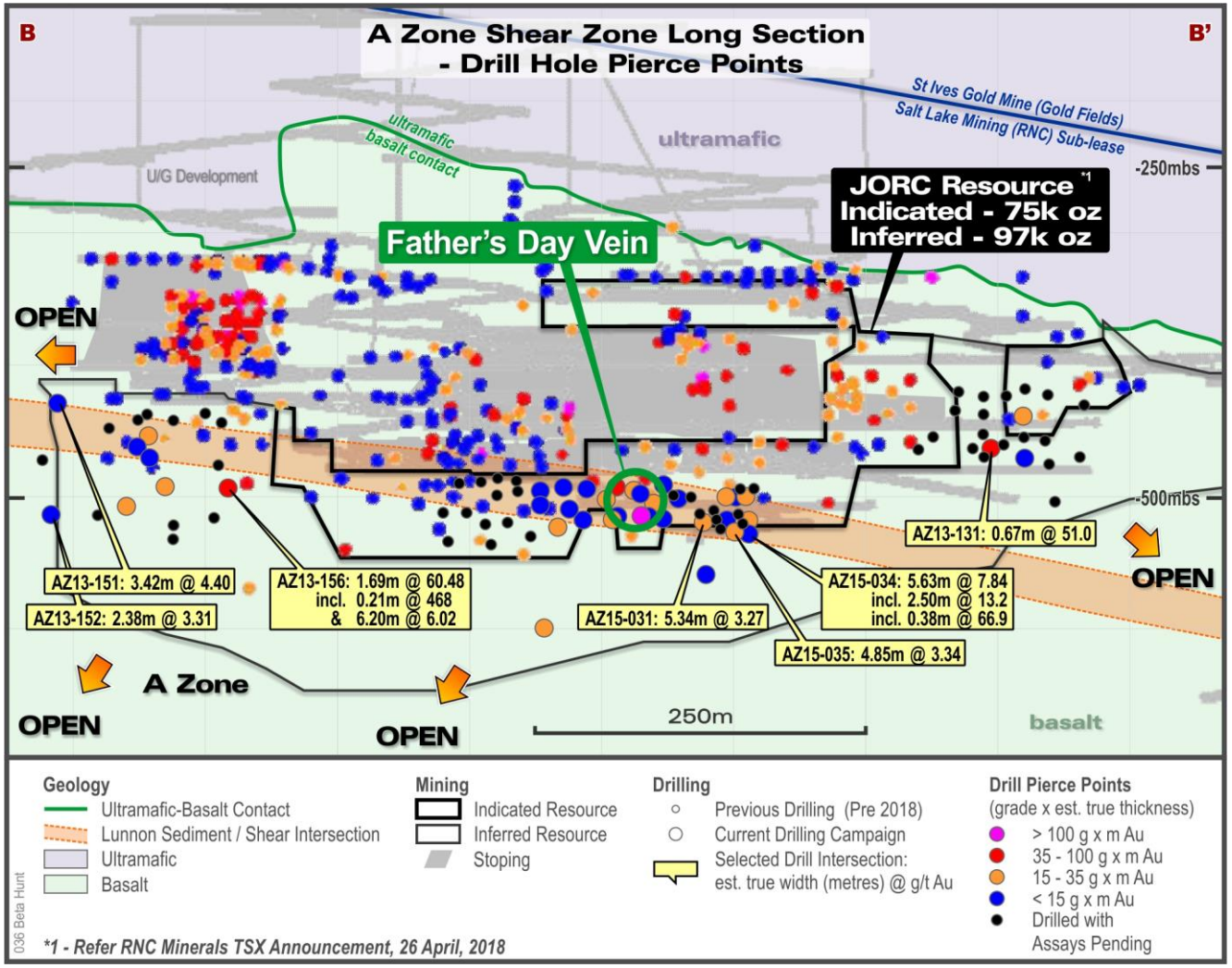



At Western Flanks the intersection between the mineralized shears and the property-wide Lunnon sediment layer further confirms potential for high grade coarse gold discoveries.

- 1,017 g/t over 2.00 metres (true width), **including 7,621 g/t over 0.27 metres (true width) in hole WFN-029**
- 395.9 g/t over 4.75 metres (true width), **including 2,210 g/t over 0.85 metres in hole WFN-063 (8 metres away from hole WFN-029)**

Drilling to date has extended resource over 150 m to the north at good grades and thicknesses

# Beta Hunt Mine:
# 40,000 Metre Drill Program Underway

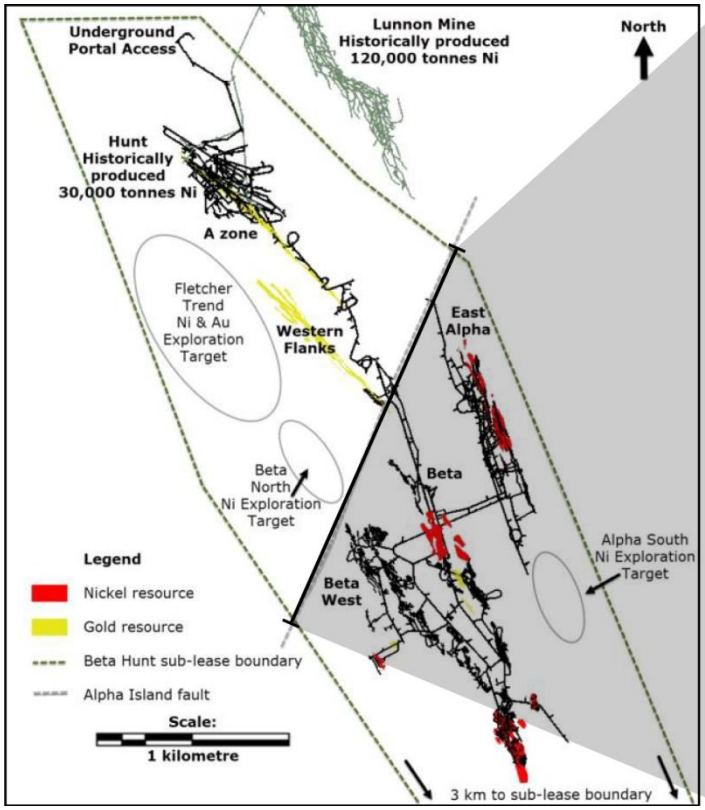


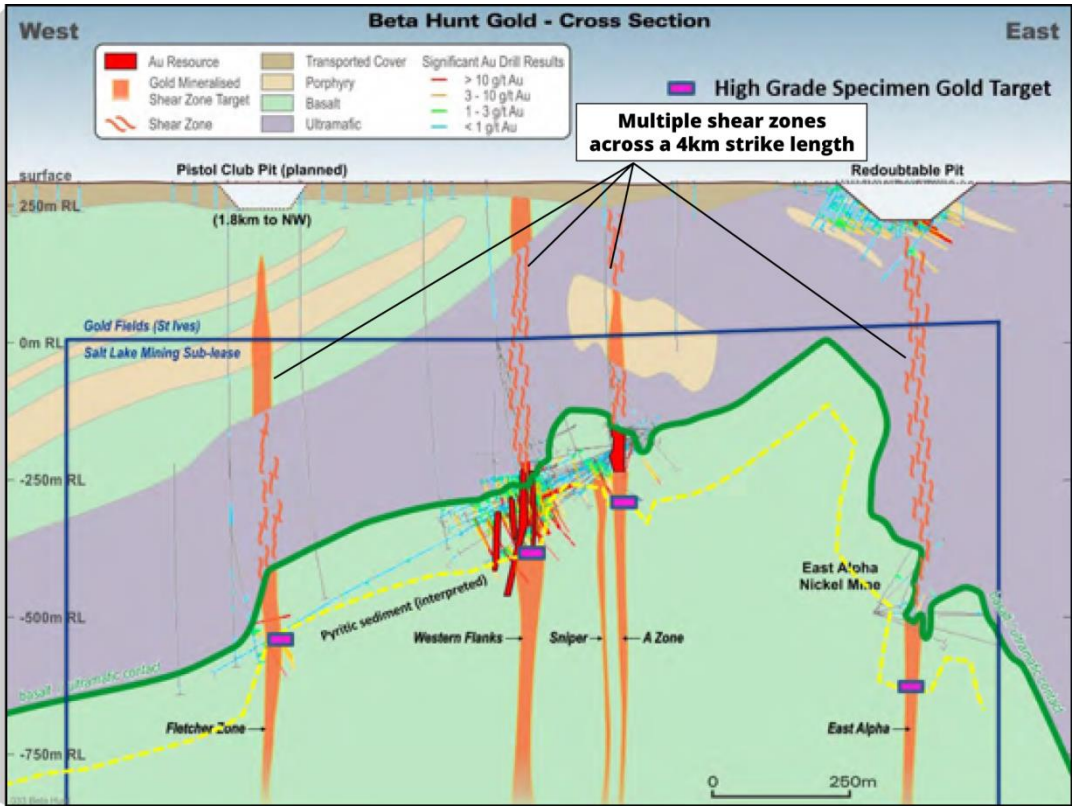

A Zone drilling targeting sediment layer and shear near Father's Day Vein intersected: press release again

- 119 g/t over 6.4 metres (true width), **including 1,406 g/t over 0.50 metres (true width) in hole AZ15-013 located just 7 metres below Father's Day Vein**
- 60.48 g/t over 1.69 metres (true width), **including 468 g/t over 0.21 m in hole AZ13-156**

# Beta Hunt Mine: Existing Ramp Infrastructure Provides Foundation for Future Growth Potential

- Significant infrastructure in place 5+ km under ground ramp system
- Over $100 million invested in mid-2000s to extend ramp system into East Alpha and Beta West area
- Significant potential for resource expansions at relatively low cost and in close proximity to mine infrastructure provide foundation for future growth

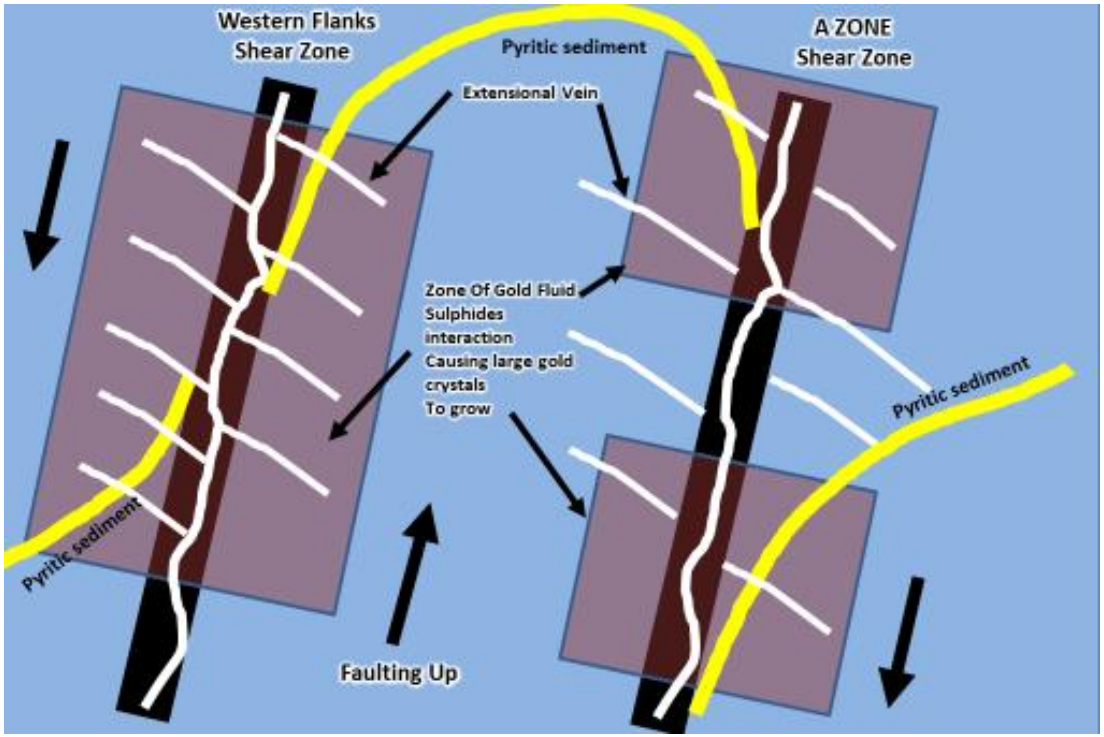


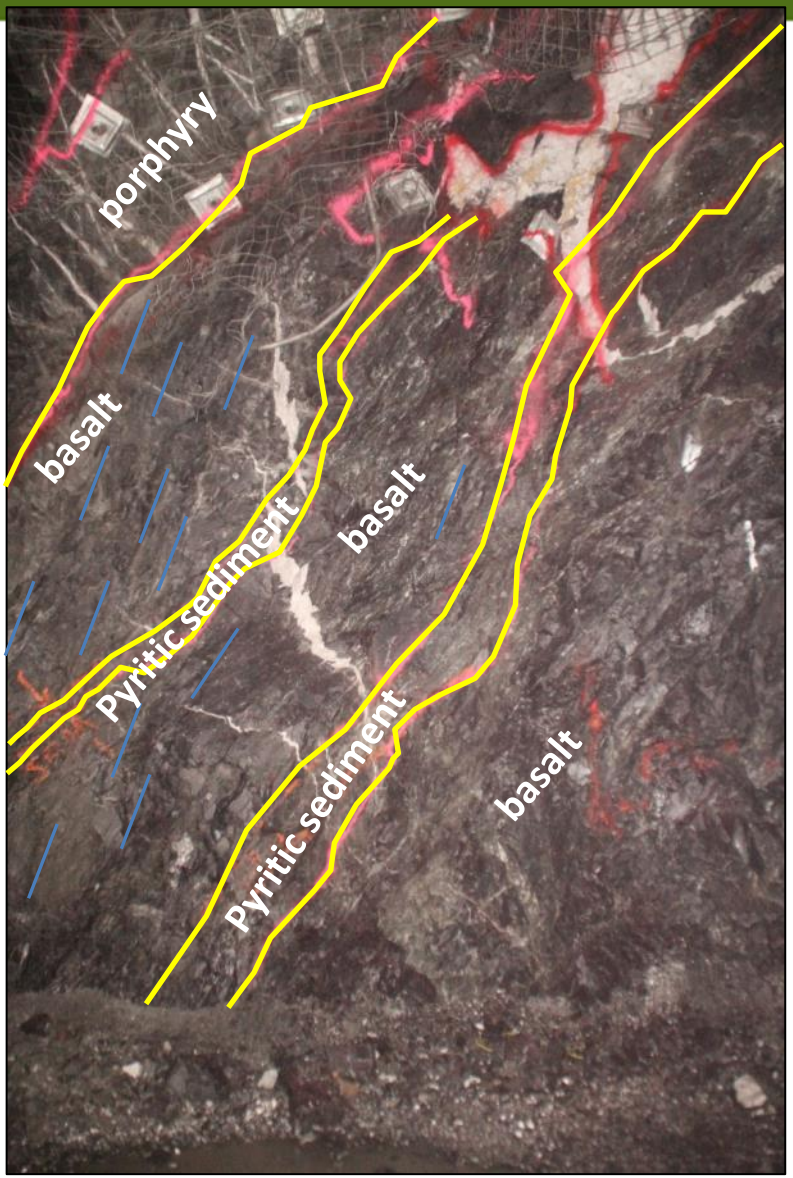
# Beta Hunt: Upper/Lower Lunnon Basalt Pyritic Sediment Layer Interaction with Gold Shears

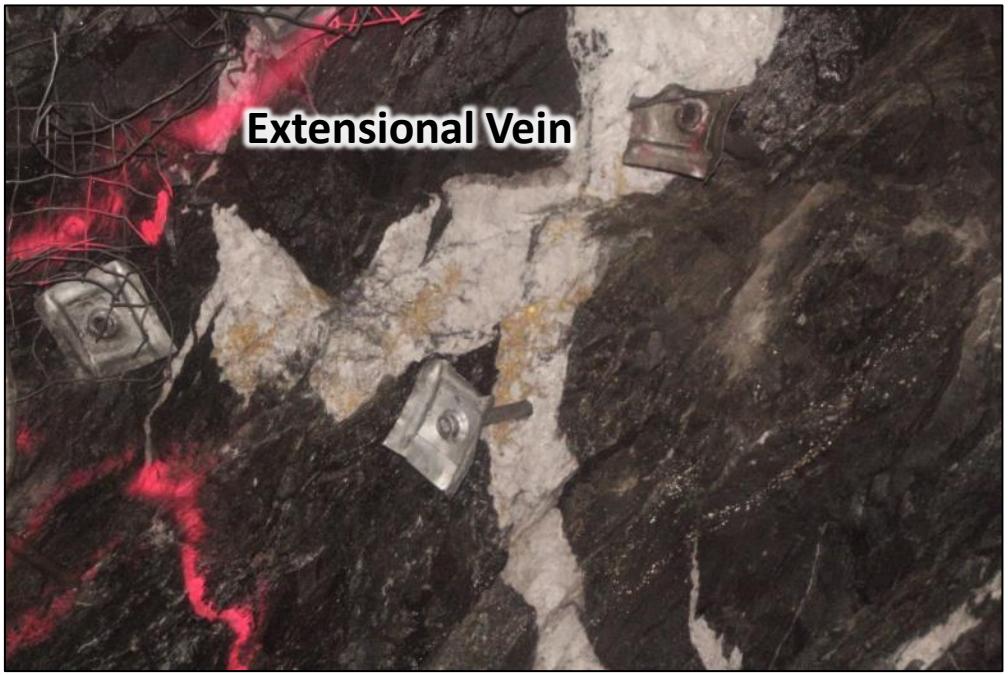
**A preliminary model to understand these high grade gold structures at the Beta Hunt Mine has been developed and will be further refined as additional exploration and development continues**

**Preliminary Simplified Structural model, showing Pyritic Sediments interface with A Zone & Western Flanks**



# Father's Day Vein – 15 Level – Intersection



# Site Management Interpretation of Sediment Structures Led to This High Grade Coarse Gold Discovery

**The massive potential of these high grades structures has been unlocked by the team at site over the past year leading to the "Father's Day Vein" discovery and subsequent successful drill testing on 2nd shear**

| | Sept 2017 | June/Jul 2018 | July/Aug 2018 | Sept/Oct 2018 | Jan 2019 | Feb 2019 |
|---|---|---|---|---|---|---|
| **High Grade Gold & Location** | Specimen Gold Intersected with Pyritic Sediments on A Zone (14Level) (**740** ounces) | Production mining in same location (A Zone-14Level) Significant coarse gold (**1,500** ounces) | A Zone 15 Level Jumbo & Air Leg Development intercepted Pyritic Sediments (**177** ounces) | Air Leg Cut taken off Jumbo drive to expose the Footwall contact **Father's Day Vein Discovery** (**27-30,000** ozs) | First drilling of sediments in Western Flanks intersect high grade coarse gold (**7,621 g/t over 0.28m)** | Next drilling in intersects additional high grade coarse gold in A Zone, Western Flanks **(2,210 g/t over 0.85m)** |
| **Site Reaction** | Geology/ Operations rethinking the deposition model of high grade coarse Gold* | First proof of interpretation high grade coarse gold is related to pyritic/ porphyry/ dilation zone | Further confirmation of interpretation | Awe-inspiring discovery | Successful replication of model to 2nd larger shear (Western Flanks) | Further confirmation on 2nd shear (Western Flanks) |

"Fluid Wall Rock Interaction in an Archean Hydrothermal Gold Deposit: A Thermodynamic Model for the Hunt Mine, Kambalda-Fiona Neall, G. Neil Phillips" Economic Geology-1987

# Exceptional Exploration Results
# First Bonanza Grade Gold at Western Flanks Sediment Layer

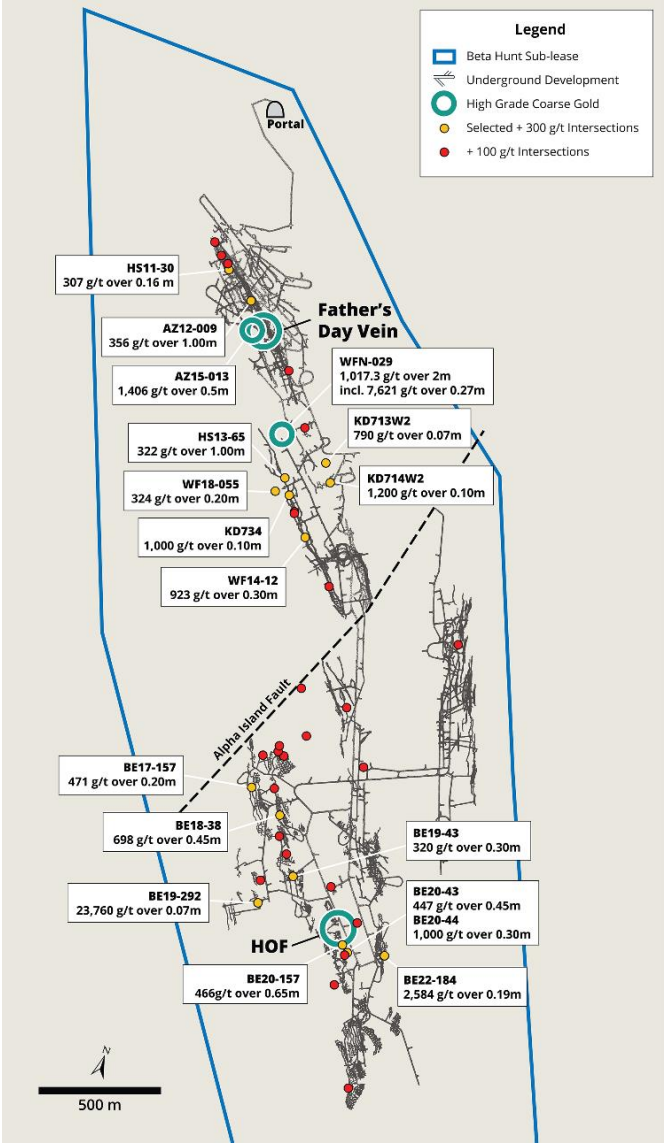
## High Grade Historical Highlights (100+g/t) and New Bonanza Grade Intersections

### Historic Drilling – Selected High Grade Intersections (100+g/t) and Recent High Grade Intersections

- Hole WFN-029 intersected 1,017 g/t over 2.00 metres (true width) including 7,621 g/t over 0.27 metres (true width)

- The 7,621 g/t drill intersection in WFN-029 - highest grade drill intersection by any reporting company since 2017 - only Kirkland Lake's Fosterville Mine and Pretium Resources Brucejack Mine have yielded higher grade intersections over the past 4 years;
  *(Source: S&P Global Market Intelligence. This information is provided for comparative purposes and is not indicative of the mineralization on RNC's properties.)*

- Hole AZ15-013 returned 1,406 g/t over 0.50 metres (true width) located just 7 metres below the Father's Day Vein discovery



# Overview of Higginsville Gold Operation Purchase Option Agreement

**HGO purchase option is a significant step forward for RNC and its Beta Hunt mine in creating value for shareholders**

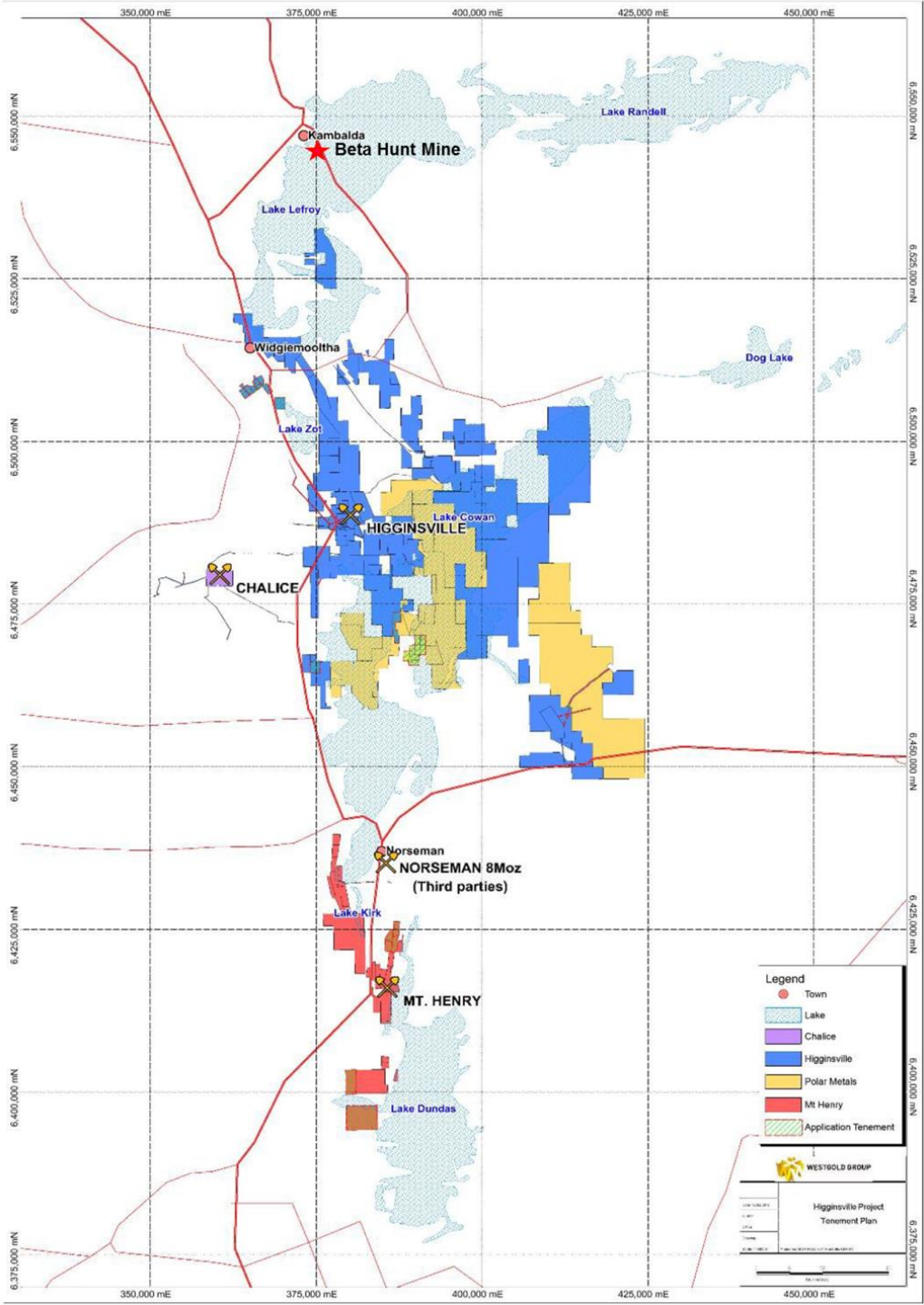
- Milling solution to unlock significant potential of Beta Hunt Mine
- Significantly lower processing costs compared to current toll milling arrangements
  - >$C15/tonne or 35% cost savings on processing costs over toll milling.
  - Comparable distance to recent toll milling locations
- Transforms RNC's Western Australia gold operations into a multi-mine operation with a large land position in the Kalgoorlie gold region
- Beta Hunt ore was successfully toll milled at Higginsville in June 2018 with a 94% recovery
- Drilling program at Beta Hunt has sufficiently advanced to allow for commencement of a limited restart of bulk mining in areas with mine development already in place
- Option structure allows RNC to assess a full range of financing options to choose most accretive solution for shareholders

# HGO Mine & Mill Operations

**A multi-mine operation anchored by 1.3 Mtpa mill with large resource base and 350+ km² land package in prolific gold region**

**According to Westgold:**

- 2019 Production estimate: 40-45 koz
- 2019 cost estimate: average AISC of US$1,000-$1,050 (A$1,400-A$1,450) per ounce
- Mining at HGO occurs primarily at the Mt Henry open pit
- Revenue generation from existing 3rd party tolling contract
- Significant exploration potential, with 200 mining titles comprising over 350 km² in the prolific gold region between Kambalda and Norseman




Source: Westgold

# Overview of Higginsville Processing Facility

- Modern low-cost 1.3 Mtpa gold processing plant, including a gravity gold recovery circuit with Knelson concentrator followed by an Acacia high intensity leach reactor
- Plant was built in 2007
- Substantial infrastructure including tailings storage facility

**HGO Mill**

# Summary of Transaction Terms

**Purchase option agreement for Westgold's Higginsville Gold Operation (HGO)**

- RNC has acquired a 40-day purchase option (the "**Purchase Option**") to acquire HGO, including all existing mining, milling, and infrastructure assets, for A$50 million (the "**Purchase Price**")
  - In exchange for the Purchase Option, RNC will make a non-refundable option payment of A$4 million payable immediately in RNC shares for an exclusive 40-day period to complete due diligence.
  - If the Purchase Option is exercised, closing would occur 30 days later. On closing, RNC would then pay a further A$21 million in RNC shares and A$25 million in cash for total consideration of A$50 million (including the A$4 million deposit satisfied in RNC shares)

# HGO Mine & Mill Operations

**The HGO assets includes several operating and previously operating underground and open pit gold mines on the property**

On October 2, 2018 Westgold published its JORC compliant Annual Update of Mineral Resources & Ore Reserves as of June 30, 2018. For HGO, the update is summarized below:

**Higginsville Gold Operations Mineral Resource Statement[1]**
(rounded for reporting)

| Category | Tonnes (000s) | Grade (g/t) | Ounces (000s) |
|---|---|---|---|
| Measured | 3,118 | 2.20 | 220 |
| Indicated | 15,991 | 1.99 | 1,022 |
| Inferred | 10,637 | 1.99 | 682 |

1. Mineral Resources reported are inclusive of those mineral Resources modified to produce the Ore reserve estimate.

**Higginsville Gold Operations Ore Reserve Statement**
(rounded for reporting)

| Category | Tonnes (000s) | Grade (g/t) | Ounces (000s) |
|---|---|---|---|
| Proven | 29 | 3.63 | 3 |
| Probable | 5,916 | 1.91 | 363 |
| Total | 5,945 | 1.92 | 367 |

Source: Westgold

# Summary of Transaction Terms

**Higginsville is a better transaction than the SKO option transaction (announced Feb 2017), which was well-received by the market at the time**

| | SKO – Jubilee | Higginsville |
|---|---|---|
| Plant Recovery | 89% | 94% |
| Mill Size (Mtpa) | 1.2 | 1.3 |
| Mill Age | 25 years | 10 years |
| Deal Value ($A) | $80M | $50M |
| Deal Value (% RNC Market Cap at announcement) | ~100% | ~20% |
| EV/tpd ($A/tpd) | $24,365 | $14,038 |

# World's Largest Undeveloped Nickel and Cobalt Reserves

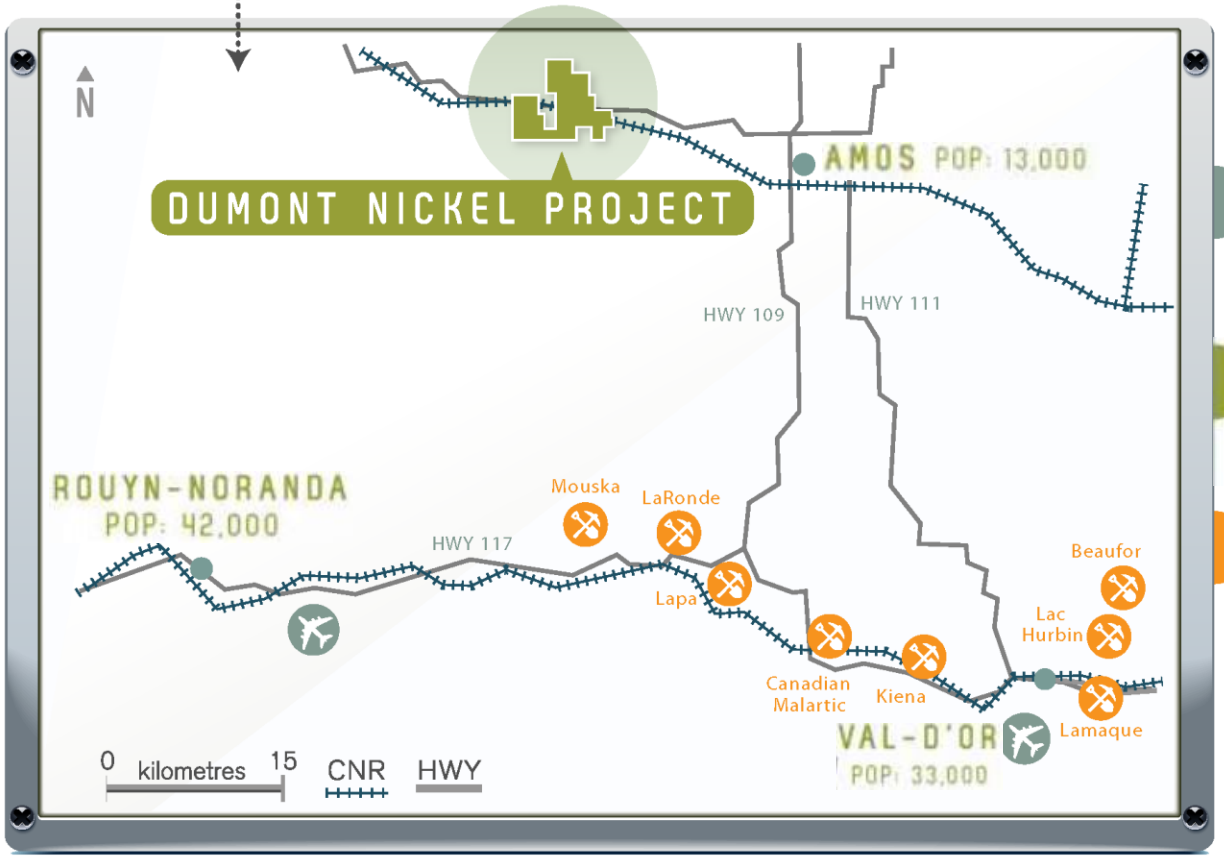
Ferro-nickel puck produced from Dumont concentrate

- 2nd largest nickel reserve in the world, 5th largest nickel sulphide discovery ever
- 9th largest cobalt reserve in the world, second largest undeveloped reserve
- Fully permitted, shovel ready with feasibility study update well underway – expected H1 2019
- RNC - Waterton (RNC 28%) JV to advance Dumont and grow nickel business
- Cobalt 27 royalty acquisition underscores that Dumont "*ranks among the top battery metals projects in the world and one of only a few nickel-cobalt projects that will be built this cycle*"[1]
- Positioned to deliver nickel and cobalt to global markets

1. Cobalt 27 news release February 22, 2018

# Dumont Nickel-Cobalt Project
# Structurally Low Cost Project in Excellent Jurisdiction

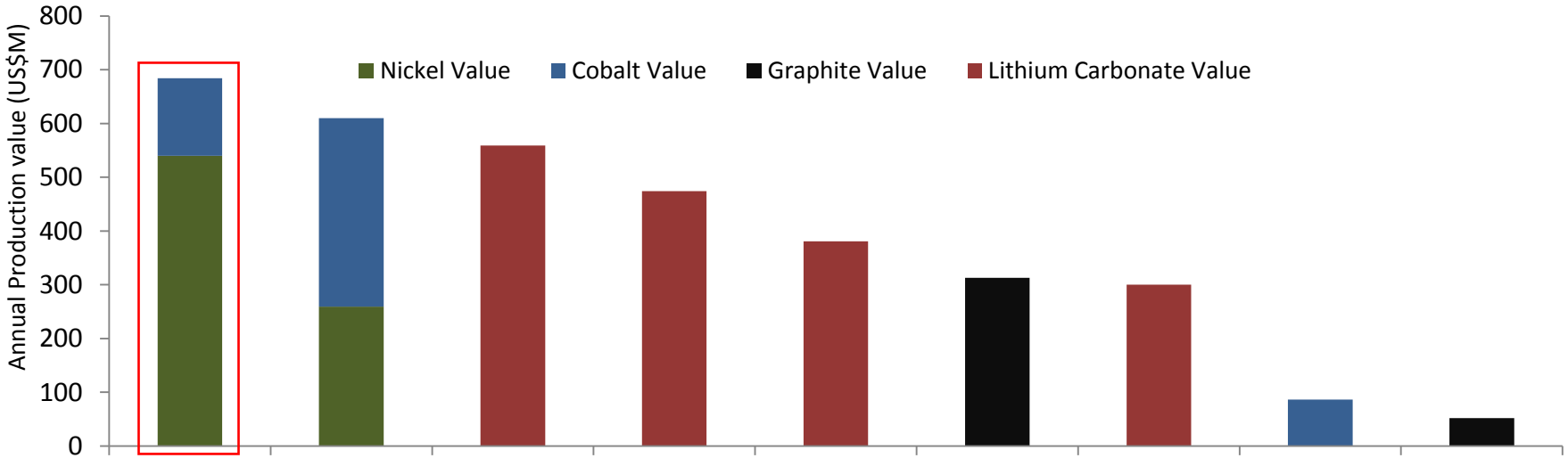
## ABITIBI REGION, QUEBEC, CANADA




- Major support infrastructure in place (Road, rail, power, water)
- Rich mining history and skilled, local workforce
- Long history of resource development (Close proximity to contractors and producing mines)

## Dumont will be one of largest battery metals projects by annual output value and is undervalued relative to its peers

### LOM Average Annual Production Estimated Value (US$M)




| | RNC | CleanTeq | Pilbara Minerals | Nemaska Lithium | Bacanora | Syrah Resources | Lithium Americas | Ecobalt | Mason Graphite |
|---|---|---|---|---|---|---|---|---|---|
| Project Owner-ship | 28% | 100% | 100% | 100% | 70% - 100%[1] | 100% | 50% | 100% | 100% |

**Source:** Company Filings, Reuters | Metal Price: $6.00/lb Ni, $36.00/lb Co, $12,000/t $Li_2Co_3$, $1,000/t graphite | (1) Bacanora has 100% interest in the La Ventana concession and a 70% interest in Mexilit and Megalit

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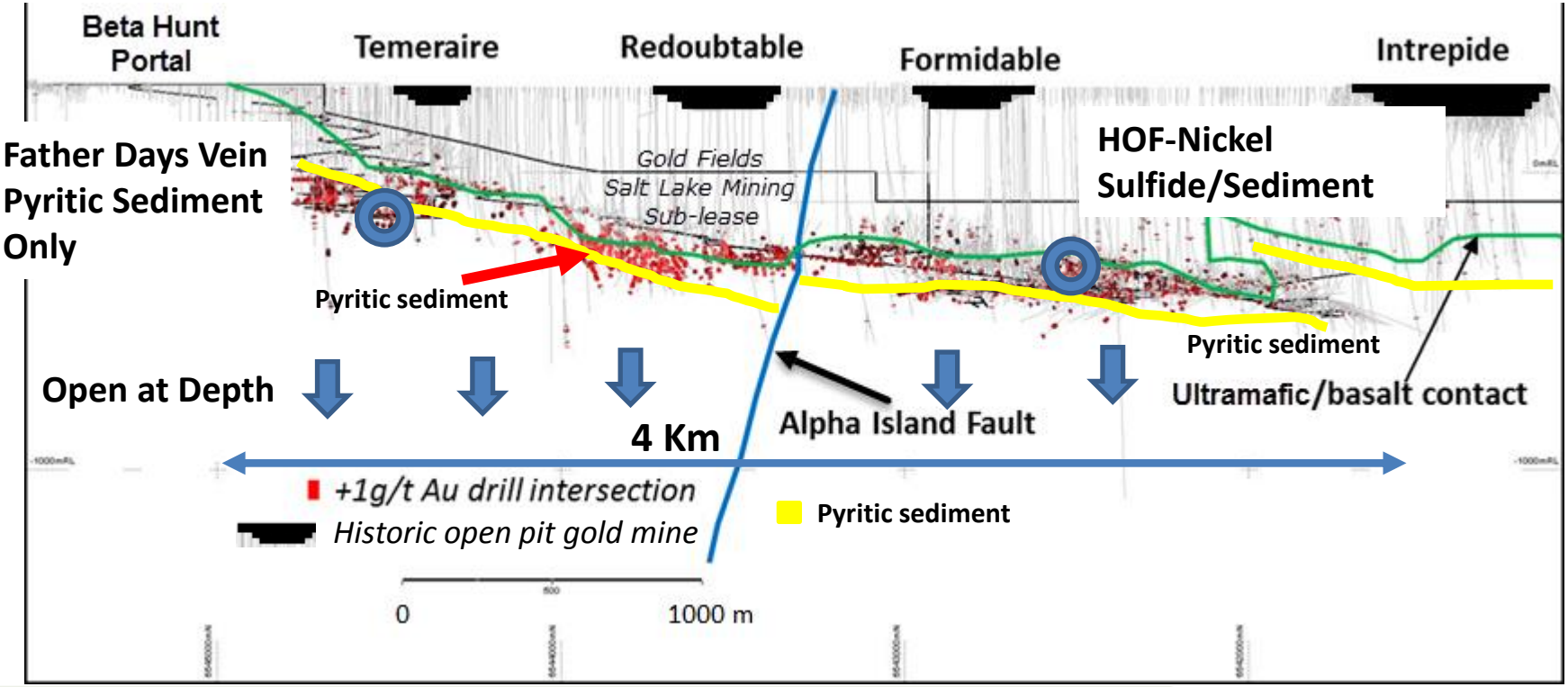
# Appendices

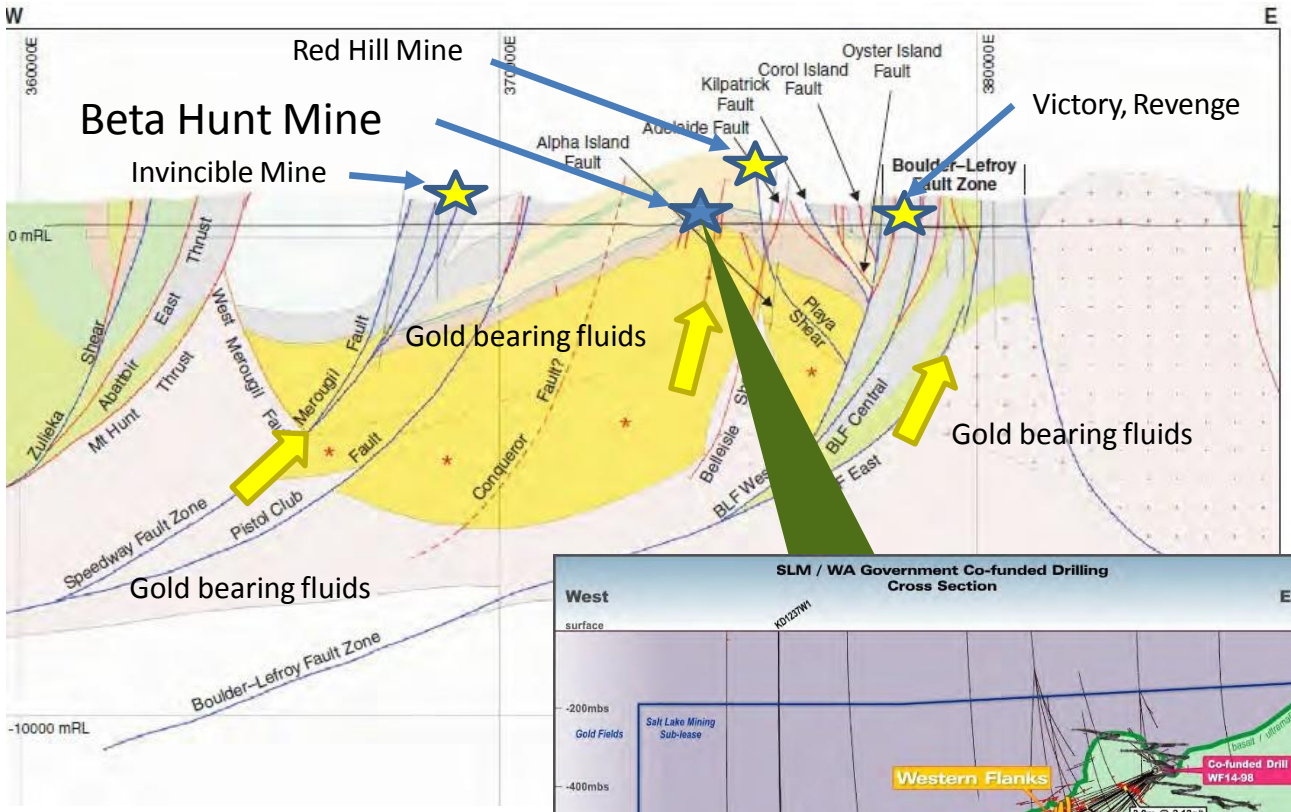
# Beta Hunt Mine: Historic Nickel Drilling Revealed 4+ Kilometres Strike Length of Gold Structures

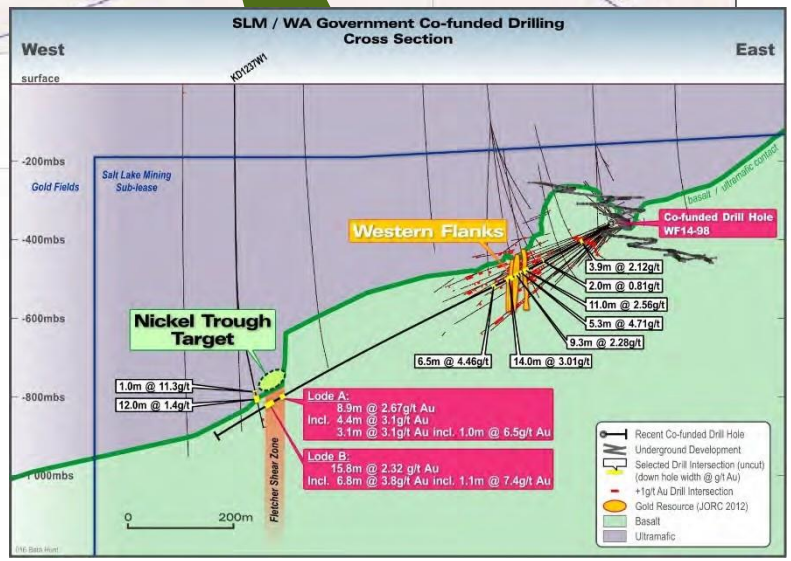
- Gold structures uncovered by ~675km of drilling that targeted nickel troughs on ultramafic/basalt contact over 40 years
- Very limited drilling greater than 100 m below contact where sediment/gold is located
- Pyritic interflow sediment horizon over 4 km of strike length
- Majority of specimen stone discovered on south side of Alpha Island Fault
- Specimen stone found in two areas now – nickel/sediment horizon and pyritic sediment

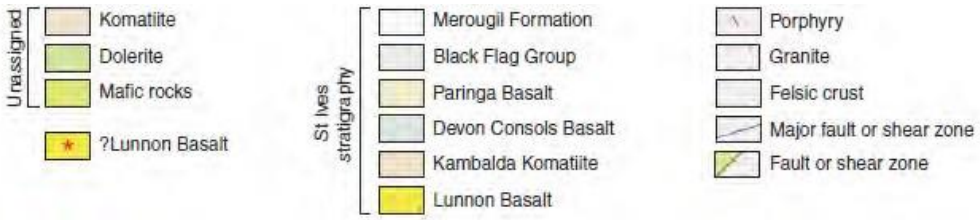


# Beta Hunt Mine:
# New Gold Mine in Kambalda Gold District

- Beta Hunt is the only gold mine operating in the Lunnon Basalt
- Deep shear structures provided path way for gold bearing fluids
- Basalt extends for >1 km at depth
- Sediment structure just 150 metres below ultramafic contact
- Potential for repeating sediment structures at depth

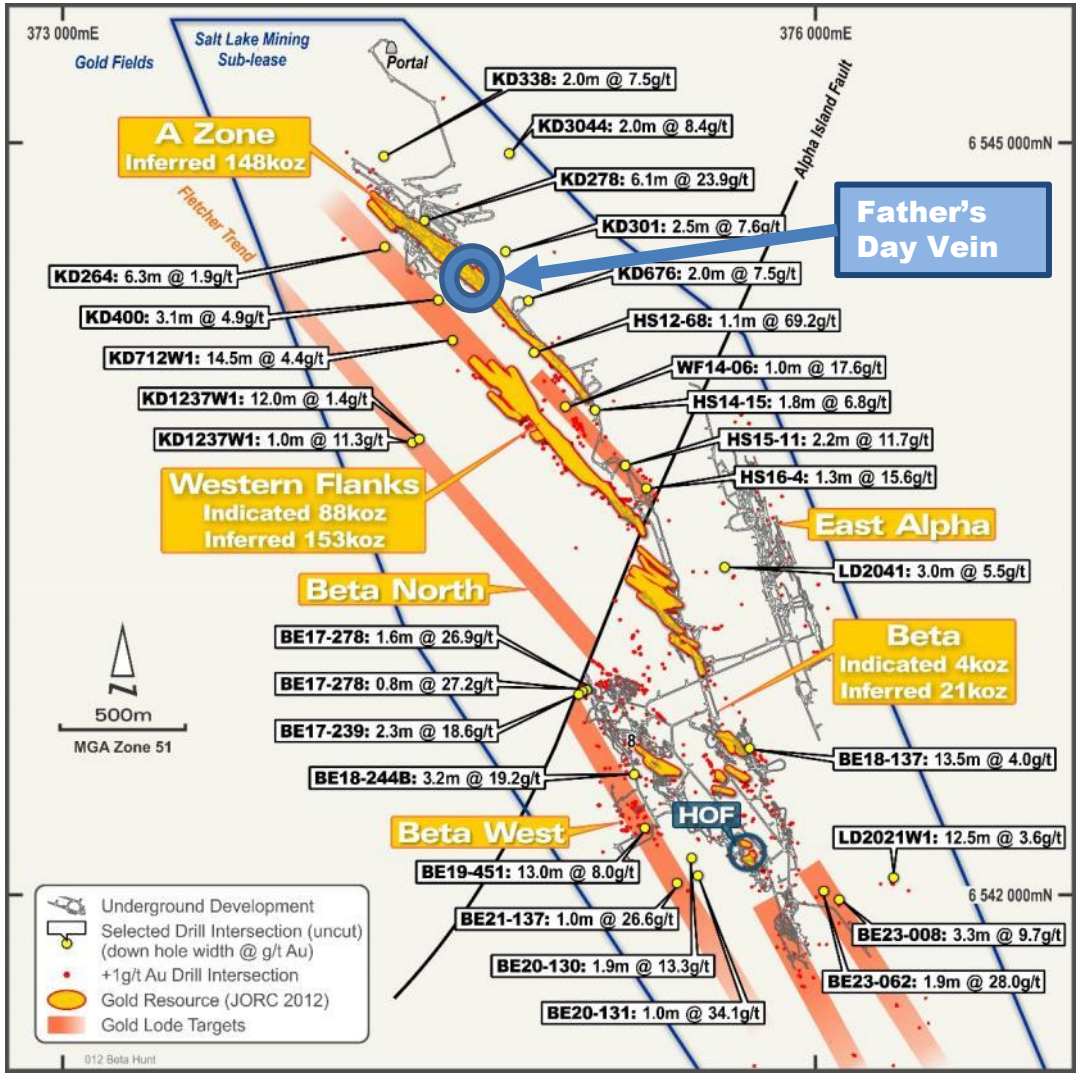


# Beta Hunt Mine: Potential For Extensions Along Strike & Depth, Parallel Structures

**Plan view of gold targets and drill intersections**




Source: Beta Hunt Mine PEA dated March 4, 2016 available at www.royalnickel.com and www.sedar.com

## Beta Hunt Mine Exploration Potential

- Historic nickel drilling has a significant number of high grade gold drill intersections outside current resource
- Excellent potential for resource growth along strike, down dip/plunge and parallel/repeat gold lodes
- Fletcher trend successfully tested in August 2016 as a conceptual repeat of A Zone and Western Flanks and is defined by a 150 m fault offset from surface drilling and potential for additional trends
- Hand of Faith "HOF" specimens recovered in early 2016 are ***more than 3km away, along strike and on a different shear*** than Fathers Day Vein discovery

# Beta Hunt Mine – Q4 and Full Year 2018 Overview

- 2018 mined gold ounces were 73,801, up 90% over 2017 and fourth quarter mined gold ounces were 15,341 up 21% over the same period in 2017
- AISC improved to US$698 per ounce sold in the fourth quarter, 66% lower than the fourth quarter of 2017 and US$1,049 for 2018, 36% lower than 2017
- Cash operating costs were US$459 per ounce sold in the fourth quarter, 69% lower than the fourth quarter of 2017 and US$938 for 2018, 40% lower than 2017
- Gold sales were 19,512 ounces in Q4 and 62,806 ounces for 2018
- 11.7 koz ounces of gold in inventory at year end, including 4.9 koz of specimen gold inventory

| **Beta Hunt Gold Operation**[1] | Q4 2017 | Q4 2018 | 2017 | 2018 |
|---|---|---|---|---|
| Gold tonnes mined (000s) | 160 | 65 | 531 | 512 |
| Gold mined grade (g/t Au)[3,4] | 2.47 | 7.28 | 2.17 | 4.48 |
| Total gold mined (ounces)[2,3,4] | 12,722 | 15,341 | 37,027 | 73,801 |
| Gold tonnes milled (000s) | 158 | 72 | 507 | 493 |
| Gold mill grade (g/t Au) | 2.39 | 9.42 | 2.16 | 4.22 |
| Gold Recovery (%) | 90% | 95% | 91% | 93% |
| Gold milled (ounces) | 12,128 | 21,574 | 35,307 | 66,918 |
| Gold sales (ounces)[1] | 12,896 | 19,512 | 33,578 | 62,806 |
| Mining cash cost (US$/oz mined)[5] | $882 | $345 | $1,008 | $488 |
| Cash operating costs (US$/oz sold)[5] | $1,476 | $459 | $1,554 | $938 |
| All-in sustaining cost (AISC) (US$/oz sold)[5] | $1,579 | $698 | $1,641 | $1,049 |

Note that October 2018 sales and production numbers are preliminary estimates. Final grades and ounces can only be determined once mined material has been processed.

1. Note: numbers may not add due to rounding
2. 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.
3. Final grades are determined once mined material has been processed.
4. As of October 31, 2018, 84.1 kt of gold mineralization remained on the ROM pad for tolling, as compared to 70.5 kt of gold mineralization as of September 30, 2018.
5. Reference is made to the non-IFRS section in RNC's MD&A for the period ended December 31, 2018.

# Appendix:
# Beta Hunt Resource

**Beta Hunt Gold Mineral Resources as at December 31, 2017**

| Resource | Indicated | | | Inferred | | |
|---|---|---|---|---|---|---|
| | Kt | g/t | Koz | Kt | g/t | Koz |
| A Zone [1.2.3.4.5] | 672 | 3.4 | 75 | 997 | 3.1 | 97 |
| Western Flanks [1.2.3.4.5] | 1,513 | 3.0 | 145 | 812 | 3.3 | 85 |
| Western Flanks East (A Zone Sth) [1.2.3.4.5] | 136 | 3.7 | 16 | 84 | 3.3 | 9 |
| Beta [1.2.3.4.6] | 32 | 3.3 | 3 | 147 | 3.4 | 16 |
| **Total** | **2,353** | **3.2** | **239** | **2,040** | **3.2** | **208** |

**Beta Hunt Nickel Mineral Resources as at February 1, 2016**[1,2,7,8]

| Nickel | Classification | Inventory (kt) | Grade (Ni %) | Contained Metal Nickel Tonnes (NiTs) |
|---|---|---|---|---|
| >=1% Ni | Measured | 96 | 4.6 | 4,460 |
| | Indicated | 283 | 4.0 | 11,380 |
| | **Total** | **379** | **4.2** | **15,840** |
| | Inferred | 216 | 3.4 | 7,400 |

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 1.8 g/t Au cut-off grade*
4. *Mineral Resources described here are based on information compiled by John Vinar, Geology Manager for Salt Lake Mining Pty.Ltd. John Vinar is an employee of Salt Lake and is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM, 109799).*
5. *Mineral Resource Estimate as of December 31, 2017*
6. *Comprises two model areas - Western Flanks South (March 2017 estimate, depleted for mining to March 2017); Beta (2016 PEA resource estimate depleted for mining to August, 2016)*
7. *Nickel Mineral Resources are reported using a 1% Ni cut-off grade*
8. *Mineral Resources described here has been prepared by Elizabeth Haren, MAusIMM CPGeo, of Haren Consulting Pty Ltd.*

**Cautionary Statement**

The decision by SLM to produce at the Beta Hunt mine was not based on a feasibility study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on SLM's cash flow and future profitability. It is further cautioned that the PEA is preliminary in nature and includes inferred resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves . No mining feasibility study has been completed on Beta Hunt. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that the PEA will be realized.

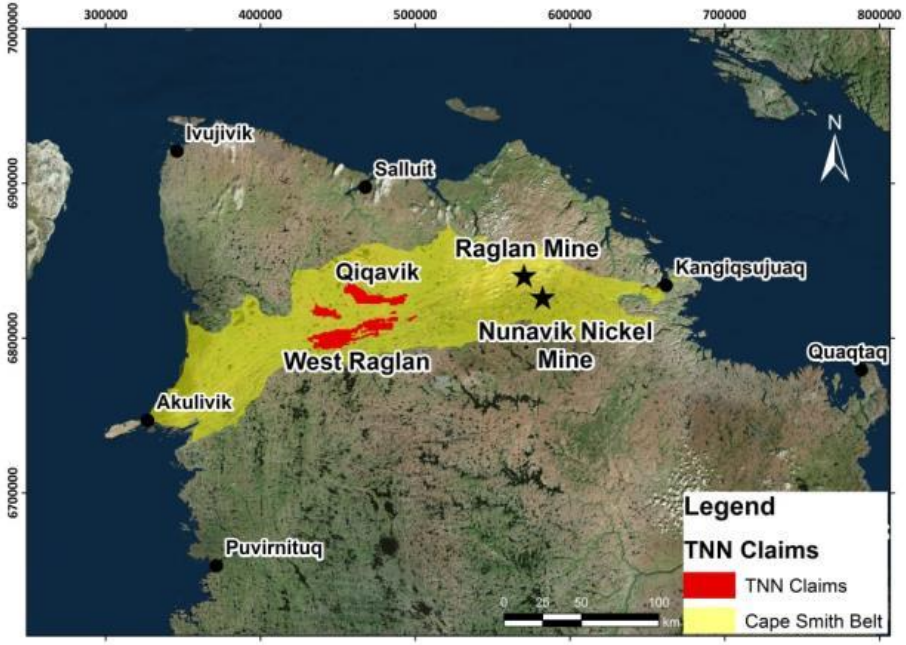
Source: RNC news release dated April 26, 2018 with respect to gold and Beta Hunt Mine PEA dated March 4, 2016 with respect to nickel , both available at www.rncminerals.com and www.sedar.com

# Orford Mining Corporation (~33% RNC interest)
# Discovery of New Gold Belt in Northern Quebec

## RNC's holds a ~33% equity interest in Orford Mining Corporation (TSX-V: ORM)

- Continued exposure to highly prospective former RNC exploration assets through ownership interest in Orford
- Summer 2018 drill program - thicknesses of up to 24.6 metres of gold-bearing mineralization within a structural complex zone
- Summer 2017 program successfully drill tested three 2016 discoveries, makes five additional surface discoveries
- Confirms 40 km "Qiqavik Break" as gold structure similar to Larder Lake-Cadillac break in the Abitibi, the Boulder-Lefroy Fault System in Kalgoorlie, Australia and the Ashanti Fault System in West Africa

**Exploration projects in Northern Quebec**



# Notes