



RNC MINERALS

NEWS RELEASE

RNC Announces Strong Fourth Quarter Results Including Gold Production of 26,874 oz, Adjusted Earnings² of \$14 million, 2H19 AISC^{1,2} Guidance Beat and No Change to 2020 guidance

RNC will host a call/webcast on March 26, 2020 at 10:00 a.m. (Eastern Time) to discuss the fourth quarter results. North American callers please dial: 1-888-231-8191, international callers please dial: (+1) 647-427-7450. For the webcast of this event click [\[here\]](#) (replay access information below).

Toronto, Ontario, March 26, 2020 – RNC Minerals (TSX: RNX) (“RNC” - <https://www.commodity-tv.com/play/rnc-minerals-new-strategy-as-a-gold-company-with-straight-forward-plans/>) announces its financial results and review of activities for the years ended December 31, 2019 and 2018. All amounts are expressed in Canadian dollars, unless otherwise noted. For additional information please refer to RNC’s Management’s Discussion & Analysis (“MD&A”) and audited consolidated financial statements for the years ended December 31, 2019 and 2018.

Highlights

- **Gold Production Exceeded 2H19 Guidance:** For the fourth quarter of 2019 production totalled 26,874 ounces. The second half of 2019 totalled 51,090 ounces, exceeding second half 2019 guidance of 42,000 to 49,000 ounces
- **2H19 All-in-sustaining-costs (AISC)¹ Beats 2H19 Guidance:** 2H19 AISC¹ of US\$1,144 per oz. was below the guided range of US\$1,150-\$1,250 per oz
- **Consolidated 2020 Guidance reiterated:** Production of 90,000-95,000 oz expected with AISC¹ of US\$1,050-\$1,200 per oz. RNC is targeting AISC¹ of ~US\$1,000 per oz by the end of 2020. This assumes no significant interruption in operations as a result of the COVID-19 virus.
- **Adjusted earnings¹ of \$13.7 million for the fourth quarter of 2019 and \$15.9 million for full year 2019**
- **Adjusted EPS² was \$0.02 and \$0.03 for 4Q19 and 2019, respectively. Adjusted EBITDA¹ was \$14.4 million for 4Q19 and \$18.3 million for 2019**
- **Ongoing Cost Reductions:** Consolidated AISC¹ was US\$1,131, for the fourth quarter of 2019, an improvement of 4% over the third quarter of 2019 and 12% compared to the first half of 2019
- **Strengthened Cash Position and Balance Sheet:** RNC ended 2019 with a strong cash position of \$34.7 million, net of a \$3 million debt repayment, and working capital of \$26.5 million
- **Growing HGO Open Pit Pipeline:** Recent drilling has driven mine life extensions of the Baloo and Fairplay North open pits
- **Continued improvement at Higginsville mill:** average availability up to 97% from 93% during the prior quarter
- **Restructured Royalty at HGO:** Unlocks significant production potential and lower costs, as previously announced on December 19, 2019
- **HGO Exploration Success:** Recent drilling combined with a review of historical exploration database continues to identify a number of areas at HGO for further exploration, including the Aquarius Project (formerly Corona Project), a newly

interpreted 5km structure north of Trident as well as potential open pit expansions to both the Mousehollow and Hidden Secret projects, as previously announced on January 23, January 29 and February 27, 2020

- **Maiden Beta Hunt Gold Mineral Reserve:** On February 6, 2020, RNC filed the Technical Report for the maiden Gold Mineral Reserve at Beta Hunt of 306,000 ounces (3.4 Mt at an average grade of 2.8 g/t)
- **Updated Dumont Feasibility Study:** On May 30, 2019, RNC, announced the positive results of an updated feasibility study for the Dumont Nickel-Cobalt Project (US\$920 million NPV_{8%})
- **Management Appointments:** As part of the next phase of RNC's growth, a number of management changes and additions were made during 2019 and early 2020, with the objective of maximizing the value of each of the assets within the Corporation's portfolio and advancing RNC's corporate strategy

1. Non-IFRS: the definition and reconciliation of these measures are included in Table 4 of this news release.
2. Non-IFRS: the definition and reconciliation of these measures are included in the Non-IFRS Measures section of RNC's MD&A dated March 25, 2020.

Paul Huet, Chairman and CEO, commented, "2019 was a year of transformation for RNC Minerals. With the acquisition of the Higginsville mine and mill in June, our company has matured into a growing, profitable gold producer with two operations feeding a centralized mill. Our fourth quarter results continue to build upon the success of the previous quarter despite the challenges associated with the bushfires in Australia in late 2019. I would like to take this opportunity to personally commend our personnel in Australia for an outstanding job, which ensured that despite these challenges our mill remained in operation with ample feed from our mines and stockpiles. These efforts were reflected in our results, driving both a beat to production guidance and finishing 2H19 with AISC of US\$1,144 per ounce, below our guided range of US\$1,150-\$1,250 per ounce.

With respect to current operations, we are now mining from three sources: Baloo, Fairplay North and Beta Hunt, with opportunities for expansion at all three mines. As we work through our open pit optimizations at Higginsville, we look forward to announcing an updated LOM plan for Higginsville later this year. With operations performing well YTD 2020, we remain on track to meet our previously reported 2020 guidance of 90,000-95,000 ounces and AISC¹ guidance of US\$1,050-US\$1,200 per ounce.

I would also like to highlight our early 2020 exploration success. The renegotiation of the Morgan Stanley royalty in December unlocked our 1,800 km² land package surrounding the mill and, as we announced during January and February, we are seeing outstanding results from the drilling bit and our review of the large historical HGO database. I am extremely excited to see what this year has in store with our large exploration program at Higginsville; the first of its kind in many years.

Lastly, and certainly not least, we have experienced significant impact in global financial markets both on our share price and that of our peers as a result of the ongoing global COVID-19 crisis. I remind our shareholders and stakeholders that we have taken careful steps at our operations to prepare for potential disruptions, and we remain in constant contact with the local, state and federal health authorities. As always, our top priority remains the health and safety of our workforce and stakeholders.

We finished the year with an extremely strong balance sheet, nearly C\$35 million in cash. We have continued to build stockpiles in front of the mill, just as we did ahead of the Australian bushfires last year. Once again, I would like to thank our personnel on site for their tireless efforts in preparing our operations during this period. I remain confident that with all our collective efforts we will get through this and all stakeholders can regain confidence once the global situation begins to improve and normalize.

Most importantly, I wish good health to all."

COVID-19 Preparedness

As announced in RNC's news release dated March 18, 2020, the Corporation has implemented strict control measures at its operations in response to the COVID-19 pandemic. A task force at RNC's Australian operations has been established to ensure the operating sites remain as prepared and responsive to this evolving situation as possible. RNC is carefully monitoring the advice of local health authorities and has informed site personnel of the precautions that need to be taken with respect to travel to and from site, along with isolation periods should anyone exhibit symptoms consistent with COVID-19. RNC has also proactively employed a full-time nurse specifically to monitor the status of people entering and leaving site. Additionally, RNC has also sealed off both operations from any outside visitors not critical to business operations.

In order to minimize potential disruptions to supply chains, RNC is building additional critical supplies beyond normal levels. As part of our ability to manage the fallout from the December bushfires, ROM stockpiles are now growing steadily from three sources: Baloo, Beta Hunt and Fairplay North.

RNC will continue to monitor this fluid situation, with our top priority being the health and safety of its employees and stakeholders.

Table 1 - Highlights of operational results for the periods ended December 31, 2019 and 2018

For the periods ended December 31,	Three months ended,		Year ended,	
	2019	2018	2019	2018
Gold Operations (Consolidated)^{1,2}				
Tonnes milled (000s)	321	71	755	493
Recoveries	90%	95%	91%	93%
Gold milled, grade (g/t Au)	2.60	9.42	2.65	4.22
Gold produced (ounces)	26,874	20,495	64,277	62,233
Gold sold (ounces)	28,359	19,512	65,225	62,806
Average realized price (USD \$/oz sold)	1,451	1,324	1,368	1,261
Cash operating costs (USD \$/oz sold) ³	929	445	1,004	924
All-in sustaining cost (AISC) (USD \$/oz sold) ³	1,131	685	1,155	1,037
Gold (Beta Hunt Mine)^{1,2}				
Tonnes milled (000s)	133	71	475	493
Gold milled, grade (g/t Au)	3.81	9.42	3.11	4.22
Gold produced(ounces) ¹	16,290	20,495	47,642	62,233
Gold sold (ounces)	17,561	19,512	48,716	62,806
Cash operating cost (USD \$/oz sold) ³	773	445	958	924
Gold (HGO Mine)¹				
Tonnes milled (000s)	188	-	280	-
Gold milled grade (g/t Au)	1.75	-	1.85	-
Gold produced (ounces)	10,584	-	16,635	-
Gold sold (ounces)	10,798	-	16,509	-
Cash operating cost (USD \$/oz sold) ³	1,182	-	1,136	-

1. In respect of HGO, for the period from acquisition being June 10, 2019 to December 31, 2019

2. Includes third-party tolling, no third-party material was processed in the third and fourth quarters of 2019.

3. Non-IFRS: the definition and reconciliation of these measures are included in the Non-IFRS Measures section of RNC's MD&A dated March 25, 2020.

Consolidated Results of Operations

The fourth quarter 2019 consolidated gold production of 26,874 ounces was 6,379 ounces higher than the corresponding quarter in 2018 (20,495 ounces). Production during the fourth quarter of 2019 consisted of Beta Hunt underground, Baloo open pit and a small amount of stockpile material. The milled grade was 2.60 grams per tonne of gold (“g/t Au”), compared to 9.42 grams per tonne the fourth quarter of 2018. The higher grade in 2018 was the result of high-grade Father’s Day Vein specimen gold production.

Consolidated AISC¹ was US\$1,131 per ounce for the fourth quarter of 2019, an improvement of 4% over the third quarter of 2019 and 12% over the first half of 2019. The 2H19 AISC of US\$1,144 per ounce came in below 2H19 guidance of US\$1,150-\$1,250 per ounce. This continued reduction in AISC was achieved despite the increased capital outlays arising as a result of the Australian bushfires, a major rebuild of an underground mining truck at Beta Hunt and pre-stripping capital costs associated with the ramp up of the Fairplay North open pit at Higginsville.

AISC¹ costs were higher by US\$446 per ounce sold compared to US\$685 per ounce in the fourth quarter of 2018 which included sales from coarse gold production from the Father’s Day Vein discovery.

1. Non-IFRS: the definition and reconciliation of these measures are included in the Non-IFRS Measures section of RNC’s MD&A dated March 25, 2020.

Cash operating costs were US\$929 per ounce sold on a consolidated basis for the fourth quarter of 2019, US\$103 per ounce or 10% lower than in the third quarter of 2019.

With the HGO mill fed at 100% capacity, fourth quarter results from the combined Beta Hunt and Higginsville mines showed significant improvement over third quarter results,. This was despite significant challenges during December due to the Australian bushfires, which impacted the supply chain to the region. With critical supplies and tonnes stockpiled in front of the mill, processing operations were able to continue unabated.

Higginsville Gold Operation (HGO)

Gold production at Higginsville was 10,584 ounces at a milled grade of 1.75 g/t Au during the fourth quarter, an 84% increase from 5,756 ounces in the prior quarter. Grade was down slightly from the third quarter due to milling of lower grade Mt. Henry stockpiles during the Australian bushfires. The increase reflects the ramp up of mining operations at Higginsville, which now includes production from the both the Baloo and Fairplay North open pits.

At Higginsville, cash operating costs were USD \$1,182 per ounce for the fourth quarter, US\$504, or 74% higher, than in the prior quarter. The increased cash cost was largely due to the reallocation of processing costs inside the Western Australia business unit and several one-off items.

With Higginsville operations now fully integrated into the Western Australia business unit, internal processing charges have been normalized. This has resulted in the internal reallocation of processing charges between Beta Hunt and Higginsville. This is reflected by the reported cash operating costs in Table 1. Importantly this reallocation of costs does not change the consolidated rates for the Australian business such as cash operating costs and AISC.

Significant items, totaling approximately A\$6 million, included work associated with the decision to build up run-of-mine (“ROM”) stockpiles ahead of the significant bushfires in Western Australian during the month of December. In order to achieve this, the Company elected to double-shift at Baloo in order to fast track pre-strip development and build stockpiles while maintaining normal feed to the plant. Mining at Baloo also transitioned into the underlying fresh rock which resulted in additional drilling and

blasting costs. Lastly, costs were also impacted with increased dewatering operations associated with larger water inflows into the pit during heavy rains early in the fourth quarter.

As previously announced, mining at Baloo Stage 1 is now forecast to continue to mid-2020 and Stage 2 will now be extended to January 2021. Recent drilling has the potential for Baloo to be extended even beyond January 2021.

At Fairplay North, located just 1 km from the HGO mill, mining is underway concurrently with Baloo, providing two sources of feed from HGO to the mill. An additional A\$2.7 million in pre-stripping capital was associated with the Fairplay North pit during the fourth quarter as the renegotiation of the royalty at Higginsville allowed RNC to begin mining activities.

The Fairplay North pit will be mined in two stages, with Stage 2 expected to be completed by the end of third quarter 2020. However, as with Baloo, recent drilling has raised the potential for this to be extended.

Milling at Higginsville continued to perform well during the fourth quarter, with overall mill availability improving to 97% from 93% in the third quarter. This trend has continued during the first few months of 2020 and is expected to support RNC's continued cost reduction strategy.

See RNC's news release dated January 29, 2020 for more information on early drilling success at both Baloo and Fairplay North.

Beta Hunt Mine

Gold production at Beta Hunt was 16,290 ounces during the fourth quarter. Milled grades at Beta Hunt in the fourth quarter were 3.81 grams per tonne Au, higher than 2.93 grams per tonne in the third quarter but lower than in the fourth quarter of 2018 due to production from the high-grade Father's Day Vein.

Beta Hunt gold production is mainly focused on the Western Flanks and A Zone mining areas. A number of stoping areas are being developed within the Western Flanks that will access some of the wider Beta Hunt stoping blocks (up to 20 metres wide). Combined production from Western Flanks and A Zone is forecast to increase to +50,000 tonnes per month while mining from these wider stoping blocks.

Table 2 - Highlights of Annual Financial Results

(in thousands of dollars except per share amounts)

For the years ended December 31,	2019	2018
Revenue	\$128,036	\$128,770
Production and processing costs	78,836	82,742
Loss before income taxes	(7,716)	(7,911)
Net loss	(6,942)	(8,396)
Basic and diluted loss per share	0.01	0.02
Adjusted EBITDA ^{1,2}	18,284	17,979
Adjusted EBITDA per share ^{1,2}	0.03	0.05
Adjusted earnings ¹	15,913	13,886
Adjusted earnings per share ¹	0.03	0.04
Cash flow provided by (used in) operating activities	15,179	(8,316)
Cash investment in property, plant and equipment and mineral property interests	(25,391)	(13,013)

1. Non-IFRS: the definition and reconciliation of these measures are included in the Non-IFRS Measures section of RNC's MD&A dated March 25, 2020.

2. Earnings before interest, taxes, depreciation and amortization ("EBITDA").

For the year ended December 31, 2019, revenues of 128.0 million decreased slightly by \$0.7 million compared to 2018. Revenues of \$33.4 million provided from HGO operations, acquired in June 2019, offset a decline in revenues resulting from the Reed Mine (\$22.2 million) which was decommissioned in 2018.

Adjusted EBITDA and Adjusted Earnings of \$18.3 million and \$15.9 million were up slightly from \$18.0 million and \$13.9 million in 2018..

For a complete discussion of financial results, please refer to RNC's MD&A and Audited Consolidated Financial Statements for the year ended December 31, 2019.

Table 3 - Highlights of RNC's financial position

(in thousands of dollars):

For the years ended	December 31, 2019	December 31, 2018
Cash and cash equivalents	\$34,656	\$1,340
Working capital surplus (deficit) ¹	26,506	(18,992)
PP&E & MPI	98,955	24,530
Total assets	177,777	58,012
Total liabilities	85,495	31,891
Shareholders' equity	92,282	26,121

¹ Working capital surplus (deficit) is a measure of current assets (including cash and cash equivalents) less current liabilities.

RNC ended 2019 with a strong cash position of \$34.7 million, an increase of \$33.3 million compared to December 31, 2018. The increase in cash position is net of \$3 million debt repayment RNC elected to make to its lender thereby reducing its debt position from \$34 million as of September 30, 2019 to \$31 million as of December 31, 2019. Working capital was \$26.5 million as of December 31, 2019, an improvement of \$45.5 million compared to negative working capital of \$19.0 million for the same period ended December 31, 2018.

Royalty Renegotiation Unlocks HGO for Exploration

In a news release dated December 19, 2019, the Corporation announced, effective January 1, 2020, a restructuring of the royalty held by Morgan Stanley Capital Group Inc. ("Morgan Stanley") over a number of tenements at its Higginsville Gold Operations located in Western Australia. This revised royalty structure has allowed for a new strategic approach to many of the previously uneconomic mineralized zones throughout the HGO tenements.

In news releases dated January 23, January 29 and February 27, 2020, RNC announced comprehensive updates on exploration activities since the renegotiation of the royalty. Highlights include:

- At Baloo, 20 resource definition holes totalling 492 metres and 19 exploration holes totalling 1,897 metres were completed. Drilling focused on the following target areas with the aim of increasing and upgrading the existing historical resource:
 - North Baloo (BLOR0003- 8.7 g/t over 3.0m from 63m)²
 - Eastern Footwall mineralization (BLOR0033 – 4.8 g/t over 3.0 m, from 7 m)¹
 - Down-dip Infill of the Baloo mineralization (BLOR0009- 2.5 g/t over 18.5 m, from 14 m)¹

¹ Estimated true thickness.

² True thickness cannot be estimated with available information.

- At Fairplay North, 26 resource definition RC holes totalling 1,721 metres were completed. Drilling focused on upgrading the existing historical resource within and on the margins of an optimised pit shell. Assay results confirmed the mineralization interpretation and has extended the near surface supergene mineralization. Highlights are summarized below¹:
 - FPNGC_1305-078: 16.5 g/t over 16 m from 24 m, including 59.8 g/t over 4 m
 - FPNGC_1305-083: 5.8 g/t over 13 m from 25 m
 - FPNGC_1305-102: 3.2 g/t over 14 m from 53 m

1. Drillhole intervals are estimated true widths.
- A high-density gravity survey program was completed at HGO and the results were announced on January 29, 2020. The program identified a newly interpreted structure extending over 5 kms north of the previously mined high grade 1.0 Moz Trident gold deposit. The new structure is considered to have high potential for mineralization at depth and will be the focus of a new round of drilling by RNC as part of its 2020 exploration program.
- At the Aquarius project (formerly Corona project), RNC's ongoing review of HGO historical mineral resources and drill results has confirmed the potential of the deposit as a future high-grade open pit and/or underground operation.
- RNC drilling has extended mineralization at the Hidden Secret (HDS) and Mousehollow (MOH) projects, which now form part of RNC's near-term mine plan. Additionally, visible gold has been discovered in a surface sample taken at the Hidden Secret project. Intersection highlights from RNC's drill program include¹
 - HDSR0136: 15.1 g/t over 4 m from 24 m, including 47.8 g/t over 1 m
 - HDSR085: 24.8 g/t over 4 m from 17 m, including 92.6 g/t over 1 m
 - MOHR0055: 26.1 g/t over 3 m from 22 m
 - MOHR0075: 3.3 g/t over 19 m from 0 m

1. Estimated true widths.

Beta Hunt Maiden Gold Mineral Reserve

On February 6, 2020 RNC filed the Technical Report for the maiden Gold Mineral Reserve of 306,000 ounces (3.45 Mt at an average grade of 2.8 g/t) at its Beta Hunt mine. The Gold Mineral Reserve forms the basis for Beta Hunt's mine plan, which schedules base-load feed to the Corporation's 100% owned Higginsville treatment plant. The Maiden Gold Mineral Reserve remains open for potential additions along strike and at depth from both the existing Gold Mineral Resource (underpinning the Mineral Reserve) and from exploration targets that will be drill-tested. On February 6, 2020, the Corporation filed a new technical report for the Beta Hunt Mine and HGO entitled "Technical Report Western Australia Operations – Eastern Goldfields: Beta Hunt Mine (Kambalda) and Higginsville Gold Operations (Higginsville)". This technical report can be found on RNC's website at www.rncminerals.com and at www.sedar.com under RNC's profile.

Updated Dumont Feasibility Study: On May 30, 2019, RNC, in its capacity as Manager of the Dumont Joint Venture with Arpent Inc., a subsidiary of Waterton Precious Metals Fund II Cayman, LP and Waterton Mining Parallel Fund Offshore Master, LP, announced the positive results of an updated feasibility study for its Dumont Nickel-Cobalt Project. The updated feasibility study delivered a US\$920 million Net Present Value ("NPV_{8%}") based on a large scale, low-cost, long-life project with Initial nickel production in concentrate of 33ktpa, ramping up to 50ktpa in the Phase II expansion. The related report dated July 11, 2019, entitled "Technical Report on the Dumont Ni Project, Launay and Trécession Townships, Quebec, Canada" can be found on RNC's website at www.rncminerals.com and at www.sedar.com under RNC's profile.

Management Appointments

As part of the next phase of RNC's growth, a number of management changes and additions were made during 2019 and early 2020, with the objective of maximizing the value of each of the assets within the Corporation's portfolio and advancing RNC's corporate strategy;

- Mr. Paul Andre Huet was appointed Chief Executive Officer ("**CEO**") and Chairman;
- Mr. Graeme Sloan was appointed Managing Director, Australian Operations;
- Ms. Johnna Muinonen was appointed President, Dumont Nickel;
- Mr. Alger St-Jean was appointed Executive Vice President, Exploration and Resource Development, Dumont Nickel;
- Mr. Oliver Turner joined the Corporation as Senior Vice President of Corporate Development and Investor Relations;
- Mr. Chad Williams joined as a Director and
- Mr. Barry Dahl joined as Chief Financial Officer.

Table 4 – Cash Operating and All-in Sustaining Costs^{1,2}

For the periods ended December 31,	Q4 2019	2019	2H 2019
Production and processing costs	\$34,821	\$91,600	\$69,934
Royalty expense: Government of Western Australia	1,168	2,667	2,047
Royalty expense: Other	2,768	7,138	5,210
By-product credits	(787)	(1,959)	(787)
Adjustment ¹	(3,197)	(12,764)	(11,640)
Operating costs (CAD\$)	\$34,773	\$86,682	\$64,764
General and administration expense – corporate	1,133	2,636	1,952
Sustaining capital expenditures	6,443	10,353	9,326
All-in sustaining costs (CAD\$)	\$42,349	\$99,671	\$76,042
Average exchange rate (CAD\$1 – USD\$1)	0.76	0.75	0.75
Operating costs (USD\$)	\$26,344	\$65,477	\$49,057
All-in sustaining costs (USD\$)	\$32,083	\$75,304	\$57,600
Ounces produced	26,874	64,277	51,090
Ounces of gold sold	28,359	65,225	50,368
Cash operating costs (per ounce sold) (USD\$)	\$929	\$1,004	\$974
All-in sustaining cost (per ounce sold) (USD\$)	\$1,131	\$1,155	\$1,144

1. Negative adjustment for intercompany tolling transactions (2019 Q4: \$3,197), (2019 YTD: \$12,764) and capital development (\$9,096).

2. Non-IFRS: the definition and reconciliation of these measures are included in the Non-IFRS Measures section of RNC's MD&A dated March 25, 2020.

Conference Call / Webcast

RNC will be hosting a conference call and webcast today beginning at 10:00 a.m. (Eastern time). A copy of the accompanying presentation can be found on RNC's website at www.rncminerals.com.

Live Conference Call and Webcast Access Information:

North American callers please dial: 1-888-231-8191

Local and international callers please dial: 647-427-7450

A live webcast of the call will be available through Cision's website at: [Webcast Link \(https://event.on24.com/wcc/r/2229149/63F8F15E36E6ED35A33635AC1190BC73\)](https://event.on24.com/wcc/r/2229149/63F8F15E36E6ED35A33635AC1190BC73)

A recording of the conference call will be available for replay through the webcast link, or for a one-week period beginning at approximately 1:00 p.m. (Eastern Time) on March 26, 2020, through the following dial in numbers:

North American callers please dial: 1-855-859-2056; Pass Code: 7561119

Local and international callers please dial: 416-849-0833; Pass Code: 7561119

Compliance Statement (JORC 2012 and NI 43-101)

The disclosure of scientific and technical information contained in this news release has been reviewed and approved by Stephen Devlin, Vice-President, Exploration & Growth, Salt Lake Mining Pty Ltd, a 100% owned subsidiary of RNC, a Qualified Person for the purposes of NI 43-101.

About RNC Minerals

RNC is focused on growing gold production and reducing costs at its integrated Beta Hunt Gold Mine and Higginsville Gold Operations ("HGO") in Western Australia. The Higginsville treatment facility is a low-cost 1.4 Mtpa processing plant which is fed at capacity from RNC's underground Beta Hunt mine and open pit Higginsville mine. At Beta Hunt, a robust gold mineral resource and reserve is hosted in multiple gold shears, with gold intersections along a 4 km strike length remaining open in multiple directions. HGO is a highly prospective land package totaling approximately 1,800 square kilometers. In addition, RNC has a 28% interest in a nickel joint venture that owns the Dumont Nickel-Cobalt Project located in the Abitibi region of Quebec. Dumont contains the second largest nickel reserve and ninth largest cobalt reserve in the world. RNC has a strong Board and management team focused on delivering shareholder value. 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 and AISC guidance for 2020 and the potential of the Beta Hunt Mine, Higginsville Gold Operation and Dumont Nickel 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, labour and operational disruptions due to the COVID-19 outbreak 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.

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.

Cautionary Statement Regarding the Higginsville Mining Operations

A production decision at the Higginsville gold operations was made by previous operators of the mine, prior to the completion of the acquisition of the Higginsville gold operations by RNC and RNC made a decision to continue production subsequent to the acquisition. This decision by RNC to continue production and, to the knowledge of RNC, the prior production decision were 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, which include 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 anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on the Corporation's cash flow and future profitability. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.

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