

VANCOUVER, May 14, 2015 /CNW/ - [Rathdowney Resources Ltd.](#) ("Rathdowney" or the "Company") (TSXV: RTH) announces that it has filed on SEDAR the NI 43-101 Technical Report for the Preliminary Economic Assessment ("PEA") of Olza zinc-lead project ("Project Olza") located in southwestern Poland.

The development scenario recommended in the PEA is a conventional underground mine and processing facility at a rate of 6,000 tonnes per day or 2.16 million tonnes per year. Standard flotation treatment will produce marketable low iron zinc and lead concentrates that would be shipped by existing rail facilities to smelters.

Key results of the Project Olza PEA¹, presented in US dollars, include:

- After tax Internal Rate of Return of 30% with a payback of 2.4 years. The Net Present Value after taxes is \$170 million at an 8% discount rate.
- Initial capital is \$227 million, sustaining capital is \$51 million and total operating cost is \$69.88/tonne milled (including on-site and off-site costs).
- Life of mine production yielding 1,338 million tonnes of payable zinc and 449 million tonnes of payable lead.
- Excellent potential to increase mineral resources and extend project life.

The final technical report recommends advancing to the feasibility level in a phased approach, using the PEA as a basis for the refining and optimizing the project. In parallel, the Company would move the project forward through the Polish permitting and development process.

The PEA is preliminary in nature and includes Inferred Mineral 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. There is no certainty that the PEA will be realized.

Rathdowney Chairman David Copeland said

"We are pleased with the strong results of the PEA, highlighted here and described in our April 20, 2015 news release. Additional details can be obtained from the technical report, which is now available on Rathdowney's website www.rathdowneyresources.com as well as under the Company's profile on SEDAR at www.sedar.com.

Additionally, further to our announcement on May 5, 2015, I want to take this opportunity to thank our former CFO Paul Mann for his important contributions to the Company over the past five years."

The Company would also like to confirm that its Annual General Meeting will be held on June 8, 2015 at 11 am in the boardroom at Rathdowney's head office at Suite 1500, 1040 West Georgia Street, Vancouver, BC.

About Rathdowney and Project Olza

[Rathdowney Resources Ltd.](#) is focused on advancing Project Olza through permitting and into production.

Project Olza is located in the Upper Silesian Mining District of southwestern Poland, a world-class region of Mississippi Valley-type deposits with well-developed mining infrastructure. Easily accessible by road, the Olza project site is a one-hour drive from Krakow, a major city with full services, including an international airport. The deposits at Olza are 25 km from the ZGH zinc smelter at Boleslaw. A railway line runs through the Olza project-area, linking it to the local facilities and also to other smelters through ports on the Baltic Sea.

Rathdowney's Phase I confirmatory drilling program built on the extensive drill database assembled by Polish State Survey to delimit 24.4 million tonnes of inferred mineral resources, grading 7.02% combined zinc and lead², with excellent potential for expansion. These mineral resources provide the foundation for its current Phase II program of engineering, environmental baseline and other technical studies necessary for mine planning and permitting.

¹Assumptions for the PEA incorporate median zinc and lead metal price forecasts of over 30 independent banks and investment dealers, and include \$1.10/lb in Year 1 and 2 and \$1.00/lb in the remaining life of mine (LOM) for zinc; and \$1.09/lb in Year 1, \$1.00/lb in Year 2 and \$0.95/lb in the remaining LOM for lead.

² Estimated at a 2.0% zinc cutoff; individual grades are 5.53% zinc and 1.49% lead. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

David Copeland, PEng., Chairman of Rathdowney and a qualified person as defined under NI43-101, has reviewed the

technical information in this release.

On behalf of the Board of Directors
David Copeland
Chairman

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Information and other Cautionary Factors

All information contained in this press release relating to the contents of the Preliminary Economic Assessment, including but not limited to statements of the Project Olza's potential are "forward looking statements". The PEA was prepared to broadly quantify the project's capital and operating cost parameters and to provide guidance on the type and scale of future project engineering and development work that will be needed to ultimately define the project's likelihood of feasibility and optimal production rate. The PEA uses Inferred Mineral Resources which are considered too speculative geologically to be categorized as mineral reserves and to have economic considerations applied to them. There can be no assurance that the operating and financial projections contained in the PEA will be realized.

The following are the principal risk factors and uncertainties which, in management's opinion, are likely to most directly affect the conclusions of the PEA and the ultimate feasibility of the project. The PEA is based on the inferred resources. Additional process tests and other engineering and geological work will be required to determine indicated or measured mineral resources at Project Olza and if an economically exploitable reserve can be established. Final feasibility work has not been done to confirm the underground design, mining methods, and processing methods assumed in the Preliminary Economic Assessment. Final feasibility could determine that the assumed underground design, mining methods, and processing methods are not correct. Construction and operation of the mine and processing facilities depends on securing environmental and other permits on a timely basis. No permits have been applied for and there can be no assurance that required permits can be secured or secured on a timely basis. Data is incomplete and cost estimates have been developed in part based on the expertise of the individuals participating in the preparation of the PEA and on costs at projects believed to be comparable, and not based on firm price quotes. Costs, including design, procurement, construction, and on-going operating costs and metal recoveries could be materially different from those contained in the Preliminary Economic Assessment. There can be no assurance that mining can be conducted at the rates and grades assumed in the Preliminary Economic Assessment. Energy risks include the potential for significant increases in the cost of fuel and electricity. The PEA assumes specified, long-term prices levels for zinc and lead. Prices for these commodities are historically volatile, and Rathdowney has no control of or influence on those prices, all of which are determined in international markets. There can be no assurance that the prices of these commodities will continue at current levels or that they will not decline below the prices assumed in the Preliminary Economic Assessment. Prices for zinc and lead have been below the price ranges assumed in PEA at times during the past ten years, and for extended periods of time. The project will require major financing, probably a combination of debt and equity financing. Interest rates are at historically low levels. There can be no assurance that debt and/or equity financing will be available on acceptable terms. A significant increase in costs of capital could materially and adversely affect the value and feasibility of constructing the project. Other general risks include continuity of mineralization, those ordinary to large construction projects including the general uncertainties inherent in engineering and construction cost, the need to comply with generally increasing environmental obligations, and accommodation of local and community concerns, potential environmental issues or liabilities associated with exploration, development and mining activities, exploitation and exploration successes, delays due to third party opposition, and changes in government policies regarding mining and natural resource exploration and exploitation. The Company is also subject to the specific risks inherent in the mining business, as well as general economic and business conditions. For more information on the Company, Investors should review the Company's filings that are available at www.sedar.com.

SOURCE [Rathdowney Resources Ltd.](http://RathdowneyResourcesLtd.com)

Contact

For further information on Rathdowney and Project Olza, please visit www.rathdowneyresources.com or contact: Roger Blair, Investor Relations, Tel: 778-373-6725, Toll free (NA): 1-800-667-2114