

Confirmation Holes in Line With Historical Data

MONTREAL, QC--(Marketwired - July 06, 2015) - Falco Resources (TSX VENTURE: FPC) ("Falco") is pleased to announce the first results of its current confirmation drilling program on the Company's 100% owned Horne 5 project. The program consists of 18 holes totaling 16,000 meters. To date 6 holes have been completed, logged, analyzed and assayed. Four additional holes are in progress with results pending.

Luc Lessard, President and CEO, commented: "We are very comfortable with the initial confirmation drilling on the upper portion of the Horne 5 Deposit, and the project is progressing well. Falco intends to continue to execute on its confirmation drilling program, and is working towards its goal of moving the Horne, which was once Quebec's largest underground mine, back to producer status."

HIGHLIGHTS FROM CONFIRMATION DRILLING PROGRAM

The 2015 confirmation drilling program has four main objectives: i) verification of the historical data to upgrade the current Inferred resources to the Indicated category; ii) to test the silver grades which were not assayed historically; iii) the collection of material for metallurgical testing and iv) the compilation of data for the rock mechanic studies.

As noted above, analytical results have been received for the first 6 holes drilled at Horne 5. Results received to date can be summarized as follows:

- Pilot holes: 3 pilot holes have been completed for a total of 3,949 meters. All of the holes have intercepted the targeted mineralized zones. All holes have been logged and mineralized intercepts were sent to the lab for assay.
- Wedge holes: 3 wedges have been completed to date for a total of 1,572 meters. All of the holes have intercepted the targeted mineralized zones. All holes have been logged and mineralized intercepts were sent to the lab for assay. Additionally, portions of each wedge were sent to SGS Canada for metallurgical testing.

Assay results have been received for six holes (H5-15-01, H5-15-02, H5-15-03B, H5-15-01Atw, H5-15-02Atw, H5-15-03Dtw) of the planned 18-hole drill program.

Comparisons of these results with the nearest historical data are shown in the following tables. The comparisons are made on all assays for the entire length of the mineralized zone without applying a cut-off grade. The lengths presented are core length. Given the historical drill holes are not parallel to the 2015 drill holes, cylinders of 15m around the 2015 drill holes were used to select the historical samples in the immediate vicinity of the drill hole for the basis of comparison. Note that the historical data did not include any silver values.

The initial results from the first 3 pilot holes and their respective wedges during the 2015 drill program confirm the grades of the historical drill holes.

Comparison of New Drill Hole Data vs. Historical Raw Assay Data

		New Drill Hole Data		New Drill Hole Data		Historical Raw Assay Data	
Hole_ID	Length (m)	Au_Eq_With Silver (g/t)		Au_Eq Without Silver (g/t)		Au_Eq Without Silver (g/t)	2015 Results vs Histor
H5-15-01	31.2	3.00		2.85		2.82	0.9%
H5-15-01-Atw	36.7	1.45		1.38		2.85	(51.5%)
H5-15-02	100.9	2.93		2.48		1.92	29.4%
H5-15-02-Atw	87.0	2.82		2.39		2.16	10.6%
H5-15-03B	116.7	1.34		1.11		1.23	(9.7%)
H5-15-03Dtw	134.4	1.46		1.23		1.28	(3.7%)
Total	506.9	2.05		1.76		1.76	0.4%

Breakdown of Confirmation Drilling Results at \$0 NSR

(\$0 NSR)	2015 Diamond Drill Hole Results								Weighted Average of 2014 Raw Assays within a 15 m			
Hole_ID	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Au_Eq_With Silver (g/t)	Au_Eq_Without Silver (g/t)	Au (g/t)	Cu (%)	Zn (%)

H5-15-01	1,110	1,141	31.2	2.03	10.16	0.46	0.04	3.00	2.85	2.26	0.30	0.10
H5-15-01-Atw	1,105	1,142	36.7	0.88	4.51	0.27	0.06	1.45	1.38	2.18	0.35	0.12
H5-15-02	1,001	1,102	100.9	1.32	29.46	0.11	1.94	2.93	2.48	1.14	0.11	1.19
H5-15-02-Atw	1,002	1,089	87.0	1.43	28.61	0.13	1.47	2.82	2.39	1.25	0.12	1.41
H5-15-03B	1,248	1,365	116.7	0.50	15.51	0.06	1.00	1.34	1.11	0.79	0.06	0.67
H5-15-03Dtw	1,255	1,390	134.4	0.55	15.44	0.08	1.10	1.46	1.23	0.82	0.06	0.70
<i>Total</i>		506.9	0.96	19.39	0.13	1.17	2.05		1.76	1.14	0.12	0.83
<i>Grade % Difference</i>									(15.6%)		8.8%	39.8%

The new drilling is verifying the geometry of mineralized zones previously defined by the historic work by Noranda and compares favorably in terms of grade. Drill holes H5-15-02 and H5-15-03 tested a silver and zinc-rich portion of the deposit located in the upper part of the deposit. Current and future drilling will test gold and copper-rich zones within the main envelop. Based on the recent results and current drilling program, the company expects the remaining holes to continue to confirm the historical data and existing resources.

#### Tested Areas and Future Drilling Targets within the Main Ore Envelope

Historically 4,386 holes were drilled at Horne 5 representing a total of 305 kilometres of drilling. This drill data has been digitized and served as the basis to publish the initial NI 43-101 Inferred resource and for devising the current confirmation drilling program.

Preliminary engineering studies have been initiated. Metallurgical testing is underway to optimize metal recoveries and to determine geotechnical and hydrology information required for project design. Mechanized mining methods, hoisting, rock mechanics studies have also been commenced. All studies are being completed in tandem with the drill program, in preparation for an upcoming preliminary economic assessment.

*Gold equivalent calculations and NSR estimates are based on the following assumptions: exchange rate of \$Cdn1.05/\$US, metal prices of (all \$US): gold \$1,300/oz, copper \$3.30/lb, zinc \$0.95/lb, payable metal of 87% for gold, 65% for copper and 37% for zinc (based on conservative estimates of milling and smelting terms for comparable operations within the southern Abitibi district). Metallurgical testing is underway to facilitate optimization of these estimates utilizing available Horne 5 drill core.*

#### INITIATING DRILLING PROGRAM AT RIMO

A drill program will commence in August on its Rivi re Mouilleuse ("Rimo") copper-zinc-gold property, located 25 kilometers northwest of the city of Rouyn-Noranda.

The Rimo property is composed of a regionally extensive felsic volcanic succession in the northwestern exposure of the Blake River Group. These deposits are found within a series of aligned felsic centers extending to the northwest from the Horne Mine. The Rimo felsic volcanic units exhibit the same geochemical signature as those of the Horne Complex, which hosts the Horne-Qu mont high-grade Cu-Au VMS system. A mineralized exhalative unit has been identified in the uppermost portion of the volcanic succession. Following a review of available historical downhole electromagnetic data in the area, a series of sub-horizontal conductors have been identified. The exploration target conductors are parallel to the stratigraphy and potentially represent mineralized exhalative units. The company believes Rimo is one of the more significant targets for potential gold-rich VMS mineralization in the region.

The initial phase of exploration will consist of a 5,000 meter 10 hole drilling campaign on the northern extent of the felsic volcanic package. Downhole electromagnetic surveying will be conducted simultaneously.

#### Qualified Person

Carl Pelletier (P.Geo. G  o., B.Sc.) is the qualified person as defined by National Instrument 43-101 -- Standards of Disclosure for Mineral Projects for the portion on the Comparison of New Drill Hole Data vs. Historical Raw Assay Data in this release as it relates to the technical information related to the 2014 Horne 5 Project Resource Estimate and he has reviewed and verified the technical information contained herein. Mr. Pelletier is a consulting geologist with InnovExplo Inc and fulfills the requirements to be a "qualified person" for the purposes of NI 43-101.

Claude Bernier, Exploration Manager, (P.Geo. P.Eng.) is the qualified person for this release as defined by National Instrument 43-101 -- Standards of Disclosure for Mineral Projects and has reviewed and verified the technical information contained herein. Mr. Bernier is an employee of Falco and is non-independent.

Falco has implemented a strict quality-control program to comply with best practices in the sampling and analysis of drill core and surface samples. As part of its QA/QC program, Falco inserts certified external mineralized standards. In the mineralized zones, each shipment is comprised of 27 samples. Every shipment is composed of 23 samples, a standard, a blank, a pulp duplicate and a reject duplicate placed randomly every 15<sup>th</sup> sample to test the laboratory analysis methods and precision for each shipment of samples. Blanks and standards are inserted within the normal sample number sequence. Assay results and certificates of analysis are interpreted and reported on almost a daily basis. If anomalies are detected, the laboratory is advised and the entire batch of samples is re-assayed. In non-mineralized zones, every shipment is composed of 27 samples, which includes a standard and a blank. In non-mineralized zones, if anomalies are detected, the laboratory is advised, but the batch of samples is not necessarily re-assayed.

## About Falco

[Falco Resources Ltd.](#) is one of the largest mineral claim holders in the Province of Québec, with extensive land holdings in the Abitibi Greenstone Belt. Falco owns 74,000 hectares of land in the Rouyn-Noranda mining camp, which represents 70% of the entire camp and includes 13 former gold and base metal mine sites. Falco's principal property is the Horne Mine, which was operated by Noranda from 1927 to 1976 and produced 11.6 million ounces of gold and 2.5 billion pounds of copper. A maiden 43-101 mineral resource estimate for the Horne 5 deposit delineated an initial inferred resource of 2.8 Moz AuEq at 3.41 g/t AuEq (25.3 million tonnes grading 2.64 g/t Au, 0.23% Cu and 0.7% Zn, for 2.2 Moz Au -- see March 4, 2014 press release for details).

*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 press release.*

## Cautionary Note Regarding Forward-Looking Statements

*This news release contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws and the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved" and includes, without limitation, achievement of objectives set for the confirmatory drilling program, results of the preliminary engineering studies, metallurgical test work and mechanized mining methods studies, timely commencement of the exploration work on the Rimo property. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include the reliability of the historical data referenced in this press release and those risks set out in Falco's public documents, including in each management discussion and analysis, filed on SEDAR at [www.sedar.com](http://www.sedar.com). Although Falco believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by applicable law, Falco disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.*

## Cautionary Note Concerning Mineral Resources

*This press release uses the term "inferred" resources. We advise investors that while this term is recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize it. "Inferred" resources have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.*

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