MONTREAL, QC--(Marketwired - December 15, 2015) - Falco Resources (TSX VENTURE: FPC) ("Falco") is pleased to announce the results of preliminary metallurgical testwork performed on drill cores originating from two mineralized zones of the Horne 5 deposit, located in Rouyn-Noranda, Quebec. Comminution, open-circuit sequential flotation and leaching tests were performed to assess potential metal recoveries and base metal concentrate grades. The flowsheet tested produced copper and zinc flotation concentrates with saleable concentrate grades. Precious metals were recovered to these base metal concentrates and from flotation of a pyrite concentrate and its subsequent leaching.

"These initial positive metallurgical results are key to demonstrate the strength of the Horne 5 deposit. We are very encouraged by the initial results, overall these results indicate that the Horne 5 deposit is amenable to flotation and leaching resulting in strong recoveries for all four metals," commented Luc Lessard, President & CEO.

METALLURGICAL TESTWORK OBJECTIVES

The metallurgical testwork program conducted at SGS Lakefield, under the supervision of James MacDonald and coordinated by BBA, was designed to characterize gold deportment, mineral association, gold liberation, comminution parameters, flotation recovery of base and associated precious metals and precious metal cyanidation recovery.

HEAD ASSAY AND MINERALOGY

Metallurgical testing was performed on two composites (M1/2 and M3) with average head grades of 0.32% and 0.19% Cu, respectively (see Table 1). The two samples were chosen from two zones of the deposit. Sample M1/2 is high copper-low zinc material, while M3 is low copper-high zinc. Testing at these two opposite ranges of grade was meant to provide an indication of the influence of head grade on base metal recovery.

Table 1: Sample Composite Head Assays

Sample	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)	S (%)
M1/2	0.32	0.06	0.96	3.4	16
M3	0.19	1.23	4.49	46	30

The mineralogical study indicated that gold is hosted in several minerals, including calaverite, petzite, sylvanite, electrum and kustelite. The overall average gold mineral grain size is 3mm. Gold association with pyrite is high, ranging from 73% to 99.5%. Copper and zinc are present as chalcopyrite and sphalerite, respectively.

GRINDABILITY

Consideration was given to the mineralization and lithological characteristics of the drill cores when proceeding with the comminution sample selection. Three samples were chosen to represent the ore body's variability range. Samples representing 100% massive sulphide (M.S), 100% rhyolitic tuff (Rh_tuff) and 100% rhyolite, breccias and rhyolitic tuff (Rh/Br) were selected from the available material for SAG mill comminution (SMC) (Axb), Bond rod mill (RWi) and Bond ball mill (BWi) work index determinations. The results show a good correlation with the material's specific gravity (S.G.). The material hardness was lowest for the massive sulphide sample as demonstrated in Table 2 and Figures 1 to 3.

Table 2: Comminution Testwork Results

Sample	S.G.	Axb	RWi (kWh/t)	BWi (kWh/t)
100% M.S.	4.6	61.0	10.7	7.5
100% Rh/Br	3.2	34.3	18.2	16.1
100% Rh_tuff	2.9	24.5	23.0	21.5

FLOTATION RECOVERY

Sample M1/2 was tested for copper and pyrite flotation only as it did not contain any zinc. Selective flotation of copper, zinc and pyrite was conducted for sample M3 to maximize payable metal recovery. Both samples were subjected to a conventional rougher and two stage cleaner flowsheet and testwork was completed in open circuit as opposed to locked-cycle mode.

Flotation at a finer grind size, 65 mm vs 85 mm, had a positive effect on copper recovery in sample M3 due to improved liberation of chalcopyrite.

Copper recovery was lower for the low-grading copper sample M3, compared to that of sample M1/2, as illustrated in Figure 4. The mass pull in the 2nd cleaner concentrate ranged from 0.44% for M3 to 1.46% for M1/2.

Gold recovery to the 2nd Cu cleaner concentrate varied with 57.3% for M3 and 27.3% for M1/2. Additional recovery is anticipated under locked-cycle conditions with a recycling of the intermediate tailings streams.

New tests conditions with sample M3 (M3* in Figure 4) showed improved copper recovery in the rougher stage. Consequently, higher cleaner stage copper recovery is anticipated.

Zinc flotation was performed for sample M3 only. The concentrate characteristics for rougher, 1st cleaner and 2nd cleaner stages are shown in Figure 5. The mass pull to the 2nd cleaner concentrate is 1.7%. Only 1.4% of the gold is recovered in this final concentrate, which is positive since it would normally not be payable under typical smelting terms.

For the same M1/2 and M3 tests for which the Cu and Zn flotation results are reported above, the indicated gold recoveries to the pyrite flotation concentrates were 84.8% and 92.9% respectively. It should be noted that these recoveries are based solely on the gold values sent to pyrite flotation and do not consider the intermediate tailings streams of final concentrates within the Cu and Zn cleaning circuits.

CYANIDE LEACHING RECOVERY

Prior to cyanide leaching, the pyrite concentrate was reground to 10 µm. Following a 12 hour preconditioning, leaching was carried out at 35% solids for 72 hours with the cyanide controlled at a concentration of 1.5 g/L in solution. The addition of lead nitrate improved both leaching kinetics and gold recovery. Gold recovery from leaching of the pyrite concentrate ranged from 81.3% to 88.7% for M1/2 and 81.9% to 84.8% for M3. Silver recovery was 90.1% for M1/2 and 84.9% for M3.

Two leaching tests were performed on a M1/2 pyrite flotation tailing sample to characterize flotation gold losses as either refractory (not recoverable by cyanide leaching) or non-refractory (recoverable by cyanide leaching). Leaching was done at 35% solids and with a cyanide concentration of 1 g/L maintained in solution. Gold recoveries of 75.3% and 74.7% were achieved after 48 hours.

FURTHER WORK TO BE CONDUCTED

- Perform additional open-circuit flotation tests on composites from different zones to improve the representativity of the ore tested throughout the deposit.
- Further copper cleaner circuit testwork to improve concentrate grade and maximize copper recovery for low copper head grade samples.
- Perform an economic tradeoff to evaluate the impact of concentrate grade/recovery on downstream precious metal recovery.
- Perform locked-cycle flotation testwork on composites representing the expected Yr 1-3 mine life ore grade and life of mine head grade.
- Further leaching testwork to optimize gold leaching kinetics of the pyrite concentrate.

Qualified Person

The scientific and technical information regarding the metallurgical test work results for the Horne 5 results set out in this news release was conducted by SGS Lakefield under the supervision of Mr. James MacDonald, Senior Project Manager/Metallurgist.

The scientific and technical information regarding the metallurgical test work results for the Horne 5 results set out in this news release has been reviewed and approved by Mr. Pierre Lacombe of BBA Inc. Mr. Lacombe is a P.Eng. with the Ordre ingenieurs du Quebec, and is a "qualified person" as defined by NI 43-101.

The scientific and technical information set out in this news release has been approved by Christian Laroche, Director - Processing of Osisko Mining Group. Mr. Laroche is a P.Eng. with the Ordre ingenieurs du Quebec, and is a "qualified person" as defined by NI 43-101.

About Falco

Falco Resources Ltd. is one of the largest mineral claim holders in the Province of QuÃ©bec, 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, realization of higher gold and copper recovery and performance of described additional work. 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. 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 times 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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