

## **Rapier Board believes Dissident slate nomination is a 'Trojan horse' attempt to force a speculative and risky transaction on Rapier**

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Feb 15, 2017) - [Rapier Gold Inc.](#) (TSX VENTURE:RPR) ("Rapier" or the "Company") sets the record straight and provides shareholders with facts regarding the press release (the "Dissident Release") issued by Delbrook Capital Advisors Inc. ("Delbrook"), a dissident shareholder proposing a slate of director nominees (the "Dissident Nominees") for election at Rapier's upcoming Annual General Meeting. In early November, 2016 a special committee of independent directors (the "Special Committee") was formed for the purposes of considering and evaluating a single transaction proposed by Delbrook. The board of directors of Rapier (the "Rapier Board") advises shareholders that there are gross material omissions and misleading information in the Dissident Release:

- *Delbrook was Actively Promoting a Highly Speculative Proposed Transaction*
- *Proposed Transaction Includes Shell Company and Legacy Assets with Substantial Liabilities*
- *Dissident Nominees were Actively Representing the Shell Company*
- *Rapier Board Pressured to Commit Without Appropriate Due Diligence or Fairness Opinion*

The Rapier Board believes that the attempt to replace the Rapier Board has nothing to do with the long-term strategic direction of the Company and is instead a 'Trojan horse' attempt to gain control of the Company's board of directors so that Rapier can be rushed into a risky and speculative transaction that has been persistently and aggressively promoted by Delbrook (the "Proposed Transaction"), without regard for the procedural safeguards insisted upon by the Rapier Board for the protection of shareholders aside from Delbrook ("Our Public Shareholders") and the Company as a whole.

The Proposed Transaction is highly speculative and essentially involves: (i) the acquisition of all outstanding Rapier shares in exchange for shares of a public shell company (the "Shell Company Acquiror") with no assets and significant actual and potential liabilities; (ii) the concurrent acquisition by the Shell Company Acquiror of a portfolio of assets that is of questionable value and comes attached to several millions of dollars of reclamation and other potential liabilities; and (iii) a concurrent Financing by the Shell Company Acquiror in the amount of \$8 - 10 million to fund post-closing working capital needs and the combined company's exploration program, in respect of which the Rapier Board has never seen commitments.

The Rapier Board has expressed numerous concerns to the Shell Company Acquiror and Delbrook regarding the Proposed Transaction and has taken great care to discharge its duties to Our Public Shareholders and the Company, including by establishing a special committee of independent directors (the "Special Committee") to review the Proposed Transaction in consultation with independent financial and legal advisors. Delbrook has consistently urged the Special Committee and the Rapier Board to agree to the Proposed Transaction, in spite of their concerns, on terms that threaten the interests of our Public Shareholders and the Company as a whole.

Two of the Dissident Nominees, Mr. Darren Blasutti and Mr. Paul Parisotto, have been active negotiators on behalf of the Shell Company Acquiror in respect of the Proposed Transaction and are proposed to be directors and/or senior officers of the Shell Company Acquiror following completion of the Proposed Transaction. The Rapier Board believes that the likelihood is that the Dissident Nominees are being proposed by Delbrook precisely for the purpose of ensuring that Rapier enters into and completes the Proposed Transaction on terms that were not acceptable to the current Rapier Board and that may be highly prejudicial to and oppressive of the interests of Our Public Shareholders.

The Rapier Board remains committed to the best long-term interests of the Company and is prepared to consider strategic alternatives that it believes are value-accretive. It believes that the Company benefits from a very valuable land position in a key geological region and that Rapier's focus in the short term should remain on raising financing for and completing high quality exploration work on its flagship Pen Gold project in order to create shareholder value.

A full response to the Dissident Release will be provided in the management proxy circular that will be sent in due course to shareholders of the Company in connection with the Annual General Meeting. Our Public Shareholders are urged to read the management proxy circular carefully and its entirety once it becomes available since it will contain important information about these and other matters, including the Proposed Transaction, Delbrook and the Dissident Nominees.

The latest corporate presentation on Rapier and the Pen Gold Project can be found on the Company's website, [www.rapiergold.com](http://www.rapiergold.com).

Advisors

Rapier has retained Kingsdale Advisors as its strategic shareholder advisor, proxy solicitation agent, and communications advisor. Fasken Martineau DuMoulin LLP is acting as legal advisor to the Rapier Board in connection with the Annual General Meeting.

ON BEHALF OF THE BOARD OF DIRECTORS

Roger Walsh, President & CEO

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*Cautionary Note Regarding Forward Looking Statements: Certain disclosure in this release constitutes forward-looking statements. In making the forward-looking statements in this release, the Company has applied certain factors and assumptions that are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company, including that the Company is able to procure personnel, equipment and supplies required for its exploration activities in sufficient quantities and on a timely basis and that actual results of exploration activities are consistent with management's expectations. Although the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Such risk factors include, among others, that actual results of the Company's exploration activities will be different than those expected by management and that the Company will be unable to obtain financing, or will experience delays in obtaining any required government approvals or be unable to procure required equipment and supplies in sufficient quantities and on a timely basis. Readers are cautioned not to place undue reliance on forward-looking statements. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.*

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