

Regional Exploration Seeking New Discoveries in Prolific Rouyn-Noranda Camp

MONTREAL, QC--(Marketwired - February 20, 2017) - [Falco Resources Ltd.](#) ("Falco" or the "Company") (TSX VENTURE: FPC) is pleased to announce that it is initiating exploration activities on its large 668 square kilometre land package in the Rouyn-Noranda Camp, which surrounds its 100% owned Horne 5 Project. The planned 40,000 metre exploration drill campaign is part of a \$10 million budget allocated to 2017 exploration work. The exploration program will concentrate on eight different areas, including the Horne 5 project, with the objective of discovering new mineralization in the prolific past-producing Rouyn-Noranda camp.

2017 REGIONAL EXPLORATION PROGRAM

Central Camp Properties

The Central Camp properties are located in the south-central portion of Falco's considerable land position. The properties cover approximately 90% of the historical mining camp and include several past producing VMS base metal deposits.

Exploration work on the Central Camp properties will include approximately 15,000 to 18,000 metres of drilling, and is aimed at updating the 3D Noranda Camp geological model with a systematic review and testing of existing exploration targets. Numerous drill-ready targets have been identified and will be tested during the campaign. In addition, historical data compilation in and around former producing mines will be conducted, reviewing historical resources and drilling results to further identify new opportunities and generate new targets.

RIMO

The RIMO properties are greenfield exploration projects located 25 km north west of Rouyn-Noranda. Work will focus on the western extension of the 2015 geophysical survey and field testing of geophysical targets with new drilling.

Lac Laynes

The Lac Laynes property is known for its VMS potential, however recent work has determined potential low grade gold mineralization at surface. In 2014 DDH 17931-14-02 drilled by Falco intersected a gold bearing tectonic breccia with values of 0.79 g/t Au over 14.0 metres, including 3.18 g/t Au over 1.2 metres. Planned work includes field validation (including rock sampling) and drilling of geophysical targets.

Flavrian

The Flavrian area has a historical production of 1 million ounces gold. Exploration at Flavrian will evaluate the mineral potential of the Duprat Syenite, which shows similar geological context to the Upper Beaver deposit in Ontario. Work includes approximately 2,000 metres of drilling.

Falco will also test for high-grade gold zones at depth and along strike, or proximal to the former producer Quesabe gold deposit. Quesabe encompasses more than 30 gold and copper showings over a 10 km² area. The new work will follow-up on previously drilled mineralized intersections with the aim to upgrade mineral resources. Numerous drill-ready targets have been identified using a 3D model along three main structures in the Quesabe area (the Quesabe Fault to the south, the Beauchemin Fault to the east and the St-Jude Breccia system to the North), including potential high-grade extensions of the Quesabe main deposit.

Noralex, Routhier and Blake River Area

The Noralex property includes the Young Buck (intrusion related) showing, which bears similarities with the Doyon and Mouska mines. Historical drilling has returned low grade gold values over wide intercepts, including 1.93 g/t Au over 33.0 metres and 1.64 g/t Au over 24.5 metres. Work will include drilling approximately 4,000 metres on the Young Buck showing and drilling on the south west portion of the property. The Routhier property and Blake River properties will see new geophysics, surface trenching and drilling of approximately 3,500 metres.

2017 HORNE 5 EXPLORATION PROGRAM

The Horne 5 mineralization is hosted in a felsic volcanic sequence (known as the Horne Felsic Block) mostly composed of rhyolitic flows, rhyolite breccias and felsic lapilli to blocky tuffs. The block is confined by the Horne Creek Fault to the north, the Andesite Fault to the south and follows an East West trend. The trend extends over 1.5km to the west of the Horne mine, where gold mineralization has been recognized. The West Zone which occurs 1 km from the Horne 5 deposit has returned historical results showing the good potential for this area, including: 4.6 g/t Au over 14.6 m, 4.3g/t Au over 9.3 m and 5.5 g/t Au over 20.6m. The 2016 drill program identified a new mineralized zone 200 metres to the South West of the Horne 5 deposit, the H5-SW zone. The low gold grades defining the H5-SW zone indicates it could be an extension of the West Zone, which confirms the continuation of the mineralization in western direction. New exploration drilling will test the western extension between the West Zone and the H5-SW zone. Approximately 10,000 metres of drilling is planned. Three main areas are being targeted covering a total distance of approximately 1.4km long, and between 300 metres and 1,200 metres of vertical depth.

2017 Expected Drilling Metres

Property / Project	Metres
Central Camp (excluding Horne 5)	16,600 m
RIMO	900 m
Lac Laynes	750 m
Flavrian	3,600 m
Noralex and Routhier	4,650 m
Blake River	3,500 m
Horne 5	10,000 m
TOTAL	40,000 m

Qualified Person

Claude Bernier, Exploration Manager, (P.Geo. 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.

About Falco

[Falco Resources Ltd.](#) is one of the largest mineral claim holders in the Province of Quebec, with extensive land holdings in the Abitibi Greenstone Belt. Falco owns 68,800 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 5 Project located in the former Horne Mine that was operated by Noranda from 1927 to 1976 and produced 11.6 million ounces of gold and 2.5 billion pounds of copper. Osisko Gold Royalties is the largest shareholder of the Corporation and currently owns 14.2% of the outstanding shares of the Corporation.

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 drilling program on the Horne 5 property and the regional exploration properties. 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 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.

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