

TORONTO, June 7, 2017 /CNW/ - RNC Minerals (TSX: RNX) ("RNC") has closed the previously announced (see RNC news release dated May 16, 2017) US\$10 million four-year Senior Secured Convertible Term Debt Facility (the "Facility") with Waterton Precious Metals Fund II Cayman, LP and Waterton Mining Parallel Fund Offshore Master, LP (collectively, "Waterton").

The Facility will bear interest at a rate of 10% per annum, payable quarterly. The Facility is convertible at the election of Waterton into shares of RNC at US \$0.1912 (C\$0.2573) per share up to a maximum of 75% of the principal amount (US\$7.5 million) or into units (a "Unit Conversion") of the recently established nickel joint venture that is 50% owned by RNC and 50% owned by Waterton. The valuation basis for any Unit Conversion would be RNC's 50% share of the value of the Dumont project held by the joint venture (100% of which was valued at US\$45 million) plus any completed investments that are funded by the US\$30 million of committed capital to be utilized by the joint venture for nickel asset acquisitions. After receiving any notice of a Unit Conversion in excess of US\$4.5 million of principal, RNC would have the right to prepay such excess principal amount plus applicable pre-payment fees. A one-time 2% structuring fee was paid to Waterton at closing.

Proceeds of the Facility will be used to fund the ongoing ramp-up of the Beta Hunt Mine and for general corporate purposes.

#### Early Warning

Pursuant to the Facility, Waterton has the option to convert 75% of the principal amount of the facility into 39,225,941 shares of RNC. Prior to entering into the Facility, Waterton did not own any securities of RNC. As of the date hereof, the 39,225,941 shares into which the Facility is convertible would represent approximately 12.4% of the outstanding shares of RNC on a partially diluted basis. The facility was acquired for investment purposes only. Depending on market and other conditions, or as future circumstances may dictate, Waterton may, from time to time, increase or decrease its holdings of shares of RNC or other securities of RNC.

This portion of the news release is issued pursuant to National Instrument 62-103 &#8211; The Early Warning System and Related TakeOver Bid and Insider Reporting Issues of the Canadian Securities Administrators, which also requires an early warning report to be filed with the applicable securities regulators containing additional information with respect to the foregoing matters. A copy of the early warning reports of Waterton will be available on RNC's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

#### About RNC

RNC is a multi-asset mineral resource company focused primarily on the acquisition, exploration, evaluation and development of base metal and precious metal properties. RNC's principal assets are the producing Beta Hunt gold and nickel mine in Western Australia, a 50% interest in the nickel joint venture with Waterton that holds the Dumont Nickel Project in the Abitibi region of Quebec, and a 30% stake in the producing Reed Mine in the Flin Flon-Snow Lake region of Manitoba, Canada. RNC also owns a majority interest in the West Raglan and Qiqavik projects in Northern Quebec. RNC has a strong management team and Board with over 100 years of mining experience at Inco and Falconbridge. RNC's common shares trade on the TSX under the symbol RNX. RNC shares also trade on the OTCQX market under the symbol RNKLF.

#### About Waterton

Waterton is a leading private equity firm dedicated to developing high quality resource assets in stable jurisdictions. Waterton's founding team has a successful track record of originating, structuring, managing and exiting investments through acquisitions, joint ventures and partnerships, across a range of sectors and asset classes. Waterton's core strength is its cross-functional, fully-integrated, in-house team of professionals who possess significant mining, financial and legal expertise. Waterton's team employs a proactive approach to asset management, leveraging significant sector knowledge and extensive industry relationships to support the firm's investment activities. Waterton's two current active private equity funds, Waterton Precious Metals Fund II and Waterton Parallel Fund closed with capital commitments in excess of U.S. \$1.725 billion in 2014 and 2016 respectively.

#### Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" including without limitation statements relating to the liquidity and capital resources of RNC, production guidance and the potential of the Beta Hunt and Reed mines.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of RNC to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash costs, failure to obtain regulatory or shareholder approvals. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to RNC's filings with Canadian securities regulators available on SEDAR at [www.sedar.com](http://www.sedar.com).

Although RNC has attempted to identify important factors that could cause actual actions, events or results to differ materially

from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and RNC disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

SOURCE RNC Minerals

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