

The Corcoran Canyon Joint Venture

- JV gives RCG access to an area within a prolific belt of currently and past producing silver and gold deposits that have historic production in excess of 138M oz silver
- Low acquisition cost for a drilled silver-gold historic resource – US\$2.6m staged earn-in by funding project development activities to earn an 80% interest
- RCG now focused on defining NI 43-101 resource and moving project to a pre-feasibility phase
- Represents key step in RCG's strategy of acquiring a portfolio of low-capex development and producing precious metal projects in North America
- Additional precious metals project acquisitions and farm-ins pending

VANCOUVER, June 16, 2016 /CNW/ - [Resource Capital Gold Corp.](#), TSXV: RCG ("RCG" or the "Company"), further to its announcement of 5 January 2016, is pleased to update shareholders on its advanced silver and gold project in Nevada.

As previously advised, RCG kept the location and name of the project confidential until it had completed the staking of an additional 226 claims in the area. This process has now been completed and RCG is pleased to confirm that it will explore the highly prospective Corcoran Canyon Joint Venture (the "Project"), which covers a total project area of 1,959 hectares following the staking of the new claims.

The Corcoran Canyon Joint Venture

The Project is an advanced silver-gold property that lies in a prolific belt of currently and past producing silver and gold deposits that have historic production in excess of 138M oz silver.¹ The project is located approximately 80 km northeast of Tonopah in central Nevada. It consists of 253 unpatented mineral claims covering 1,959 hectares, consisting of 27 existing claims covering 219 ha and 226 new claims covering 1,740 ha recently staked by RCG.

The Project was discovered in the 1980s, and exploration has included extensive drilling, geologic mapping, rock and soil geochemistry, and geophysics. Exploration has outlined a historic silver-gold resource and four exploration targets worthy of additional evaluation. Total previous drilling on the project, the data for which are available to the Company, is 17,647 meters in 123 holes.

Past drilling on the Corcoran Canyon project has outlined an existing, historic silver-gold resource. The bulk of the drilling was performed by Echo Bay Mines, which calculated a historic resource (uncategorized) of 1.14 million tonnes grading 248 g/t Ag and 0.89 g/t Au.² A more recent preliminary block model estimate done in 2016 based on the historic drilling data calculated a historic resource as follows, using a cutoff grade of 69 g/t Ag:³

- Measured: 504,900 tonnes @ 190 g/t Ag and 0.41 g/t Au
- Indicated: 1,036,800 tonnes @ 199 g/t Ag and 0.36 g/t Au
- Inferred: 2,160,000 tonnes @ 300 g/t Ag and 0.27 g/t Au

A qualified person has not done sufficient work to classify these historic estimates as current mineral resources or reserves, and the Company is not treating the historical estimates as current mineral resources or reserves.

The Company has prepared a Technical Report on Form NI-43-101 covering the project and describing these historic resource estimates, which will be filed on SEDAR within 45 days of this press release.

In the near future, the Company will undertake a two-stage drill program to upgrade the historic drilling to NI43-101 standards and to perform infill drilling. The new drill program will be followed by the preparation of a revised Technical Report to complement the one being filed in the near future, and which the Company expects will contain a calculation of a 43-101 mineral resource estimate.

RCG will then undertake a pre-feasibility study and it is the Company's intention to rapidly advance the project towards the development phase.

Through further drilling, RCG is confident that it can significantly increase the size of the currently drilled mineralized body both from exploration within the current project area and across the 226 new claims recently staked.

Further background on Corcoran Canyon

The Project lies in an extensive belt of prolific mineral deposits, including: Round Mountain (Kinross, 1.47M oz Au proven and

probable reserves, 683K oz Au measured and inferred resources, 233K oz Au inferred resources, 198K oz Au produced in 2015)⁴ Northumberland (Newmont, 2.3M oz Au indicated resources, 777K oz Au inferred resources);⁵ Manhattan; and the historic district of Tonopah, which produced 138M ounces Ag and 1.5M ounces Au. Two other historic districts near the project, Jefferson and Belmont, produced silver. .

Corcoran Canyon shows distinct similarities to many deposits in this mineral trend: low-sulfidation epithermal mineralization in caldera margin and/or range front fault zones in veins, stockworks, and breccias hosted in hydrothermally altered felsic volcanic rocks of Oligocene age. The project lies 20 km east of and on the same caldera margin related to Round Mountain.

The Corcoran Canyon project is well situated in a belt of numerous rich silver-gold deposits, with which it shares many similarities. Of particular note is the preponderance of large, high-grade, low-sulfidation epithermal deposits in Oligocene-age felsic volcanic host rocks on or near major caldera margins in this belt, including Corcoran Canyon.

Attractive acquisition terms

As previously announced on 6 January 2016, RCG will acquire 80% of the Corcoran Canyon Project via a low-cost earn-in joint venture structured under the following terms:

- Earn 50% of the Project by spending US\$1 million, of which \$500,000 plus the property holding costs are to be spent by 31 December 2016.
- Earn an additional 30% of the project by spending a further US\$1.6 million by 31 December 2018.
- Payment of US\$30,000 to the vendor (complete) and the issue of 2 million RCG shares, 1 million of which being subject to the attainment of certain NPV milestone in the planned pre-feasibility study.

RCG will be the Operator of the Project through the earn-in period and beyond.

Near-term growth prospects

RCG can also confirm that it is actively assessing additional precious metals projects in line with the Company's previously stated goal of creating a broad-based precious metals company focused on the Americas. Both development stage and producing assets are being reviewed, and RCG expects to make an announcement on the acquisition of an additional project in the near term.

Management Commentary

RCG's Chairman and CEO Mr. George Young commented: "The Corcoran Canyon Joint Venture represents an excellent opportunity for RCG. We are confident that we can add additional value to the project now that we have secured these additional claims. It is our intention to conduct verification and infill drilling and complete a 43-101 mineral resource estimate, and then immediately commence pre-feasibility work."

"This project represents the first step in RCG assembling a portfolio of development stage and producing precious metals projects in North America. While the Corcoran Canyon Joint Venture is our first significant growth step, we are pleased to confirm that further project acquisitions and farm-ins for precious metals projects are pending."

Qualified Person

The scientific and technical data contained in this news release was reviewed and prepared under the supervision of David S. Smith, MS, MBA, CPG, who is a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

On behalf of the Board of Directors of Resource Capital Gold Corp.

George S. Young
Chairman and CEO

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Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking

information") within the meaning of applicable securities laws. Forward-looking information is generally identifiable by use of the words "believes," "may," "plans," "will," "anticipates," "intends," "could," "estimates," "expects," "forecasts," "projects" and similar expressions, and the negative of such expressions. Forward-looking information in this news release include statements about the option and joint venture transaction, financing requirements and the Company's future plans, objectives and business strategy.

In connection with the forward-looking information contained in this news release, the Company has made numerous assumptions, regarding, among other things, the assumption that the parties will complete the principal conditions for completion of the transaction, including but not limited to the receipt of necessary shareholder and regulatory approvals; and the assumption the Company will continue as a going concern and will continue to be able to access the capital required to exercise the option and advance its projects and continue operations. While the Company considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. In addition, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: the inability of the Company to complete the transaction and exercise the option; the possibility that the necessary funds cannot be raised; and the possibility that the Company may not be able to continue as a going concern in the near term.

All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.

¹ Kleinhampl, F.J., and Ziony, J.I., 1984, Mineral resources of northern Nye County, Nevada: Nevada Bureau of Mines and Geology Bulletin 99B, 243 p.

² Brewer, N.H., 1988, Corcoran Canyon Project, Nye County, Nevada: report produced for Echo Bay Explorations, Reno, Nevada, March, 1998, 34 p.

³ Independent consultants' report, March, 2016.

⁴ Kinross 2015 annual report, www.kinross.com

⁵ Fronteer Development Group Inc., 2008, Technical report on the Northumberland project, Nye County, Nevada, USA: NI 43-101 technical report, July 28, 2008, 139 p.;

<http://www.newmont.com/newsroom/newsroom-details/2011/Newmont-Expands-Nevada-Growth-Potential-With-Acquisition-of-Fron>

SOURCE [Resource Capital Gold Corp.](#)

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