

RCG Announces Acquisition of Previous Producing Gold Mines and Central Processing Mill in Nova Scotia

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- **Definitive agreement signed to acquire 90% interest in the Dufferin Gold Mine in Nova Scotia, Canada**
 - **US\$9.5 million purchase price + 1% NSR from year 5**
- **US\$400,000 deposit paid with US\$1.1 million payable upon settlement; US\$8 million payable in equal installments over 5 years**
- **Highly experienced project turnaround team with proven underground mining experience already engaged and ready to mobilize**
 - **Turnaround plan in place to resume mining operations within four months**
- **RCG to also acquire 90% interest in the Tangier Gold Mine and Forest Hill Gold Mine in Nova Scotia**
- **Growth strategy underscored by near-term resumption of production at Dufferin, combined with an additional two mining properties**
- **Significant exploration upside across the portfolio**

VANCOUVER, Sept. 9, 2016 - [Resource Capital Gold Corp.](#), (TSX VENTURE:RCG) ("RCG" or the "Company") is pleased to announce that it will acquire a 90% ownership interest of the Dufferin Gold Mine ("Dufferin") located in Nova Scotia, Canada, as well as surrounding historic gold mines including the Tangier and Forest Hill mines.

RCG's immediate focus is resuming production at Dufferin. It is anticipated that operations can resume within 120 days and the milling facilities there are planned to act as a central processing hub for the surrounding projects when production from these operations are brought on stream.

Overview of Dufferin Gold Mine and other assets acquired

The Dufferin Gold Mine is a fully permitted operational underground gold mine. The project comprises 874 hectares in 54 mineral claims that are all in good standing. The property contains +14 east - west trending "saddle reef" quartz vein structures, situated in a vertical assemblage, each hosting free milling gold. These saddle reef structures are open at depth and along strike for over 1.4 kilometers.

The mine is currently on care and maintenance with production last occurring in 2014. RCG has a project turnaround plan and team in place so that production can recommence within 120 days of the transaction being closed. The mine has a 300 t/day gravity floatation mill and all necessary infrastructure in place to conduct full-scale gold mining operations.

The Company has engaged MineTech International Ltd. of Halifax, Nova Scotia, to prepare a Preliminary Economic Assessment (PEA) of the Dufferin project. The PEA is expected within September, and will be filed as soon as it is available.

The Tangier Gold Mine is located 30 kilometers from the Dufferin Mine. It has a 43-101-compliant resource of 41,700 ounces gold in the indicated category (134,000 tonnes grading 9.67 g/t Au), and 131,500 ounces gold in the inferred category (271,000 tonnes grading 15.09 g/t Au).¹ The mine sits on a project area of 2,187 hectares in 135 exploration claims.

The Forest Hill Mine has a 43-101-compliant resource of 173,800 ounces gold in the indicated category (225,000 tonnes grading 24.02 g/t Au) and 152,900 ounces gold in the inferred category (383,000 tonnes grading 12.42 g/t Au)² and sits on a project area of 3,398 hectares in 210 exploration claims.

Attractive acquisition terms

RCG will acquire the interest in Dufferin for a total consideration of US\$9.5 million plus a net smelter royalty (NSR) of 1.0%. US\$1.1 million is payable upon settlement (with US\$400,000 already paid in the form of a purchase deposit). The remaining US\$8.0 million is payable in equal installments over the following five years, with the NSR payable from the fifth year. Closing is expected to occur on or before September 30, 2016.

The acquisition of the interest in Tangier and Forest Hill is being accomplished through the acquisition of Flex Mining and Exploration Limited, the owner of the properties. The Company will acquire Flex Mining and pay C\$1.5 million, C\$100,000 of which has been paid as a deposit. The closing is expected to occur on or before October 15, 2016.

The Tangier and Forest Hill projects also have exploration upside in addition to the value that can be unlocked from production of known mineral resources.

Turnaround plan to unlock value at the Dufferin Mine

RCG has identified a highly experienced team of underground mining professionals that have a track record of turning-around underground mining operations including the Lucky Friday Mine in Idaho, the Giant Mine in the Northwest Territories, Canada, and the Pamour Mine in Ontario.

RCG's Chairman and CEO George Young commented: "The Dufferin transaction transforms RCG into a gold producer in a very short period of time. We have every confidence that we can unlock considerable value from this mine. Our experienced underground mining team envisions unlocking the project's true value.

"The acquisition of these projects is in line with RCG's previously stated goal of acquiring low capex precious metals projects in North America that are either in the development phase or producing. Concurrently, we are also committed to the development of our silver assets in Nevada through the joint venture on the Corcoran Canyon project. We look forward to updating shareholders on this project and other opportunities in the near term."

Development financing

Re-commencement of mining operations is intended to be funded through debt. Discussion with potential financiers is ongoing.

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

George S. Young
Chairman and CEO

about Resource Capital Gold

[Resource Capital Gold Corp.](#) (TSX VENTURE:RCG) is an emerging precious metals developer and producer. The Company's focus is on gold and silver and it has a pipeline of late-stage exploration, development and previously producing assets in Nova Scotia and Nevada.

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.

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¹ Mercator Geological Services, 2004, Technical report on mineral resource estimate, Acadian Gold Corporation, Tangier Property, Halifax County, Nova Scotia, Canada, effective date September 29, 2004.

² Mercator Geological Services, 2005, Technical report on updated mineral resource estimate, Acadian Gold Corporation, Forest Hill Property, Guysborough County, Nova Scotia, Canada, effective date September 28, 2005.

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