

**- Momentum continues to build with leading independent proxy advisor Institutional Shareholder Services recommending shareholders vote "FOR" the current Board**

**- ISS highlights Delbrook's lack of a plan and that under the current Board Rapier has significantly outperformed its peers**

**- Delbrook intentionally concealed the roles of its nominees as key negotiators for a public shell company seeking to take over Rapier**

**- Delbrook's links to the shell company are extensive: It is controlled by a member of Delbrook's pack and was introduced to Rapier by Delbrook**

**- Delbrook has been put on notice it needs to correct misstatements in its circular that neither it nor any of its nominees has a material interest in any proposed transaction**

**- Subject to the discretion of the Chair of the Annual General Meeting, this may result in Yellow proxies not being accepted**

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Mar 17, 2017) - [Rapier Gold Inc.](#) (TSX VENTURE:RPR) ("Rapier" or the "Company") releases a second letter to shareholders highlighting support from Institutional Shareholder Services ("ISS") and revealing the facts about Delbrook Capital Advisors Inc.'s ("Delbrook") hidden agenda and the roles of its co-conspirators in trying to force the Company into a sale to a shell company controlled by one of Delbrook's co-conspirators.

ISS, a leading independent proxy advisor, has endorsed the current board on the basis that:

- Delbrook has not made a compelling case for change
- The current Board has led the Company to outperform its peers amidst challenging market conditions
- The current Board is strongly aligned with shareholders holding about 8.3% of shares whereas Delbrook's nominees only hold about 0.7% of shares

Rapier shareholders should be aware that the Company's counsel has taken action against Delbrook's continued attempts to conceal the central role its nominees played in structuring, coordinating and promoting the sale of Rapier to a public shell company with no assets and significant liabilities.

Delbrook has been publicly misrepresenting that neither Delbrook nor any of its nominees has any material interest, direct or indirect, in any proposed transaction that has materially affected or will materially affect the Company. In spite of several attempts by Rapier to publicly set the record straight, Delbrook has yet to come clean. This includes the press release issued by Delbrook on March 16, 2017 that defends its misrepresentation and, in effect, extends the cover-up. If anything, Delbrook has confirmed there was material information not disclosed and relied on Rapier's Management Information Circular to provide appropriate disclosure, confirming the overall accuracy for the case made in that document.

The Company's counsel has put Delbrook's counsel on notice that if Delbrook does not correct the material misstatements and omissions in the Dissident Information Circular, objections may be raised to the acceptance of any proxies solicited on the basis of the material misrepresentations and omissions contained in the Dissident Information Circular. Subject to the discretion of the Chair of the Annual General Meeting, this may result in proxies solicited by Delbrook not being accepted at the Annual General Meeting.

Shareholders are reminded that the only way to stop Delbrook from destroying the value of their investment is to vote their BLUE proxy FOR the current Rapier Board and its consistently articulated plan to continue and complete high quality exploration work on the Pen Gold Project. Shareholders' BLUE proxies must be received by 10:00 a.m. (Pacific Time) on March 28, 2017.

Even if you have voted the Yellow proxy, it is not too late. A later-dated BLUE proxy will replace any previously voted Yellow proxy.

Shareholders with questions or who need help voting should contact Kingsdale Advisors at 1-855-682-8087 toll-free in North America, or 1-416-867-2272 outside of North America, or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).

The full copy of the letter is set out below:

*Dear Fellow Shareholder,*

*Your Rapier Gold Board and management are on the right track to create value for all shareholders by executing patiently on the highly prospective Pen Gold Project.*

*Unfortunately, an activist shareholder, Delbrook Capital Advisors Inc. ("Delbrook"), is threatening to derail this progress, distract away from the focus and burden you with large environmental bonds. Only your vote for the current board can stop them.*

*Do Not Be Fooled: Delbrook's Interests Are Not the Same as Yours.*

*Shareholders like you have told us they want their board focused on the successful exploration of the Pen Gold Project, not railroaded into a highly speculative and risky transaction that amounts to a 'Trojan horse' takeover by Delbrook and the co-conspirators they have placed in our stock (the "Delbrook Pack").*

*While Delbrook wants you to believe they are a shareholder like you, the fact is they are nothing more than a wolf in sheep's clothing threatening to snatch control of your Company.*

*The Delbrook Pack has placed itself in opposition to other shareholders ("Our Public Shareholders") by ignoring the potential of the Pen Gold Project and instead trying to force Rapier into a transaction (the "Delbrook Pack Transaction") that poses significant risk to Rapier and Our Public Shareholders, is highly speculative and has been structured, coordinated and aggressively promoted by the Delbrook Pack to serve its own private interests.*

*In short, the Delbrook Pack Transaction would see Our Public Shareholders sell their Rapier shares for shares in a public shell company (the "Shell Company Acquiror") with no assets and significant liabilities that is controlled by a member of the Delbrook Pack, was represented in negotiations by two of Delbrook's dissident nominees and was introduced to Rapier by Delbrook. At the same time the Shell Company Acquiror would buy a list of recycled assets of questionable value and with significant liabilities while proposing to complete a speculative financing of the Shell Company Acquiror that includes Delbrook as the anchor investor and excludes Our Public Shareholders.*

*Sound fishy? We thought so too.*

*While Delbrook has grown increasingly desperate in its attempts to force the Company into the highly speculative, risky and shady Delbrook Pack Transaction, your board has remained steadfast in its commitment to act in the best interests of Rapier and Our Public Shareholders -- not those of a self-interested pack of co-conspirators with the resources to try to bully us.*

*Our message to Our Public Shareholders is clear: We will continue to defend your interests and ensure the value of your investment.*

*Who is the Delbrook Pack and What is Their Hidden Agenda?*

*As you are likely aware, Delbrook has nominated a slate of individuals to replace your current board. None of Delbrook's nominees has the necessary technical geoscience expertise required to develop a suitable corporate strategy that will advance a grassroots gold exploration company like Rapier. In fact, they are trained accountants and a corporate lawyer, confirming that Delbrook cares more about selling off Rapier, pursuant to its shady and self-interested Delbrook Pack Transaction, than it cares about developing the Pen Gold Project.*

*Darren Blasutti and Paul Parisotto, two of Delbrook's nominees, have represented and been active negotiators on behalf of the Shell Company Acquiror. David Lotan, a third Delbrook nominee, acquired a substantial ownership position in Rapier by participating in a block purchase completed by the Delbrook Pack in September 2016 and was later identified by the Shell Company Acquiror as someone expected to sign a lock-up agreement in support of the Delbrook Pack Transaction. The likelihood is that Delbrook's dissident nominees have been nominated precisely for the purpose of rubber-stamping and rushing into the highly speculative, risky and shady Delbrook Pack Transaction on terms that were not acceptable to your current directors.*

*If Delbrook's nominees are looking out for Delbrook, who will be looking out for you?*

*Delbrook intentionally concealed the roles of its nominees as key negotiators for the Shell Company Acquiror. Delbrook further concealed its central role in structuring, coordinating and promoting the Delbrook Pack Transaction, publicly misrepresenting that neither Delbrook nor any of its nominees has any material interest, direct or indirect, in any proposed transaction that has materially affected or will materially affect the Company.*

*In spite of several attempts by your board to publicly set the record straight, Delbrook has yet to come clean. In its recently released Dissident Information Circular, Delbrook continues to suggest that neither it nor any of the Dissident Nominees has a material interest in any proposed transaction which has materially affected or could materially affect the Company. Accordingly, the*

*Company's counsel has put Delbrook's counsel on notice that if Delbrook does not correct the material misstatements and omissions in the Dissident Information Circular, objections may be raised to the acceptance of any proxies solicited on the basis of the material misrepresentations and omissions contained in the Dissident Information Circular. Subject to the discretion of the Chair of the Annual General Meeting, this may result in proxies solicited by Delbrook not being accepted at the Annual General Meeting*

### *Delbrook Doesn't Let Facts Get in the Way*

*In its recent letter to shareholders Delbrook makes a number of statements and claims that are unsubstantiated by facts. Unfortunately for Delbrook, the facts demonstrate how underhanded and deceitful they are.*

*Fact: Delbrook's nominees are not qualified and pose a significant value destruction risk.*

*As the chart below demonstrates, Delbrook's nominees lack public company experience and, for the limited experience they do have, they have a track record of destroying shareholder value:*

To view the graphic associated with this press release, please visit the following link:  
<http://media3.marketwire.com/docs/rapier0317graphic.pdf>.

*Fact: There was no financing from Delbrook at a 'premium' to market price.*

*In a transparent tactic designed to entrap the Company for a PR stunt, Delbrook and its co-conspirators provided an alleged financing offer well below the public financing target of \$2.5M at a 'premium'. The Delbrook Pack knew full well that Rapier needed the full \$2.5M, as communicated to investors as part of our business plan in September 2016, and that we could not accept their incomplete offer alone. In an effort to be constructive, we suggested we could accept the financing as part of the already announced private placement and that they agree to support the business objectives we had publicly communicated and that shareholders expect to be achieved. While in conversation with them about this opportunity, Delbrook put out a press release saying we refused their offer, revealing their true motive and objective.*

*Fact: Rapier's board went above and beyond to consider Delbrook's proposals.*

*Delbrook has suggested that the board summarily rejected the Delbrook Pack Transaction. The facts and timeline tell a different story: A special committee of independent board members undertook a careful, time-consuming review of Delbrook's preferred transaction that lasted several months. Despite Rapier's willingness to engage in a constructive negotiation process to attempt to surface value for all shareholders, the special committee was consistently denied the information it required to properly evaluate the transaction and was pressured to commit to the transaction without that information or sufficient time to properly negotiate terms. When the board resisted the Delbrook Pack's demands to rush into the transaction, Delbrook made numerous threats to replace the board and initiate legal proceedings.*

*Fact: Delbrook has no plan (other than selling off your Pen Gold asset).*

*Delbrook is seeking full control of the board yet they have no business plan, no transition plan and no exploration expertise. Delbrook's plan is light on details and seeks to serve its hidden agenda of pushing through their preferred transaction. Delbrook has not provided a transition plan or identified a credible and superior new management team that could advance the Pen Gold Project to the next stage. One can only conclude their plan is to separate Rapier shareholders from their Pen Gold asset.*

*Fact: Any support Delbrook claims to have comes from Delbrook's Pack - not Rapier shareholders.*

*In the short time since Delbrook took its position in Rapier, they have steered significant blocks of shares into the hands of friends and associates who have co-conspired to try to exert control over the board. It is now this pack that is being relied on to give Delbrook control of your Company. Only your vote can stop them.*

### *The Right Directors and Right Plan to Create Value for All Shareholders*

*Rapier's current directors collectively have over 120 years of experience in mining and mining finance. Removing the board or any one of the current directors would be detrimental to the advancement of the Pen Gold Project.*

*In fact, objective third party observer and leading independent proxy advisor Institutional Shareholder Services ("ISS") recently announced its endorsement of the current board noting:*

*"The dissident's rational[e] as to why the continuance of the incumbent board would be a cause of concern does not present a*

*compelling reason for change, especially given favourable recent stock performance of the company. More importantly, given that the dissident is seeking the full control of the board, the dissident has not disclosed a detailed business plan with elaboration of any new strategic initiatives... On balance, the dissident has not made a compelling case for change, thus a vote FOR all management nominees is warranted."*

*We have been building a careful and thoughtful exploration program amidst significant market turmoil and Pen Gold is now ready for heavy drilling investments. It is critical that the current board is re-elected so we can continue to move forward on our ambitious agenda:*

#### *2017 Objectives*

- *Complete capital raise to fund targeted exploration at the Pen Gold Project*
- *Drilling to follow up on known high grade gold zones*
  - *Continue drilling and surface work on targets generated in 2016 programs*
  - *Trace highly prospective structures*
- *Focus exploration effort on five specific target areas*

#### *Spring Drilling*

- *Spring drilling program budgeted at \$850,000*
- *12 to 15 diamond drill holes totaling approximately 3,000 m.*
- *Three focus areas: Talc Mine, Nib Yellowknife, Broadsword. Late March 2017 to early June 2017.*
- *Drill core logged and assayed immediately to rapid follow-up if results warrant.*

#### *Mechanical Stripping*

- *Continue in various areas identified in 2016 program. June 2017.*

#### *Airborne Geophysics*

- *To trace structural corridors and follow the gold. April 2017.*

#### *Summer field Season*

- *Guided by winter drilling and spring geophysics*
  - *Summer field season budgeted at \$500,000*
- *Continuing prospecting and mapping further south. June to September 2017.*
- *Drilling Plan based on results from winter drilling.*

#### *Only Your Vote Can Stop Delbrook's Takeover Attempt*

*Delbrook's handpicked nominees and its agenda for the Company may fulfill its short-term desires, but it hurts the remaining 70% of shareholders who want Rapier's board to continue their focus on long-term value creation by exploring the Pen Gold Project.*

*You should have a board that defends your interests, not rubber-stamps the desires of a bully shareholder like Delbrook.*

*Now is not the time to risk Rapier's future to Delbrook's risky takeover agenda. We do not believe Delbrook's short-term, self-serving approach is right for the Company or its shareholders. Only the current board has the plan and experience needed to create value for all shareholders.*

*Vote your BLUE proxy "FOR" Your Current Board. Your BLUE proxy must be received by 10:00 a.m. (Pacific Time) on March 28, 2017.*

*If you have any questions please contact Kingsdale Advisors at 1-855-682-8087 toll-free in North America, or 1-416-867-2272 outside of North America, or by email at [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).*

*Sincerely,*

*Roger Walsh, President & CEO and Director*

*Daryl Hodges, Director*

William John Blake, Director

Claude Oberson, Director

The Board of Directors

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

*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 news release.*

*Cautionary Note Regarding Forward Looking Statements: Certain disclosure in this release may constitute 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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