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NEWS RELEASE

Symbol: RZL: TSX-V

RIZAL ANNOUNCES PRIVATE PLACEMENT OF CONVERTIBLE PROMISSORY NOTES

December 23, 2016 – Vancouver, British Columbia – **Rizal Resources Corporation** (formerly Cadan Resources Corporation) ("**Rizal**" or the "**Company**") (**TSX-V: RZL**) is pleased to announce a proposed brokered private placement financing (the "**Private Placement**") of convertible promissory notes (the "**Notes**") to raise gross proceeds of up to A\$3.0 million. The net proceeds of the Private Placement will be used to bring Rizal's flagship T'Boli project back in to production and fund working capital. Rizal will continue to investigate opportunities to recapitalise the Company in the near-term, including a potential cross-listing on the Australian Securities Exchange ("**ASX**").

The Notes to be issued under the Private Placement will have an aggregate principal amount of up to A\$3.0 million, will capitalise interest at a rate of 12% per annum and have a maturity date of December 31, 2017. The principal amount and interest of the Notes will be convertible into Common Shares of Rizal ("**Common Shares**") and warrants of Rizal ("**Warrants**") to purchase Common Shares, as follows:

1. at any time prior to maturity, at the option of the Note holder, into:
 - a. Common Shares listed on the TSX-V, at a conversion price of C\$0.05; and
 - b. for each Common Share issued on conversion, a Warrant to purchase one Common Share listed on the TSX-V, at an exercise price of C\$0.06 per share exercisable for a period of 3 years from the date of issuance of such Warrant; or

2. if Rizal files a prospectus to list the Common Shares on the ASX, at the option of the Note holder, into:
 - a. Common Shares listed on the ASX (in the form of what are known as Chess Depositary Interests ("**CDIs**"), at a conversion price of C\$0.05 per share (adjusted for the Australian to Canadian dollar exchange rate); and
 - b. for each Common Share issued on conversion, a Warrant to purchase one Common Share listed on the ASX, at an exercise price of C\$0.06 per share (adjusted for the Australian to Canadian dollar exchange rate) exercisable for a period of 3 years from the date of issuance of such Warrant.

The Private Placement, and the issuance of Notes thereunder, is subject to approval of the TSX-V. The Private Placement is being offered to professional and sophisticated investors outside of Canada only, and is expected to close in two tranches, on or about December 31, 2016, and January 23, 2017.

The Company has engaged Azure Capital Limited ("**Azure**") to act as corporate adviser in relation to the Private Placement and to investigate opportunities to recapitalise the Company in the near-term. Agency fees of ~5% of the gross proceeds of the Private Placement will be paid to agents in order to complete the Private Placement.

On Behalf of the Board,

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Caution Regarding Forward Looking Statements

This news release contains certain “forward-looking statements”. All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward looking statements, including statements regarding the completion of the Private Placement, the issuance of the Notes and the receipt of TSX-V approval for the Private Placement. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company.

Forward looking statements are subject to significant risks and uncertainties and other factors that could cause the actual results to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: the failure to obtain any required regulatory or stock exchange approvals, risk factors identified by the Company in its continuous disclosure filings filed from time to time on SEDAR, and other factors. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

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