



NEWS RELEASE

Symbol: RZL-TSX.V

### Quarterly Activities Report to 31<sup>st</sup> March 2017

**May 30, 2017 - Vancouver, British Columbia: Rizal Resources Corporation (TSXV: RZL)** (“Rizal” or the “Company”) issues the following release to update shareholders on its March Quarter 2017 results.

During the first 3 months of 2017 the team has been pushing hard to realise the projects production plan, whilst continuing efforts to raise the remaining capital needed to fund the project through its commissioning and ramp-up phase.

Since the beginning of 2017, Rizal has managed with a lower cashflow position than budgeted which consequentially slowed the advance of the project. Despite this, Rizal has managed to advance the project towards production. Some key events and achievements are;

- On May 9, 2017, President Rodrigo Duterte appointed Mr Roy A. Cimatu to replace Ms Gina Lopez as the Secretary of the DENR. This action followed Ms Lopez’s appointment being rejected by the Congressional Commission of Appointments on May 4, 2017.
- During January 2017, the company engaged Australian mining consultant Premium Mining Personnel (PMP) to provide advice and training to the local contractors on mine development and production. The main objective for hiring PMP was to lift the production rates and improve the safety and operating standards in the mine.
- At the end of the March quarter 2017, development of the new “Minion” decline has achieved a total driven distance of 1,045 metres. This includes total decline, cross cuts and drive development of 437 metres, 180 metres and 250 metres, respectively. Total decline depth to date is 50 metres below the access portal entrance.
- In the process of development to date in FY2017, a total of 6,367 tonnes of mineralized material from drive development and stoping has been brought to surface and delivered to the mill. This is the primary source material being treated during the mill commissioning phase.
- The T’boli plant was recommissioned in February 2017 and a total of 3,587 tonnes of mineralized material was treated during the March quarter. The rate of commissioning was slowed due to some mechanical issues in the crushing and grinding circuit. By the end of the March quarter, most of those issues had been resolved. As of the end of March 2017 quarter gold produced was 18.16 oz, by the end of April the plant had produced a total of 182 ozs.
- Plant maintenance was planned for May to replace ball mill liners and the install a new primary crusher. The planned maintenance was completed successfully and production re-started on 21st May.
- Ongoing slow rates of advance from contractors continues to be an issue, however, there has been some improvement since appointment of PMP mining consultants.
- The key focus in the short term is to access remnant material in the upper level of the mine had left behind by previous small-scale miners, with the objective of increasing gold production.

- The plan for the remainder of May and the month of June, is to operate the plant at its design rate of 200 tpd (70,000 tpa). However, grade estimation is difficult at this stage due to unknown quantity of higher grade material that may have been previously mined.
- Rizal is currently preparing a Preliminary Economic Assessment (PEA) for the T'Boli mine. A detailed budget and schedule is being prepared for the PEA and we will announce the study program and timing as soon as possible.
- The Company also announces that pursuant to the its Stock Option Plan it has granted 5,750,000 stock options at a price of \$0.05 per common share to directors and officers of the Company. The option grants will vest immediately and per the Company's Stock Option Plan, the options granted are exercisable until May 25, 2022. Grant of the options is subject to the approval of the TSX Venture Exchange.

On Behalf of the Board,

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*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 Corporation. 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 Corporation 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 Corporation 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. The reader is referred to the Company's most recent annual and interim Management's Discussion and Analysis for a more complete discussion of such risk factors and their potential effects, copies of which may be accessed SEDAR at <http://www.sedar.com>.*