

## **METANOR REPORTS ITS FINANCIAL AND OPERATIONAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2017**

May 11, 2017 - Val-d'Or, Quebec, Canada: Metanor Resources Inc. ("Metanor") (TSX - V: MTO) is pleased to report its financial and operating results for the quarter ended March 31<sup>st</sup> 2017 (fiscal Q3 2017). This press release should be read in conjunction with Metanor's financial statements for the quarter ended March 31<sup>st</sup> 2017 and related Management's Discussion and Analysis (MD&A); both of these documents can be found on the Company website at [www.metanor.ca](http://www.metanor.ca) or on SEDAR [www.sedar.com](http://www.sedar.com). All amounts are in Canadian dollars unless stated otherwise.

### **Q3 2017 Highlights**

#### **Bachelor Property**

- Gold production of 9,442 ounces in Q3;
- Gold sales of 10,881 ounces in Q3;
- Revenue of \$16.3 million from gold sales in Q3 at an average sale price of \$1,498 per ounce sold (US\$1,133/oz).
- Cash Cost<sup>1</sup> of \$1,008 per ounce sold in Q3 (US\$762/oz).
- Sustaining cost<sup>2</sup> of \$1,182 per ounce sold in Q3 (US\$894/oz).
- All-In cost<sup>3</sup> of \$1,282 per ounce sold in Q3 (US\$969/oz).

#### Note

1. The cash cost is composed of all costs related to the mineral extraction and processing including royalties associated to the property, and by-product credits.
2. The sustaining cost is composed of the cash cost, and all costs related to sustain the existing operation such as capital and exploration expenses at the existing mines, and the corporate administration cost.
3. The all-in cost is composed of the sustaining cost, and all costs related to corporate exploration and evaluation.
4. Exchange rate of US\$0.76/CAD\$1.00 used in US\$ calculations

#### **Barry Property**

- A total of 7,239 m of drilling confirmed:
  - The presence of a series of high grade sub-vertical shears below the pit;
  - The extension of the Barry pit to the west.
- The company is increasing the number of drills from one to three drills in May around the Barry camp.

#### **Financial Highlights:**

- The company reported a net income of \$322,287 for the three months ended March 31<sup>st</sup> 2017.
- The company had \$16,747,276 in cash and \$747,975 in restricted cash on March 31<sup>st</sup> 2017.
- The shareholders approved a consolidation of shares on a 10-to-1 basis which was completed on April 13th 2017.
- The closing of a private placement of \$10,752,031 for which the net proceeds will be used for mining development and exploration at the Barry project and for general working capital purposes.
- The closing of a flow-through private placement of \$747,975 for which the net proceeds will be used to incur resource exploration expenses.

**Q3 2017 Operating and financial results**

Operating and financial results	Quarter ended March 31 <sup>st</sup> , 2017	Quarter ended March 31 <sup>st</sup> , 2016	Nine months ended March 31 <sup>st</sup> , 2017	Nine months ended March 31 <sup>st</sup> , 2016
<b>Operational results</b>				
<b>Tonnes milled (Tonnes)</b>	61,101	60,727	185,865	171,601
<b>Feed grade (g/T)</b>	5.0	4.9	4.8	4.7
<b>Mill recovery rate</b>	96.4%	96.3%	96.3%	96.5%
<b>Ounces produced</b>	9,442	9,113	27,605	24,003
<b>Ounces sold</b>	10,881	8,730	29,204	24,003
<b>Underground development (metres)</b>	1,230	1,571	3,346	4,933
<b>Diamond drilling (metres)</b>	15,214	6,795	52,673	42,191
<b>Financial results (Thousand dollars)</b>				
<b>Gold Sales</b>	16,304	11,902	44,842	32,822
<b>Operating Costs</b>	(10,657)	(9,901)	(28,088)	(28,419)
<b>Royalties</b>	(306)	(275)	(897)	(707)
<b>Depreciation &amp; Depletion</b>	(3,387)	(2,966)	(9,377)	(8,288)
<b>Gross Income (Loss)</b>	1,954	(1,240)	6,480	(4,592)
<b>Net Income (Loss)</b>	322	(1,980)	2,105	(7,761)

For the quarter, a total of 61,101 tonnes of ore at a grade of 5.0 grams per tonne were processed at the mill at a recovery rate of 96.4% which resulted in a production of 9,442 ounces of gold. During the quarter, gold sales of 10,881 ounces were much higher than the ounces produced due to recovery of ounces in the mill and sales of gold inventory at the Mint.

### **Outlook for the coming quarters**

Metanor raised its production guidance for the year to a range of 33,000-36,000 ounces of gold from 28,000-33,000. Management anticipates that the feed grade for the upcoming quarter will be similar to that of Q3 2017.

The company continues to assess the mineral inventory with an independent consulting firm at Bachelor mine. Meanwhile, an underground drill program will continue over the coming months in order to test additional targets to the south, at depth, and to the west.

At the Barry property, Metanor is increasing the number of drills to accelerate the drilling in the Barry camp.

### **Qualified Persons**

Pascal Hamelin, P. Eng., President and COO, is the Qualified Person under NI 43-101, responsible for reviewing and approving the technical information contained in this news release.

### **Cautionary and Forward-Looking Statements**

This press release includes certain statements that may be deemed "forward-looking statements". The potential quantity and grade is conceptual in nature as there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. All statements in this discussion, other than those of historical fact, that address future exploration drilling, exploration activities and projected exploration, including costs and other estimates upon which such projections are based, and events or developments that the company expects, are considered forward-looking statements. Although the Company believes the expectations expressed in these forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements.

Neither the TSX Venture Exchange, nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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