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News Release No. 16-14

Rainy Mountain Reports Additional Targets Defined from Geochemistry, Prospecting and 3D IP at Brunswick Property

West Vancouver, British Columbia – December 12, 2016 – Rainy Mountain Royalty Corp. (the "Company" or "Rainy Mountain") is pleased to report that certain additional targets have been defined from further geochemistry, prospecting and 3D Induced Polarization ("IP") in connection with the Company's recently completed exploration program on its optioned gold exploration property (the "Brunswick Property" or "Property") located in the Timmins area of Ontario.

The Brunswick Property covers a six mile long section of the Ridout Fault Shear Zone, which is an extension of the Larder Lake Break (fault zone), as associated with the Kirkland Lake and Larder Lake Gold Camps (the Kirkland Lake Gold Camp is 125 km northeast of the Property and the Larder Lake Gold Camp is 167 km northeast of the Property).

The recently completed IP survey on the first Brunswick grid has been processed into a 3D image which can be observed in 3D and rotated and sliced to assist the Company in planning for future drilling locations. Moreover, this 3D imaging has increased the Company's understanding of the large shear zones and planning for drill targets. As an example, four major shear structures can now be seen, and follow-up prospecting has found large quartz ladder veins off to the east of the present grid, which is encouraging the Company to expand the grid eastward by a further 2 kms.

In addition, many outcrops of exposed mineralization are still being sampled in the current mapping and prospecting program, the Company has observed a one kilometer section of the carbonate shears which are reporting very anomalous arsenic and antimony values (forming a halo effect), which are important indicators of a potential gold system nearby (on strike or at depth). Although arsenic is rare in the Porcupine (Timmins) Camp, it is a useful tool for locating gold mineralization, even where the arsenic levels are very low in the geochemical range. Antimony was also closely associated with gold at the Hemlo Camp, and in trace amounts with other gold deposits in the Canadian Shield.

Planned drill targets are presently being selected based on the IP chargeability and geology and geochemical vectors. An initial 1500m drill program is being planned on the one small grid completed to date on the east side of the Property. Additional grids will be established to trace out the extension of the geochemical halo as well. New targets are evolving as the data is being integrated.

As well, Rainy Mountain has been selected by a committee, as over seen by the Ontario Prospectors Association (OPA), to receive a "JEAP" Grant (Junior Exploration Assistance Program), which reimburses a company for 33% of eligible exploration expenses such as line cutting, IP surveys, geology and assaying. In this regard, a $150,000 work program was approved, which may result in the Company receiving up to a $50,000 reimbursement.

The Brunswick Property is accessible year round by bush road connecting to Highway 560 that links to the west with Highway 144 and then north to Timmins (via Highway 101).

The Company has also been listed on the Frankfurt Stock Exchange under the trading symbol EK7N–FF.

This news release has been reviewed and approved by Robert Middleton, P.Eng., who is acting as the Company's Qualified Person for the Brunswick Property project, in accordance with regulations under NI 43-101.

For further information, contact Mr. Clive Shallow, Shareholder Communications, at 604-922-2030, or visit the Company's website at www.rmroyalty.com.

RAINY MOUNTAIN ROYALTY CORP.

"Douglas L. Mason"

Douglas L. Mason, Chief Executive Officer

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