HDIRATHDOWNEY

RATHDOWNEY ANNOUNCES PRIVATE PLACEMENT OF UP TO $6 MILLION

THIS PRESS RELEASE IS NOT FOR DISTRIBUTION TO THE UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

June 23, 2016, Vancouver, BC – Rathdowney Resources Ltd. ("Rathdowney" or the "Company") (TSXV: RTH) announces that it plans to complete a brokered private placement of up to approximately 31,579,000 units ("Units") of the Company at a price of $0.19 per Unit (the "Issue Price") for proceeds of up to approximately $6 million (the "Offering"). This Offering will be conducted through a syndicate of agents (the "Agents") led by Dundee Securities Ltd. on a best efforts basis.

Each Unit shall consist of one common share in the capital of the Company (a "Share") and one common share purchase warrant (a "Warrant"). Each Warrant shall entitle the holder to purchase one additional Share (a "Warrant Share") at a price of $0.24 per Warrant Share for a period of two years from the date of closing of the Offering, which is expected to be by mid July 2016.

The Company has also granted the Agents an option to offer for sale up to an additional 15% of the Units, at the Issue Price.

In consideration for their services, the Company agreed to pay the Agents a cash commission equal to 6% of gross proceeds raised under the Offering and broker warrants ("Broker Warrants") equal to 6% of the number of Units issued under the Offering, in each case excluding Units issued as part of a Company President's List. The Agents will also be compensated for their reasonable expenses in connection with the Offering.

The Units, Shares and Warrant Shares, and the Broker Warrants will be subject to applicable resale restrictions, including a four month hold period from date of closing of the Offering under applicable Canadian securities laws.

Proceeds will be used to advance Polish permitting activities and further refine mining engineering work to progress the Company's Olza zinc-lead-silver project towards feasibility and completion of permit licensing, as well as for general corporate working capital purposes.

About Rathdowney and Project Olza

Rathdowney Resources Ltd. is focused on advancing Project Olza through permitting and into production.

Project Olza is located in the Upper Silesian Mining District of southwestern Poland, a world-class region of Mississippi Valley-type zinc-lead deposits with well-developed mining infrastructure. A railway line through the Olza project-area provides direct access to smelters in Europe and to tidewater to reach off-shore facilities.

Strong potential financial returns are indicated for a 6,000 tpd low-cost, bulk-tonnage underground operation and conventional treatment facility, producing two clean, low-iron, marketable concentrates (Preliminary Economic Assessment)[1]. In addition, extensive property-wide historic drilling by the Polish State as well as recent drilling by Rathdowney have shown excellent potential to expand mineral resources[2] to support a long-life mine.

[1] For additional details, see Rathdowney's April 20, 2015 news release and December 31, 2014 Preliminary Economic Assessment Technical Report which is filed at www.sedar.com.

[2] Current mineral resources: 24.4 million tonnes of inferred @ 7.02% Zn+Pb (5.53% Zn, 1.49% Pb) estimated at a 2.0% Zn cutoff; Mineral resources that are not mineral reserves do not have demonstrated economic viability.

For further details on Rathdowney and Project Olza, please visit our website at www.rathdowneyresources.com or contact investor services at 604-684-6365 or toll free (NA) at 1-800-667-2114.

David Copeland, PEng., Chairman of Rathdowney and a qualified person as defined under NI43-101, has reviewed the technical information in this release.

On behalf of the Board of Directors
David Copeland
Chairman

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 release.

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address exploration drilling, exploitation activities and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such 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 in the forward-looking statements. Assumptions used by the Company to develop forward-looking statements include the following: the Olza project will obtain all required environmental and other permits and all land use and other licenses, studies and development of the Olza project will continue to be positive, and no geological or technical problems will occur. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continuity of mineralization, potential environmental issues and liabilities associated with exploration, development and mining activities, uncertainties related to the ability to obtain necessary permits, licenses and title and delays due to third party opposition, changes in government policies regarding mining and natural resource exploration and exploitation, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, investors should review the Company's continuous disclosure filings that are available at www.sedar.com.

Information Concerning Estimates of Inferred Resources

This news release uses the term "inferred mineral resources". Rathdowney Resources Ltd. advises investors that although these terms are recognized and required by Canadian regulations (under National Instrument 43-101 Standards of Disclosure for Mineral Projects), the U.S. Securities and Exchange Commission does not recognize them. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, "inferred resources" have a great amount of uncertainty as to their existence, and economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, or economic studies except for Preliminary Economic Assessment as defined under 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

Historical estimate (1990) Zawiercie I & II: 77 Mt @ 6.15% Zn+Pb by the Polish State Geological Institute (PSGI) from PSGI 1992 report based on the Polish resource classification system, which is very similar to the Soviet classification system. A QP has not done sufficient work to classify the estimate as current mineral resources and the Company is not treating it as current.