



For Immediate Release

TSX.V - FPC

FALCO TO RAISE UP TO \$2.0 MILLION WITH STRATEGIC QUÉBEC FUNDS

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(July 17, 2015) Montreal, Québec - Falco Resources Ltd. ("Falco" or the "Company") (TSX.V: FPC) announces that it is arranging a non-brokered private placement of units ("Units") to raise aggregate gross proceeds of up to \$2,000,000 (the "Offering"). The Offering will be comprised of Units at an issue price of \$0.40 per Unit. Major Québec institutional partners are expected to participate in the Offering. Osisko Gold Royalties Ltd. ("Osisko") will also participate in the Offering.

Each Unit shall consist of one common share in the capital of the Company (a "Common Share") and one half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant shall be exercisable into one additional Common Share of the Company for 24 months from the closing date of the Offering at an exercise price of \$0.52 per Common Share.

The Company may accelerate the expiry of the Warrants should the daily volume weighted average trading price of the Common Shares of the Company on the TSX Venture Exchange exceed \$0.65 for a period of 20 consecutive trading days, by giving notice in writing to the Warrant holders that the Warrants shall expire on that day which is 30 days following the notice date unless exercised by the holders prior to such date.

The major Québec institutional partners will have the right to participate in any future equity financings for a period of two years in order to maintain their then current proportional equity ownership in the Company.

The net proceeds of the Offering will be used by the Company to advance and complete the Horne 5 PEA to be delivered in 2016, and for general working capital.

Closing of the Offering is anticipated to occur on or about July 22, 2015 and is subject to receipt of applicable regulatory approvals including approval of the TSX Venture Exchange. Securities issued under the Offering will be subject to a four month hold period which will expire four months plus a day from the date of closing.

About Falco

Falco Resources Ltd. is one of the largest mineral claim holders in the Province of Quebec, with extensive land holdings in the Abitibi Greenstone Belt. Falco owns 74,000 hectares of land in the Rouyn-Noranda mining camp, which represents 70% of the entire camp and includes 13 former gold and base metal mine sites. Falco's principal property is the Horne Mine, which was operated by Noranda from 1927 to 1976 and produced 11.6 million ounces of gold and 2.5 billion pounds of copper. A maiden 43-101 mineral resource estimate for the Horne 5 deposit delineated an initial inferred resource of 2.8 Moz AuEq at 3.41 g/t AuEq (25.3 million tonnes grading 2.64 g/t Au, 0.23% Cu and 0.7% Zn, for 2.2 Moz Au -- see March 4, 2014 press release for details).

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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 press release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws and the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include negative market conditions and those risks set out in Falco's public documents, including in each management discussion and analysis, filed on SEDAR at www.sedar.com. Although Falco believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, Falco disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Cautionary Note Concerning Mineral Resources

This press release uses the term "inferred" resources. We advise investors that while this term is recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize it. "Inferred" resources have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred 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 other economic studies. United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.