Reunion Gold Reports Further Drilling Results and a New Discovery from its Matthews Ridge Manganese Project

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LONGUEUIL, Oct. 31, 2012 - Reunion Gold Corporation (TSX VENTURE:RGD) ("Reunion or the "Company") is pleased to provide an update on its exploration activities at the Matthews Ridge manganese project in Guyana, South America.

As previously announced, the Company has concluded its planned drilling program of bedrock mineralization, completing a total of 47,570 meters of diamond drilling in 735 holes and 17,361 meters of reverse circulation drilling in 283 holes. The average length of all holes drilled is approximately 60 meters. Reunion has to date received complete assay results from 844 drill holes, of which 685 were previously released. New results from 149 diamond drill holes and 10 reverse circulation drill holes done in 2012 are reported in this press release. Reunion expects to announce the balance of the assay results by mid-November 2012.

Reunion has also completed a drilling program to sample the mineralized tailings of the previous operation with 108 holes done with a manual Banka rig. The sampling program of the manganiferous detrital material continues and is expected to be completed in November. One hundred and ninety pits have been dug among the various target hills, giving an average detrital thickness of approximately 1.5 m.

An independent "Qualified Person" (as defined under Canadian National Instrument 43-101 ("NI 43-101")) is currently doing the geological modeling of manganese mineralization for target Hills 1 to 9, with the objective of completing an initial resource estimate compliant with NI 43-101 by December 2012.

Highlights of the most significant new assay results are presented in Table 1. Refer to Appendix 1 for complete new results.

Table 1 (1)

Hole	Target Hill	Total length (m)	From (m)	To (m)	Manganese Intersection Length (m)	Grade Mn (%)	
Diamond drill holes							
11MR0044A	H9N	78.50	0.00	17.00	17.00	14	
11MR0054A	H5C	56.00	14.00	38.00	24.00	17	
11MR1002	H7	89.70	52.40	77.50	25.10	13.0	
11MR1004	H7	101.40	1.60	23.90	22.30	22.0	
11MR1014	H7	106.90	18.40	57.30	38.90	15	
12MR1148	H6	30.40	1.40	26.85	25.45	12.84	
12MR1155	H6	34.30	7.20	29.00	21.80	22.42	
12MR1157	H6	28.40	0.00	21.30	21.30	17.60	
12MR1159	H6	33.80	5.84	20.30	14.46	14.81	
12MR1166	H9E	70.40	40.10	57.00	16.90	20	
12MR1171	H9C	51.40	21.60	40.45	18.85	25	
12MR1176	H9C	38.30	4.95	24.30	19.35	16.1	
12MR1180	H9C	38.60	0.00	26.80	26.80	18.4	
12MR1181	H9C	69.20	41.00	59.60	18.60	17	
12MR1198	H3	47.20	0.00	20.50	20.50	13.81	
12MR1218	H3	59.70	0.00	19.60	19.60	17.62	
12MR1226	H3	72.40	0.00	16.60	16.60	14.91	
12MR1248	H1	63.60	0.00	27.50	27.50	19.09	
12MR1250	H1	53.70	0.00	15.70	15.70	12.45	
12MR2053	H5E-ext	61.90	25.20	55.40	30.20		
12MR2054	H5E-ext	63.00	0.00	33.34	33.34		
12MR2055	H5E-ext	50.20	8.28	44.50	36.22		
12MR2056	H4	58.40	0.00	15.00	15.00	15.49	
12MR2072	H4	45.40	0.00	20.20	20.20	13.19	
12MR2088	H5E-ext	86.80	46.50	62.00	15.50		
12MR2091	H5E-ext	71.20	41.32	71.20	29.88		
12MR2092	H5E-ext	87.10	6.50	40.00	33.50		
69.14	87.10	17.96	14.51				
12MR2123	H5W	84.70	13.70	33.80	20.10	12	
59.70	84.70	25.00	16.23				
12MR2127	H5C	68.60	17.90	35.32	17.42	17	
Reverse circulation drill holes							
12MR3007	H5W	66.00	35.00	62.00	27.00	12	
12MR3029A	H9C	50.00	30.00	47.00	17.00	12	
12MR3060	H8	43.00	0.00	22.00	22.00	13.47	
12MR3095	H7	40.00	2.00	34.00	32.00	13.48	
12MR3127	H2	55.00	0.00	15.00	15.00	15.09	

(1) Minimum intersection length: 14 m; minimum average grade: 12% Mn; maximum interval dilution: 2 m

Drilling results continue to indicate an excellent correlation with trench intersections, confirming that mineralization persists regularly throughout the saprolite zone and continues as proto-ore in the fresh rock. Maps showing the nine target hills and location of mineralized zones in relation to the drill holes are provided in Appendixes 2 and 4. Drilling has been done to the saprolite-fresh rock interface. The Company intends to define resources in the saprolitic, detrital and tailings materials, which are amenable to simple earth-moving extraction.

Discovery of eastern extension

Mapping of the rocks to the east of target Hill 1, at the extreme east of the footprint area, discovered that the sedimentary sequence continues hosting manganese mineralization for another five kilometers, thus extending the total project footprint length to 20 km (see Appendix 3). Abundant sub-outcrop marks a nearly continuous mineralized zone at least 50 m wide from which 47 "grab" samples give an average grade of 27% Mn. Reunion did two mechanized trenches to expose the mineralized sequence. One trench intersected five manganese-bearing units over a width of 56 m and channel sampling yielded one interval assaying 7% Mn over 15 m. This new target is called 'Arakaka Junction' and Reunion plans to systematically explore it by trenching and drilling. This target will not be included in the forthcoming resource estimate.

Project description

The Matthews Ridge Project consists of four Prospecting Licenses covering an area of 185 km2 located in northwest Guyana, in and around the former Matthews Ridge mine. The Company also holds two Permissions for Geological and Geophysical Surveys ("PGGS") for manganese over an area of 14,970 km2 surrounding the four Prospecting Licences. Manganese ore was mined from 1960 to 1968 by Union Carbide and exported via railroad and a fluvial port. Mining was done on five of a series of nine hills extending for 15 km and striking northeastern-southwestern (see Appendix 2).

Manganese mineralization is hosted by the Barama Group sedimentary sequence of Proterozoic age and consists of typical saprolitic and detrital deposits formed as a result of supergene enrichment of manganese-rich sediments under a tropical climate. The saprolitic deposits are formed by manganese oxide and hydroxide minerals occurring along the crest of hills and are related to the weathered lateritic profile, reaching 100 m below surface. The detrital deposits are formed by manganese nodules derived from the erosion of lateritic duricrust material and form "blankets" overlying the target hills.

Quality assurance and quality control

Diamond drilling was done using HQ-diameter casing and triple-tube core barrel to maximize recovery. Half of the core was used for sampling at regular 1.5 m intervals. Reverse circulation drilling was done with four-inch casing, sampling at every meter and splitting the rock chips once in the field and processing an entire half sample. Banka drilling of tailings is being done with six-inch casing and sampling at every meter. Sampling of detrital material is being done by 30 cm-wide vertical channels in pits. Standard reference materials, internal standards, blanks and duplicate samples have been used to control laboratory accuracy and precision. Core sample preparation was done by Activation Laboratories Ltd. and ACME Laboratories at their facilities in Georgetown, comprised of crushing to minus 2 mm and pulverization passing 200 mesh, followed by XRF assays for manganese and other relevant oxides at their laboratories in Canada. Sample preparation and XRF assay of reverse circulation drill samples were done by FILAB Guyana Laboratories on site using the same methodology described above. Samples of saprolitic, detrital and tailings material are being processed by a scrubbing / jigging pilot plant operated by FILAB under the supervision of G Mining Services Inc., as part of the metallurgical testing of mineralized materials.

Carlos H. Bertoni, P. Geo., a qualified person as defined under the terms of NI 43-101, has verified the data and approved the technical information contained in this press release.

About the Company

Reunion Gold Corporation is a mineral exploration company focused on the acquisition, exploration and development of mineral properties in the Guyana Shield of South America. The Company through its 100% indirectly owned subsidiary Reunion Manganese Inc., has assembled a large, strategic land position to conduct exploration and development activities for manganese in the North West District of Guyana. The Company also has the right to acquire a 100% interest in a gold exploration project located in the Lely Mountain area in Eastern Suriname.

Manganese is the fourth largest metal consumed in the world, behind iron, aluminum and copper. It is a key component in steel and iron production with no viable substitute.

Additional information about the Company is available on SEDAR at www.sedar.com and at www.reuniongold.com.

Forward Looking Statements

This press release contains forward-looking information. Although the Company believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Forward looking information in this news release includes statements regarding the results of the exploration activities and interpretation of such results, the nature, potential size and continuity of the mineralization system, the timing and completion of future work programs, mineral resource estimate and geological modelling. Forward-looking information involves known and unknown risks, uncertainties, assumptions and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any forward-looking statements or information, whether as a result of new

information, future events or otherwise, unless so required by applicable securities laws.

Appendixes 1 to 4 are available at the following address:
http://file.marketwire.com/release/rgd_1031.pdf

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