

# Golden Reign Advancing the San Albino Gold Deposit to Production Decision

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[Golden Reign Resources Ltd.](#) (TSX-V: GRR) (the "Company" or "Golden Reign") is pleased to provide an update on its San Albino Gold Project.

## Golden Reign is focused on:

- evaluating the potentially open-pittable near-surface oxide zone at the San Albino deposit which offers the possibility for near-term production
- expansion of open-pittable resources through additional trenching and drilling

## San Albino Gold Deposit - Conceptual Oxide Zone Starter Pit

Golden Reign is reviewing the potential to advance its San Albino Gold Deposit to near-term production by developing part of its high-grade oxide zone as a starter pit. The oxide resources in the conceptual open-pit start at surface and extend to a maximum depth of 30 metres, closely following topography. A low strip ratio is anticipated which should result in quick cash generation. At a gold price of US\$1,274 per ounce, the conceptual starter pit comprises 16,886 Indicated ounces of gold averaging 5.99 g/t gold and 85,098 Inferred ounces of gold averaging 7.92 g/t gold. (Note: these grades are undiluted; see Table 2 below).

The conceptual starter pit is being designed for low environmental impact. It should provide an opportunity for Golden Reign to self-fund continued exploration and growth through cash-flow. The schedule for development depends upon completion of steps currently underway, including further detailed mine planning, and the raising of additional finance. As Golden Reign does not intend to complete a feasibility study prior to potentially commencing production at the San Albino Gold Deposit, there may be increased risk of failure.

The conceptual starter pit represents only the oxide portion of the potentially open-pittable resources at the San Albino Deposit. The current mineral resources estimate for the San Albino Gold Deposit (inclusive of the oxide zone resources), per the Company's NI 43-101 Technical Report and Resource Estimate on the San Albino Deposit prepared by P&E Mining Consultants Inc. and filed January 4, 2013 (the "NI 43-101 Report") is:

Table 1 - San Albino Gold Deposit Mineral Resources Estimate							
Ag	AuEq	Cut-off grade ounces (g/t)	Classification	Tonnes	Au (g/t)	Au ounces (g/t)	
Open-pittable	0.5	Indicated	247,000	9.00	71,000	10.8	
86,000	9.18	73,000					
		0.5	Inferred	682,000	8.25	181,000	10.7
234,000	8.42	185,000					
Underground	1.5	Indicated	101,000	6.59	21,000	9.7	
31,000	6.76	22,000					
		1.5	Inferred	2,689,000	7.00	605,000	10.6
912,000	7.17	620,000					

The table below provides a breakdown of open-pit tonnages and resources by category for the oxide zone and demonstrates the relative insensitivity to gold price resulting from the high-grade nature of the open-pit resources. The tonnages and grades are extracted from detailed sensitivity tables which come from the work done for the NI 43-101 Report.

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Table 2 - San Albino Gold Deposit - Conceptual Oxide Zone Starter Pit Resource Sensitivities

### San Albino Gold Deposit - Updated NI 43-101 Report Planned

Since the delivery in early 2013 of its initial high-grade NI 43-101 resource estimate at the San Albino Gold Deposit, Golden Reign has excavated over 3,735 metres in 22 trenches, and cored 5,924 metres in 62 diamond drill holes. The majority of the diamond drill holes were short, targeting potentially open-pittable resources. An updated NI 43-101 resource estimate is anticipated to be available during Winter 2013/2014. Production decisions will be based on that resource update.

### San Albino Gold Deposit - Activities Currently Underway

A 250 ton-per-day processing plant, suitable for potentially processing the near-surface oxidized material within the conceptual San Albino starter pit, is being sourced.

Additional metallurgical testing of the starter pit oxide-only material is well advanced and will be a key factor in determining the flow sheet and mill requirements.

Baseline studies were commenced in early October. Golden Reign has contracted a Nicaraguan firm to complete a biological, archeological, hydrogeological and social-economic review on San Albino as part of the processing-plant permitting process.

Consultation with local and federal governmental authorities is on-going.

Potential tailings and waste rock locations are being assessed.

Exploration continues to target additional potential open-pittable material. Further results have been reported in news releases dated September 19 and October 8, 2013.

The Company is actively seeking project financing and in discussion with potential investors.

## Qualified Person

John M. Kowalchuk, P.Ge, a geologist and qualified person (as defined under NI 43-101) has read and approved the technical information contained in this news release. Mr. Kowalchuk is a senior geologist consulting to the Company.

On behalf of the Board,

"Kim Evans"  
Kim Evans, CGA, President & CEO

For additional information please visit our website at [www.goldenreign.com](http://www.goldenreign.com) and SEDAR [www.sedar.com](http://www.sedar.com).

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