Homestake Resource Corporation: Drilling to Commence in Early July at Homestake Ridge

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jun 4, 2014) - **Homestake Resource Corp. (TSX VENTURE:HSR)(FRANKFURT:B6IH) ("Homestake" or "the Company")** has received notice from **Agnico Eagle Mines Ltd. ("Agnico Eagle")** of its plans for a $3 million exploration program in 2014 at the Company's **Homestake Ridge property** in northwestern British Columbia. The program is expected to include +7,500 meters of core drilling, with camp construction to begin the second week in June and drilling to commence in early July.

The 2014 exploration program will start on a potential new mineralized zone called the **Slide target**, first identified in 2013 and located southeast of the Homestake Silver deposit (see news release NR-10-13, November 26, 2013). Drill holes of the 2014 program will test areas on strike to the southeast and down dip of hole HR13-253, which as reported in NR-10-13 contains a **18.6 metre interval averaging 101g/t silver, including a 0.5 metre interval averaging 1,675g/t silver** from 364.4 to 383.0 metres down hole (the true thickness has not been determined yet).

Further drilling is also anticipated to test lateral extensions of the South Reef deposit, potential depth extensions of the Main Homestake and Homestake Silver deposits and up to two holes to test "Eskay-equivalent" stratigraphy in the upper Hazelton Group exposed to the east and south of the Homestake Silver deposit.

To view Figure 1, please visit the following link: http://media3.marketwire.com/docs/hsr0604fig1.pdf.

Vice President of Exploration Rob Macdonald commented, *"The high-grade silver intercept in hole -253 is very important. Of the 262 holes drilled at Homestake Ridge since 2003, only 30 holes contain intervals greater than 500g/t Ag. Twenty eight of these holes occur within the Main Homestake or Homestake Silver deposits, one hole lies between these two deposits, and the remaining hole is HS13-253. Geochemistry from the few existing nearby drill holes also suggests that hole -253 is on the edge of the next high-grade gold/silver deposit at Homestake Ridge. This type of mineralization typically forms as discrete mineral deposits, often along important structures, that together can form multi-million ounce mining camps."*

About Homestake Resource Corporation

Homestake owns a 100 percent interest in the **Homestake Ridge project**, located in the Kitsault Mineral district in northwestern British Columbia, subject to various royalty interests held by vendors. The project is being advanced as a potential high-grade underground mining operation. At an $85 NSR cut-off value and based on drilling completed through 2012, the project contains an estimated Indicated Resource of 124,000oz gold and 939,000oz silver (141,000oz AuEq @ 7.3g/t AuEq grade) plus an Inferred Resource of 911,000oz gold and 20,366,000oz silver (1,225,785oz AuEq @ 5.6g/t AuEq grade) in three deposits (see Footnote 1 for assumptions, methods, and grade and tonnage distribution). Visit the Company website at www.homestakeresource.com to see how the Homestake Ridge resource estimate compares to gold deposits worldwide, as ranked by Natural Resource Holdings (June 2012).

To date, 262 holes were drilled for a total of 74,973 metres, and multiple exploration targets remain to be tested on the large 3,617-hectare property. Agnico Eagle Mines Ltd. has assumed project management since January 2013 under an option agreement to fund exploration and development costs of $25.3 million by December 31, 2017 to earn a 65% interest in the property.

Kinskuch Project Overview

In addition, Homestake holds an option to acquire a 100% interest in the 625 square kilometre **Kinskuch project**. Kinskuch is located within the **Kitsault Mineral District** and is adjacent and to the southeast of the Homestake Ridge project, but is not subject to the agreement with Agnico Eagle.

The Kinskuch project offers numerous quality targets comparable to known mines and world-class mineral deposits throughout the region and forms a large part of an emerging mineral district where Agnico Eagle and Helca Mining Ltd. are currently active through option or company financing.

Homestake Resources has subdivided the property into four prospect areas and is seeking funding partners to test these targets and develop additional targets on this well-mineralized and extensive land package.

Currently two targets are ready and permitted for drilling (Esperanza and Illiance) and surface programs have been developed to advance targets on several other occurrences:

1) The **Esperanza Package**: includes the "Eskay-type", drill-ready Esperanza target where surface and historic underground sampling has identified bonanza-grade (+100g/t Au and +1000g/t Ag) sediment-hosted quartz veins, plus the Kitgold target which features Homestake Ridge - style mineralization located just south of the Dolly Varden Silver Property;

2) The **FH Package**: includes a Cu/Au PPY system featuring +6 kilometre Cu-Au in soil/rock geochemical anomaly located along a regionally significant Triassic-Jurassic contact which has been tested with only four modern drill holes; and

3) The **Illiance Package**: includes a +4 kilomete-long drill-ready Ag/Zn/Pb VMS system, analogous to the nearby Homestake Ridge and Dolly Varden deposits, where drilling in 2011 identified high-grade Ag-polymetallic sulphide mineralization; plus an "Eskay Creek" - style exploration play.

Homestake Ridge and Kinskuch properties are within the Kitsault Mineral District, which is one of several major mineral belts of northwestern Stikinia that includes the prolific mid-Jurassic Eskay Rift and KSM-Brucejack district.

To view Figure 2, please visit the following link: http://media3.marketwire.com/docs/hsr0604fig2.pdf.

1. The current estimate was prepared by Roscoe Postle Associates Inc. (RPA). Mineral Resources utilize three separate block models constrained by 3D wireframes of the mineralized zones. Mineral Resources were constrained using a 2g/t AuEq grade shell and CIM definitions were followed for Mineral Resources. The block models are comprised of an array of blocks measuring 5 m x 5 m x 5 m, with grades for Au, Ag, Cu, AuEq and NSR values interpolated using ID^3 weighting. The models identified an indicated resource of 604,000 tonnes averaging 6.4g/t Au, 48.3g/t Ag and 0.18% Cu and a cumulative inferred resource of 6,765,000 tonnes averaging 4.2g/t Au, 93.6g/t Ag, 0.11% Cu. Mineral Resources are estimated using an average long-term gold price of US$1,500 per ounce Au, US$27 per ounce Ag, and US$3.50 per pound Cu, with an exchange rate of C$1.00=US$1.00. NSR and Gold equivalence were calculated using Au, Ag and Cu metallurgical recoveries of 92% Au, 88% Ag and 88% Cu in blocks where Cu%>0.1%; and where calculated using just Au and Ag recoveries in blocks with <0.1% Cu.

   David Rennie (P. Eng.) is the Principal Geologist for Roscoe Postle Associates Inc. and is the Independent Qualified Person responsible for preparation and review of the Mineral Resource Estimate.

   Homestake Resource Corp. is unaware of any legal, political, environmental or other risks that could materially affect the potential development of the mineral resource.

Robert Macdonald, MSc., PGeo., is Homestake's Vice President of Exploration and is the Qualified Person responsible for the supervision and preparation of the technical information in this disclosure.

On behalf of the Board of Directors,

Joseph Anthony Kizis, Jr., President & Director, Homestake Resource Corp.

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This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, *potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. These statements are based on a number of assumptions, including, but not limited to, assumptions regarding general economic conditions, interest rates, commodity markets, regulatory and governmental approvals for the company's projects, and the availability of financing for the company's development projects on reasonable terms. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, the timing and receipt of government and regulatory approvals, and continued availability of capital and financing and general economic, market or business conditions. Homestake Resource Corp. does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law.*

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