

VANCOUVER, Oct. 17, 2016 /CNW/ - [Eureka Resources Inc.](#) ("Eureka" or the "Company") (TSXV: EUK) is pleased provide an update to our shareholders and interested stakeholders.

Eureka has made excellent progress over the last several months on both the Gemini Lithium Project ("Gemini") and the FG Gold Project ("FG Project"). In addition, the Company is currently reviewing potential acquisitions.

## Gemini Lithium Project

Completion of pre-exploration work; significant achievements include the following:

- Execution of a Definitive Joint Venture Agreement with [Nevada Sunrise Gold Corp.](#) ("Nevada Sunrise") (TSXV: NEV);
- Selection of drill targets;
- Placement of a reclamation bond;
- Completion of an archaeological survey;
- Receipt of final exploration permit received from the Nevada Bureau of Land Management;

The exploration program for Gemini is estimated to cost approximately US\$400,000. Eureka is required to contribute 50% of these costs (US\$200,000). The Company is in the process of completing a private placement of up to 3,500,000 units at \$0.10 per unit, with each unit consisting of one common share and one-half of a share purchase warrant. Each whole warrant will entitle the holder to purchase an additional common share for 15 cents per share for two years from the date of issuance of the warrant. There is no minimum number of units being offered.

The proceeds of the private placement will be used for the drilling program at Gemini. The timing of the drill program is dependent on the availability of a drill rig and required staffing.

Eureka owns a 50% participating interest in the Gemini Project, located in the western Lida Valley, Esmeralda County, in south central Nevada, approximately 40 kilometres (26 miles) from North America's only producing lithium mine at Silver Peak. Gemini currently consists of 247 placer claims totaling 4,940 acres (2,000 hectares). The Gemini Project is located in a flat, desert basin hosting two interpreted sub-basins and with a similar geological setting to the Clayton Valley. Recent geophysical work at Gemini has outlined conductive zones interpreted as brine horizons, which the Company plans to test by drilling.

In August 2016, Nevada Sunrise granted [Advantage Lithium Corp.](#) (TSXV: AAL) ("Advantage") an option to earn a 50% interest in Gemini as part of a transaction involving 5 lithium properties, including Gemini. Upon exercise of the option by Advantage, Nevada Sunrise would relinquish its 50% interest in Gemini to Advantage, and retain a 2% gross overriding royalty on the Advantage 50% participating interest. Eureka will retain a 50% interest and will then become the operator of exploration at Gemini.

## FG Gold Project

Completion of 2016 exploration program and option agreement; significant achievements include the following:

- Staking of additional strategic mineral claims;
- Completion of geophysical interpretations;
- Geochemical exploration following up on the geophysical interpretations;
- Conclusion of an Option Agreement with Cararc Resource Corp. for the advancement of the FG Project in 2017.

Eureka has held the FG Property (formerly called Frasergold) since 1982. To date, over \$15.0 million of exploratory work has been completed by the Company, ASARCO, AMOCO and Hawthorne Gold Corp. The historical exploration has established a Measured and Indicated (376,000 ounces) gold resource at an average grade of 0.776 g/t gold, using a cut-off grade of 0.5 g/t, and an Inferred gold resource (634,900 ounces) at an average grade of 0.718 g/t gold, using a cut-off grade of 0.5 g/t. Mineralization has been outlined over a strike length of 3 kilometres, and has the potential for additional mineralization that could extend along an interpreted strike length of over 10 kilometres. Details of the gold resource can be found in "NI 43-101 Technical Report, Frasergold Exploration Project, Cariboo Mining Division, dated July 27, 2015" available on SEDAR or at the Company's website.

## Commencement of Project Reviews for Acquisitions

The Company's management, technical advisors and geologists are in the process of reviewing several projects for potential additions to the portfolio.

John R. Kerr, P.Eng., is the Company's designated Qualified Person for this news release within the meaning of NI 43-101 and has reviewed and approved the technical information described in this news release.

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 news release.

#### Cautionary Statement Regarding Forward-Looking Information

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation that are not historical facts. 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. Forward-looking statements in this news release include, but are not limited to, statements with respect to the Company's proposed financings, objectives, goals and future exploration plans at the Gemini Project and the FG Project, the costs related to the Company's proposed exploration programs, and the business and operations of the Company. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive board or regulatory approvals; those additional risks set out in the Company's public documents filed on SEDAR at [www.sedar.com](http://www.sedar.com); and other matters discussed in this news release. Although the Company 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 time frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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#### Contact

Further information on Eureka can be found on the Company's website at [www.eurekaresourcesinc.com](http://www.eurekaresourcesinc.com) and at [www.sedar.com](http://www.sedar.com), or by contacting Michael Sweatman, President and CEO, or Bob Ferguson by email at [info@eurekaresourcesinc.com](mailto:info@eurekaresourcesinc.com) or by telephone at (604) 449-2273.