Golden Reign Intersects High Grade Gold Mineralization in Central Pit

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Drilling 2.0 Metres of 7.09 g/t Gold and 12.2 g/t Silver & Trenching 4.7 Metres Grading 31.46 g/t Gold and 22.7 g/t Silver

Vancouver, October 17, 2016 - Golden Reign Resources Ltd. (TSX-V: GRR)(the "Company" or "Golden Reign") is pleased to report results from grade-control drilling and the 2016 trenching program within the Central Pit (Arras zone) of its San Albino-Murra Gold Property (the "Property"), located in Nueva Segovia, Nicaragua.

In all, Golden Reign drilled 101 reverse circulation (RC) drill holes within the Central Pit, and excavated five trenches and nine exploration pits (see attached map).

Highlights from the grade-control drill program include:

- 2.0 metres of 7.09 g/t Au and 12.2 g/t Ag
- 2.0 metres of 6.48 g/t Au and 11.3 g/t Ag
- 1.0 metre of 9.80 g/t Au and 15.9 g/t Ag

Note: All grades presented are uncut and all thicknesses are drill hole length. No top cut has been applied.

Drill holes are vertical and veins are shallow dipping.

To see a table of the complete drill results, please visit our website at: www.goldenreign.com.

Highlights from the 2016 Central Pit trenching program include:

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- 26.5 metres of 17.85 g/t Au and 29.5 g/t Ag (along dip)

- including 7 one-metre long samples, each over 30 g/t Au, with the best result 1.0 metre of 72.40 g/t Au and 98.0 g/t Ag
- including 3 sets of continuous vertical samples, each interval exceeding 4 metres and grading between 14.89 g/t gold and 31.46 g/t gold
- 1.6 metres of 70.20 g/t Au and 47.0 g/t Ag (vertical)
- 1.6 metres of 13.30 g/t Au and 38.0 g/t Ag (vertical)
- 2.0 metres of 29.50 g/t Au and 20.0 g/t Ag (vertical)

Note: All grades presented are uncut. Vertical samples represent near true thickness, as the veins are shallow dipping.

Grade-Control Drill Program

The Company completed 104 RC drill holes totalling 1,659 metres within the Central Pit of its San Albino Gold Deposit. The holes were spaced approximately 10 metres apart and drilled to a vertical depth ranging from 10 to 40 metres. The grade-control drill program was designed to provide in-fill data and test the continuity of mineralization between previously excavated trenches.

The down-dip extension of the mineralized zone was initially exposed in trench AR13-TR-07 over true-width intervals ranging from 1.4 to 4.0 metres (see news release dated October 8, 2013). An exploration pit excavated at this trench exposed some exceptionally high-grade material, including 103.06 g/t (3 oz/ton) gold and 123.4 g/t (3.6 oz/ton) silver over 3.3 metres of true-width. Four additional trenches - AR13-TR-16, 17, 18 & 19 - were then excavated, all of which were oriented along strike, bisected AR13-TR-07, and intersected the mineralized zone.

Drilling confirmed the dimensions of a linear zone along the ridge-top, demonstrating that the mineralization follows a spur, forming a narrow band dipping to the northwest and widening at depth northwest of trench AR13-TR-16 in the Arras Valley, where the main Arras zone is found. Outside of this linear band of quartz vein material, negative drill results suggest that the mineralization has been eroded. As the topography flattens out, lower on the hill, the mineralized zone becomes more consistent. Out of the 104 holes drilled at Arras, 25 holes had intersections greater than 1.0 g/t Au, 11 holes had intersections between 0.5 and 1.0 g/t Au, 41 holes hit low grade mineralization between 0.1 g/t Au and 0.5 g/t Au. The remainder of the holes (23) encounter mineralization under 0.1 g/t Au.

Three highly mineralized pods are evidenced where trenches AR13-TR-16, 17, 18 & 19 intersect with trench AR13-TR-07:

Pod#	Trench Number	From (m)	Sample Length with Grades
Pod#1	Trench AR13-TR-07	39	4.0 metres of 12.53 g/t Au and 25.2 g/t Ag (along dip)
	Trench AR13-TR-016	22	3.0 metres of 14.06 g/t Au and 17.5 g/t Ag (along strike)
Pod#2	Trench AR13-TR-07	97	7.0 metres of 18.85 g/t Au and 27.8 g/t Ag (along dip)
	Also a true thickness of zone at 112m		3.3 metres of 103.06 g/t Au and 123.4 g/t Ag
	Also a true thickness of zone at 113m		1.5 metres of 49.68 g/t Au and 78.0 g/t Ag
	Trench AR13-TR-17	22	2.2 metres of 4.84 g/t Au and 13.4 g/t Ag, average of 3samp
	Also a true thickness of zone at 22m		1.2 metres of 31.47 g/t Au and 48.0 g/t Ag
	Also gold in regolith from 4m to 10m		1.4 metres of 68.75 g/t Au and 91.5 g/t Ag, average of 4 sam
(This gold in regolith was not intersected in RC drilling)			
Pod#3	Trench AR13-TR-07	109	7.0 metres of 23.43 g/t Au and 57.3 g/t Ag (along dip)
	Also a true thickness of zone at 107m		4.0 metres of 31.18 g/t Au and 59.6 g/t Ag
	Trench AR13-TR-18	20	2.5 metres of 7.92 g/t Au and 19.0 g/t Ag (along strike)
	Also a true thickness of zone at 4 to 10m		1.4 metres of 2.22 g/t Au and 6.3 g/t Ag, average of 3 sampl
	Trench AR13-TR-19	31	4.0 metres of 18.99 g/t Au and 40.1 g/t Ag (along strike)

2016 Trenching Program - Central Pit

The 2016 trenching program:

-successfully utilized the existing block model to aid exploration, resulting in discovery of the surface exposure of the Naranjo zone within the Central Pit of the San Albino Gold Deposit

-tested the limits of the Central Pit, extending Arras zone mineralization along both strike and dip

-confirmed the existence of a historic mine dump containing mineralized boulders

-improved the understanding and structural interpretation of the Arras zone

Naranjo Zone Exposed by Trenching

Golden Reign successfully applied its existing block model to help identify the surface exposure of the Naranjo zone. This is the last of four mineralized zones - El Jobo, San Albino, Naranjo and Arras - traced to surface. The block model correlates strongly with the overall geometry of the mineralized structures.

Two additional trenches that intersected the Naranjo zone, AR16-TR-23 and AR16-TR-25, were excavated on the north ridge of the Central Pit as a follow-up to the earlier trenching of AR13-TR-15. All three trenches were excavated perpendicular to the strike of the vein (down the dip) to expose the Naranjo Zone, and confirmed strike continuity for approximately 75 metres.

Highlights from trenching of the Naranjo Zone surface exposure include:

AR16-TR-23 26.5 metres of 17.85 g/t gold and 29.5 g/t silver (along dip)

- 12 samples representing a true thickness of the zone averaged 1.4 metres of 22.43 g/t gold and 15.2 g/t silver with the highest grade sample returning 1.6 metres of 70.20 g/t gold and 47.0 g/t silver

- three sets of continuous vertical channel samples gave the following results:

- oo4.7 metres of 31.46 g/t gold and 22.7 g/t silver
- oo4.8 metres of 23.70 g/t gold and 18.2 g/t silver
- oo4.5 metres of 14.89 g/t gold and 13.7 g/t silver

AR16-TR-25 2.0 metres of 2.11 g/t gold and 4.1 g/t silver (down dip)

- 4 samples representing a true thickness of the zone averaged 0.9 metres of 6.19 g/t gold and 15.8 g/t si with the highest grade sample returning 0.8 metres of 16.50 g/t gold and 43.5 g/t silver

AR16-TR-15 6.0 metres of 6.29 g/t gold and 6.6 g/t silver, along dip

The grades and true thickness intersections from trenching are similar to the grades and intersection widths encountered during drilling of the Naranjo zone.

Extension of the Arras Zone Mineralization

Trench AR16-TR-21 extended the Arras zone mineralization by 10 metres along strike, to the southwest of trench AR12-TR-01. A down-dip sample returned 13.5 metres grading 3.23g/t gold and 13.1 g/t silver. The true thickness of the mineralization is 1.30 metres grading 4.12 g/t gold and 10.9 g/t silver. These results are in line with AR12-TR-01, which reported a true thickness of 1.1 metres grading 13.79 g/t gold and 27.34 g/t silver. Results from metallurgical drill holes located in close proximity are also comparable, particularly drill hole AR16-MET-04 which returned 1.85 metres of 3.08 g/t Au and 4.2 g/t silver (see news release dated May 12, 2016).

Exploration pit AR-16-Small Pit, excavated 70 metres to the southeast of the exposed Arras mineralization in trench AR13-TR-06 EXT, represents the up-hill and up-dip extension of the zone. The Small Pit returned a true thickness of 1.3 metres grading 11.02 g/t gold and 18.8 g/t silver. Significantly, the Small Pit sits approximately 50 metres southeast of the current Central Pit boundary, indicating that the open-pit may possibly be expanded in that direction.

Pit AR16-Pila-03 was excavated in the Arras valley in order to locate the northern extension of the Arras zone. Pila-03, which exposed true thickness samples of 2.0 metres grading 29.50 g/t Au and 20.0 g/t Ag and 3.0 metres of 6.99 g/t Au and 6.5 g/t Ag, extended the surface expression of the Arras vein northwards for approximately 25 metres.

Positive testing of the historical mine dump

A pit, Pila-04, exposed a pile of mineralized boulders below the historical Arras adit (Arras Tunnel #3). Channel samples of dump material from the pit walls returned excellent results of 14.29 g/t gold and 15.8 g/t silver over its 3.1 metre depth, 11.76 g/t gold and 11.9 g/t silver over 3.9 metres, and 9.61 g/t gold and 10.8 g/t silver over 3.5 metres.

Exploration pits AR16-Pit-01 and AR16-Pit-02 also sampled this dump with similar results. AR16-Pit-01 returned 11.23 g/t gold and 13.5 g/t silver over its 4.0 metre depth, 11.40 g/t gold and 22.2 g/t silver over its 3.5 metre depth and 6.93 g/t gold and 8.4 g/t silver over its 3.4 metre depth. AR16-Pit-02 reported 5.54 g/t gold and 9.9 g/t silver over its 3.2 metre depth and 5.30 g/t gold and 9.4 g/t silver over its 5.8 metre depth. This train of mineralized boulders requires more sampling before it can be considered a possible mineral resource.

Confirmation and Improvement of Model Continuity

To improve the confidence in grade continuity of the Arras zone mineralization, trench AR16-TR-22 and pit AR16-Pila-06 were excavated 25 metres east of trench AR13TR-06, bisecting the distance between it and trench AR13-TR-13 located 50 metres to the east. This trench and pit confirmed the continuity of the zone. Trench AR16-TR-22 returned a down-dip sample over 4.5 metres of 13.29 g/t gold and 43.8 g/t silver, a vertical sample of 1.5 metres of 22.70 g/t gold and 43.0 g/t silver and a true thickness of 1.6 metres of 13.30 g/t gold and 40.9 g/t silver. Exploration pit Pila-06 intersected 1.2 metres of 2.99 g/t gold and 3.5 g/t Ag.

Similarly, pit AR16-Pila-05, located between trenches AR13-TR-06 and AR13-TR-12 returned a true thickness of 1.4 metres grading 2.59 g/t gold and 8.1 g/t silver, confirming continuity.

QA&QC Procedures

The Company followed industry standards in its QA&QC procedures. A certified standard sample, or a blank or a field duplicate sample is inserted every 10 samples before the set of samples are sent to the Laboratory. This procedure is applied to all drill and trench samples.

Qualified Person

John M. Kowalchuk, P.Geo, 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,

"Kevin Bullock"

Kevin Bullock, P.Eng.

CEO

About Golden Reign:

Golden Reign Resources Ltd. is a publicly listed (TSX-V: GRR) mineral exploration company engaged in exploring the San Albino-Murra Property and the El Jicaro Property, both of which are located in Nueva Segovia, Nicaragua.

The Company's prime objective is to bring its San Albino Gold Deposit into production quickly and efficiently, building cash flow to further advance a number of its other highly prospective exploration targets.

The Company's land package comprises 13,771 hectares (138 km2) of highly prospective ground. Hundreds of historical mines and workings exist within the Corona de Oro Gold Belt, which is approximately 3 kilometres wide by 20 kilometres long and spans the entirety of the Company's land package.

For additional information please visit our website at www.goldenreign.com and SEDAR www.sedar.com.

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