

VANCOUVER, Dec. 12, 2016 /CNW/ - [Eureka Resources Inc.](#) ("Eureka" or the "Company") (TSXV: EUK) is pleased to announce acquisition of three claim blocks known as the Luxor Project ("Luxor", or the "Project") located in the heart of the historic Klondike Gold Fields in the Yukon Territory. The Project consists of 360 claims (approximately 7,000 hectares) and is located 65-80 kilometers southeast of Dawson City. Luxor is comprised of 3 non-contiguous claim blocks referred to as Ophir, Sheba and Hav properties.

Eureka has entered into an agreement with Heli Dynamics Ltd and PanARC Resources Ltd., (the "Vendors") whereby Eureka will purchase a 100% interest in the properties by issuing 2,500,000 common shares. The Vendors have agreed to a voluntary pooling arrangement whereby the common shares will be released as follows:

6 months from closing	833,333 shares
12 months from closing	833,333 shares
18 months from closing	833,334 shares

Eureka will grant the Vendors a 2% NSR royalty for gold produced from the Properties, which may be purchased for one million dollars. The Vendors will also have the right to nominate one member to the Board of Directors. Eureka has agreed to use Aurora Geosciences and Heli Dynamics to perform exploration work over the next four years.

Luxor is located in the White Gold area in the Dawson Range Gold Belt of the western Yukon, a district of major porphyry, breccia and vein occurrences in a very active area of the Yukon Territory. Neighboring properties include the Coffee deposit recently acquired by Goldcorp; [Western Copper and Gold Corp.](#)'s Casino deposit and Independence Gold projects. The Project is accessed via a well-maintained Territorial gravel road from Dawson City.

Placer gold mining in the Klondike area has been active since the late 1890's Yukon Gold Rush. Bedrock exploration commenced in the area in the 1970s, with the development of the Casino property.

Mineralization in the district are gold, silver, copper and molybdenum porphyry deposits (Casino), mineralized breccia deposits (Coffee), and lode and stockwork veins (Golden Saddle). All three styles of mineralization have been identified near the Ophir, Sheba and Hav properties. Placer mining has produced gold from creeks draining the Project, however, there is no documented history of bedrock exploration.

"We are very pleased with this acquisition," stated Mike Sweatman, President and CEO of Eureka. "This continues the Company's strategy of methodically adding projects that offer the opportunity to quickly add value to our property portfolio. The new relationship established with Aurora Geosciences, an affiliate of the Vendors, will augment our technical team and facilitate Eureka's ability to effectively explore its properties given Aurora's ability to coordinate project logistics and employ local knowledge. We also look forward to working with our new shareholders and their nominee to our board of directors."

The transaction is subject to TSXV approval.

About Eureka

Eureka is an exploration-focused company located in Vancouver, BC whose strategy is to acquire projects in prospective areas that have the potential to deliver important discoveries and create value for shareholders.

Gemini Lithium Brine Project, South-Central Nevada

Eureka owns a 50% interest in this project located approximately 40 km (26 miles) from Silver Peak, North America's only producing lithium mine. It is in a similar geological setting to the Clayton Valley and recent geophysical work has outlined conductive zones interpreted as brine horizons at Gemini, which will be tested by drilling expected to commence in late 2016 or early 2017. [Advantage Lithium Corp.](#) (TSXV: AAL, "Advantage") has entered into an option agreement to earn a 50% interest in Gemini from [Nevada Sunrise Gold Corp.](#)

FG (formerly Frasergold) Project, Cariboo Gold District, BC

The project is located at the headwaters of the Horsefly River, 50km east of Horsefly, BC. Over \$15.0 million of exploration work has been completed on this project, establishing a Measured and Indicated resource of 376,000 ounces of gold at an average

grade of 0.776 g/t (using a 0.5 g/t cut-off), and an Inferred resource of 634,900 ounces of gold at an average grade of 0.718 g/t (using a 0.5 g/t cut-off). Mineralization has been outlined over a 3 km strike length, and additional mineralization could extend along an interpreted 10 km strike length. Further details on 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. [Canarc Resource Corp.](#) (TSX CCM) has an option to earn a 75% interest in the FG Project.

Gold Creek Project, Cariboo Gold District, BC

The project is located 2 km north of the Village of Likely, BC. Gold occurs in the same Mesozoic sedimentary package as at Spanish Mountain and the Company's FG property. There are numerous soil anomalies on the property over a 12 km strike length. Much of the property is covered by overburden and remains virtually unexplored. Limited percussion drilling was completed in the 1980s, with anomalous values of gold up to 1.1g/t reported over a hole length of 1.5 m.

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.

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; 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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