Suite 162, 2912 West Broadway, Vancouver, British Columbia, V6K 0E9
Tel : 604-340-0140. E-mail : info@deepsouthresources.com
Web site: http://www.deepsouthresources.com

DEEP-SOUTH RESOURCES HAS ISSUED 4.2 MILLION SHARES FOR THE ACQUISITION OF 75% OF THE KAPILI TEPE COPPER, NICKEL, COBALT AND GOLD PROJECT IN TURKEY

Vancouver, B.C., Canada – October 16, 2018 – Deep-South Resources Inc. ("**Deep-South**" or "**the Company**") (TSX-V: DSM) announces that it has issued 3.5 million shares to Jeanette Gyldstoff Borg (**"Seller"**) for the acquisition from Jeanette Gyldstoff Borg of 75% of RCR Quantum **("Quantum")**, a Turkish company, which holds the Kapili Tepe project **("Project")** comprising of one (1) mining license and two (2) exploration licenses in the Sivas Province in the North Central part of Turkey. Furthermore, Deep-South has issued 700,000 to Afrasia Mining & Energy Investment Holdings Ltd **("Afrasia"**) for the acquisition of all the exploration and metallurgical data of the project.

The shares will remain "in trust" with Deep-South's legal advisers until the Ministry of Energy and Natural Resources of Turkey ("Ministry") has notified its acceptance for the transfer of the shares of Quantum. The procedure for the acceptance is well advanced.

In the mean time, Deep-South's technical team will start planning the exploration program that will lead to a resource estimation report compliant with the NI 43-101.

The full terms of the acquisition can be seen in the press release of the company dated September 19, 2018 at the following link: https://www.deepsouthresources.com/investors/news-releases/deep-south-resources-amend-the-agreement-to-acquire-75-of-the-kapili-tepe-copper-nickel-cobalt-and-gold-project-in-turkey/

All securities issued pursuant to the Agreement will be subject to a holding period of four months and a day from the date of issuance.

Mr. John Akwenye, Chairman of Deep-South stated, "We are very enthusiastic with this transaction. We are securing a large area in the heart of a highly prospective area in one of the most mining friendly countries in the world. Kapili Tepe is a high-quality asset that adds strong value for our shareholders."

About the Kapili Tepe Project:

The Project is located close to Imranli in the province of Sivas in north-east Central Turkey, approximately 500Km due east from Ankara by good asphalt roads. The Kapili Tepe project is situated within Tethyan Orogenic Belt of Turkey. The project comprises one Mining License and two Exploration Licenses, which importantly are both contiguous and adjacent.

The licensed area covers approximately 50 Km2 and both the mineralized zones and structural hosting features have been proven by both geological and structural mapping to extend for many Km to both the north-east (of the Main Zone (MZ) and east (of the South-East Zone (SEZ) offering district size potential for the project.

Geologically the project could broadly be described as follows;

The project area sits on the Tethyan Orogenic Belt of Turkey. The property as a whole consists of ultramafic rocks that have been sheared and broken along thrust faults. Fluids travelling through the shear and along the thrust faults strongly altered the rocks over an area of several square kilometres.

The broad geology of the project area can therefore be regarded as several ophiolite thrust sheets bounded by highly altered and brecciated shear zones ("mineralized zones") which dip moderately to the south-east. The resultant copper and nickel mineralization which is strongly disseminated was deposited within the layered rocks, as evidenced by the numerous surface exposures of copper mineralised materials and staining.

The most important observations are :

There are more than twenty surface locations recorded with grades of over 1% copper showing, mainly oxides but some disseminated sulphides also appear;

The upper zone areas show stronger copper oxide mineralization, i.e. Malachite, Azurite and Cuprite, with high nickel grades;

More sulphide mineralisation occur as one gets deeper and disseminated as both grains and veining of dominantly chalcopyrite, but with Bornite, Chalcocite and Covellite;

All of these sulphides indicate potential Volcanic Massive Sulphide ("VMS") origin and the latter two; Chalcocite and Covellite are interesting as strong indicators for a significant zone of secondary enrichment (supergene).

The project has been explored by Falconbridge in the early 2000's. They have conducted geological mapping, large and deep induced polarization (IP) surveys, grab and rock sampling programs. Falconbridge has identified two extensive outcropping areas. The Main Zone (MZ) is outcropping over a length of 4,500 metres and a width between 75 and 100 metres. The South East Zone (SEZ) has overlapping outcrops over a length of 1,500 metres and an average width of 30 metres. Some of the rock sampling results as follows:

2002 assay samples Main Zone

Sample	Cu (ppm)	Ni (ppm)	Co (ppm)	Au (ppm)
PG 09205	79,000	700	32	0.05
PG 02955	20,000	190	24	0.02
PG 02903	15,000	47	14	0.07

2002 assay samples South-East Zone

Sample	Cu (ppm)	Ni (ppm)	Co (ppm)	Au (ppm)
PG 02918	56,000	3,900	210	0.04
PG 02906	730	36,000	89	0.01
PG 02956	120	11,000	220	0.01

In 2011, Red Crescent Resources, a company previously listed on the Toronto Stock Exchange (TSX) acquired the project and has conducted a further confirmatory deep IP study review and some 1500 metres of drilling and some channel sampling. The diamond drilling was conducted at a maximum depth of 100 metres and included some results such as follows in MZ:

MZ – 001: Drilled 69 metres including:

True thickness (m)	Weighted Average Cu (%)	Depth from	Depth To
10	0.49	27.8	37.8
Including 5.8	*0.60*	*30.0*	*35.8*

And some results such as follows in SEZ:

SEZ- 007 82.5 metres including:

True thickness (m)	Weighted Average Cu (%)	Depth From (m)	(Depth To (m)
6.0	0.57	30.7	36.7
7.0	0.36	39.7	46.7
26.6	0.59	48.9	75.5
Including 8.3	*1.12*	*54.3*	*62.6*

In SEZ RCR has also conducted surface channel sampling over a 60m wide zone of outcropping copper mineralisation within listvenite exposures. The sampling was undertaken in the form of continuous 2 m channel samples as well as a 25-tonne bulk sample for process metallurgical test works. The channel samples were sent for mineralization study and preliminary metallurgical test work in South Africa at 3 independent laboratories and these tests were significantly indicative of both the strong poly-metallic nature of the mineralization for base & precious metals, as well as best potential process route.

The central portion of the sampled zone contains stockwork quartz and barite veining and returned an average grade of 1.04% Cu over approximately 26 m including a higher-grade zone of 2,1% Cu over 4 m.

Cobalt grades for the SEZ were not seen as representative as they were only tested from samples taken from the small bulk sample test pit area. However, they assayed with grades of 0.35% to 0.66%. The 0.66% Co sample also tested at 19.7% Ni.

Mineral resources have not been estimated yet on the project nor has it demonstrated economic viability at this stage. The historical drilling and sampling results demonstrate potential to classify the project as one of merit but are considered too speculative geologically to complete a NI 43-101 resource estimation at this time and it is uncertain that those historic results will be converted into minerals resources.

All the reports and information above are available at the Ministry of Energy and Natural Resources of Turkey and is also available on SEDAR at www.sedar.com in the file of Red Crescent Resources.

Alan M. Clegg Pr. Eng PMP Pr.CPM FSAIMM, has approved and is responsible for the scientific and technical part of this press release and is the designated Qualified Person under the terms of National Instrument 43-101.

Alan M. Clegg was President & CEO of Red Crescent Resources Ltd (RCR) and was supervising the exploration project and was a qualified person for Red Crescent. Data verification and exploration results reported by RCR were all filed on SEDAR and were verified by the qualified person of RCR. MSA Group of South Africa were contracted by RCR to manage the field exploration programs and were responsible for the data verification, including sampling, analytical and test data. As such Alan M. Clegg verified the underlying information contained in this press release. The data and information from Falconbridge reports has not been fully verified but MSA Group was able to verify the geophysical surveying data and soil and rock chip sampling under custody at the Minister of Energy and Natural Resources of Turkey. MSA were contracted by RCR and their work was verified by Alan Clegg. MSA nor than Alan Clegg have reported any limitation or failure in the data disclosed in this press release. However, the historical work and results, such has drilling results by Flaconbridge, that have not been verified by MSA Group or Alan Clegg are not reported in this press release.

The drill and sampling of RCR were assayed independently as follows: Gold and copper assays were performed by the ALS Chemex laboratory in Izmir, Turkey. Sample preparation and gold analysis using conventional fire assay procedures with AAS finish on 50g aliquots was carried out (method code Au-AA24). Copper analysis was carried out by aqua regia digest with AAS finish (method code Cu-AA46). In addition, gold and multi-element analyses are currently being performed by ISO17025 accredited ALS Chemex laboratory in Vancouver, Canada.

Quality Assurance/Quality Control (QA/QC) for the Kapili Tepe Copper Project includes a chain of custody protocol, and systematic submittal of approximately 20% QA/QC samples including field duplicates, field blanks and certified reference samples into the sample stream submitted to the laboratory.

About Turkey

Turkey is considered as one of the most prospective and mining friendly country. Their recent amendments to the mining legislation and Investment incentive scheme provide value added taxes exemptions, custom duty exemptions, reduced royalty for strategic metals employee income tax relief and 80% tax reduction rate for certain projects depending on their geographical position within the country. Large companies such as Eldorado Gold, Teck Resources, Inmet Mining, and First Quantum Minerals are operating in Turkey currently.

About Deep-South Resources Inc.

Deep-South Resources Inc. is a mineral exploration company largely held by Namibian shareholders and Teck Resources Ltd, which holds about 35% of Deep-South share capital. Deep-South is actively involved in the acquisition, exploration and development of major mineral properties. Deep-South currently holds 100% of the Haib Copper project in Namibia, one of the largest copper porphyry in Africa. Deep-South growth strategy is to focus on the exploration and development of quality assets, in significant mineralized trends, close to infrastructure, in stable countries.

More information is available by contacting Pierre Léveillé, President & CEO at +1-819-340-0140 or at: info@deepsouthresources.com or Paradox Public Relations at +1-514-341-0408.

Cautionary statement on forward-looking information

Certain statements in this release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws.

Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the company's current expectations regarding future events, performance and results and speak only as of the date of this release.

All such forward-looking information and statements are based on certain assumptions and analyses made by Deep-South's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; social or labour unrest; changes in commodity prices, including the price of copper; unexpected failure or inadequacy of infrastructure, or delays in the development of infrastructure, the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations, and the results of economic studies and evaluations. Other important factors that could cause actual results to differ from these forward-looking statements also include those described under the heading "Risk Factors" in the company's most recently filed MD&A filed by Deep-South. Readers are cautioned not to place undue reliance on forward-looking information or statements. The factors and assumptions used to develop the forward-looking information and statements, and the risks that could cause the actual results to differ materially are set forth in the "Risk Factors" section and elsewhere in the company's most recent Management's Discussion and Analysis report and Annual Information Form, available at www.sedar.com.

This news release also contains references to estimates of Mineral Resources. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource estimates may have to be re-estimated based on, among other things: (i) fluctuations in copper prices or other mineral prices; (ii) results of drilling; (iii) results of metallurgical testing and other studies; (iv) changes to proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licences, or changes to any such permits, approvals or licence.

Although the forward-looking statements contained in this news release are based upon what management of the company believes are reasonable assumptions, the company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.