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TSX- V: GRR

**DRILLING RETURNS 4.0 METRES OF 37.30 G/T GOLD & 57.7 G/T SILVER
AT WEST PIT OF SAN ALBINO GOLD DEPOSIT;
PROPOSED PHASE ONE OPEN PIT AREA EXPANDED**

Golden Reign Resources Ltd. (TSX-V: **GRR**) (the "Company" or "Golden Reign") is pleased to report partial results from grade-control drilling within the proposed West Pit on its wholly-owned San Albino Gold Deposit located in Nueva Segovia, Nicaragua. Further results will be reported in due course.

Several drill holes intersected high-grade mineralization. Highlights from the preliminary grade-control drill program include:

- 4.0 metres of 37.70 g/t Au and 57.7 g/t Ag
- 4.0 metres of 27.10 g/t Au and 74.6 g/t Ag
- 4.0 metres of 19.19 g/t Au and 30.9 g/t Ag
- 3.0 metres of 16.27 g/t Au and 41.9 g/t Ag
- 3.0 metres of 7.06 g/t Au and 15.4 g/t Ag
- 2.0 metres of 21.38 g/t Au and 34.0 g/t Ag
- 8.0 metres of 4.58 g/t Au and 18.5 g/t Ag
- 11.0 metres of 2.82 g/t Au and 6.1 g/t Ag

Note: All grades presented are uncut and all thicknesses are core length. All holes are vertical. No top cut has been applied.

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

Significantly, the results from this portion of the drill program:

- suggest that the two smaller pits may be combined into a single, larger open-pit. Drilling confirmed that the area between the two pits, spanning 39 metres, is also mineralized;
- have extended mineralization along strike and at depth, resulting in the outward expansion of the existing pit boundaries; and,
- confirm both the high-grade nature and geometry of the mineralization, which correlates strongly with Golden Reign's existing model developed under its Preliminary Economic Assessment Report (PEA) (available on the Company's website and SEDAR).

Grade-Control Drill Program

The Company completed 1,581 metres of Reverse Circulation (RC) drilling at San Albino's West Pit. The program was designed to define the grade and distribution of mineralization, confirming grade continuity within the area proposed for exploitation during the first stage of open-pit mining. As a result of the drilling, along with

additional exploration work, the Phase I open-pit plan is being expanded. Results from RC holes have previously been verified with diamond drill holes.

Initial plans considered the development of two smaller pits – situated roughly 39 metres apart – representing the first 6 to 12 months of planned open-pit mining activity. In addition to testing the pits vertically to an approximate depth of 20 metres, the grade-control drill program successfully tested the area between the two modelled pits and extended the pit boundaries (see Figure 1). Golden Reign's geologists are now confident that the two smaller pits can be merged into one larger pit.

Prior to 2016, this area had been tested by only one diamond drill hole and four trenches as follow:

- DDH AR12-27 This hole is located roughly 25 metres beyond the initial proposed pit and lies outside of the newly expanded mineralization. It assayed 4.0 metres grading 2.11 g/t Au and 5.9 g/t Ag.
- SA13-TR18 Near-surface mineralization exposed in this trench returned 5.4 metres of 7.72 g/t Au and 9.0 g/t Ag.
- SA12-TR06 Bisecting the larger of the two initially proposed pits, this trench returned 8.0 metres of 9.53 g/t Au and 12.3 g/t Ag, including 4.0 metres of 17.49 g/t Au and 22.7 g/t Ag (see news release dated May 24, 2012). This trench data was previously incorporated into the resource estimate.
- SA11-TR01 Located within the smaller of the two initially proposed pits, this trench returned (see news release dated May 24, 2012):
 - 7.0 metres of 8.80 g/t Au and 24.4 g/t Ag, including 1.0 metre of 12.06 g/t Au and 26.2 g/t Ag; and,
 - 3.0 metres of 6.15 g/t Au and 12.1g/t Ag.
- SA12-TR05 Also located within the smaller initially proposed pit, this trench returned 10.0 metres of 48.44 g/t Au and 40.1 g/t Ag (samples collected along dip) (see news release dated May 24, 2012).

Based on the information and findings from pre-development work completed in 2016, the Company has a dramatically improved understanding of, and confidence in, the Phase I open-pit area. During 2016, Golden Reign:

- completed 87 reverse circulation drill holes under the grade-control drill program
- excavated a 20 metre x 5 metre pre-development pit. Vertical samples from exploration pit SA16-EXPPIT-SA13-TR-18 returned 2.2 metres of 14.90 g/t Au and 63.0 g/t Ag and 2.0 metres of 18.40 g/t Au and 59.0 g/t Ag (these samples do not necessarily represent true width) (see news release dated August 3, 2016)
- completed five diamond drill holes designated for metallurgical test work (see news release June 16, 2016) which returned similar widths and grades of mineralization:
 - SA16-MET-40 8.1 metres of 4.30 g/t gold and 12.1 g/t silver
including 2.7 metres of 10.69 g/t gold and 22.5 g/t silver
 - SA16-MET-41 2.2 metres of 4.88 g/t gold and 13.1 g/t silver
 - SA16-MET-42 1.15 metres of 10.90 g/t gold and 24.4 g/t silver
 - SA16-MET-43 4.55 metres of 8.57 g/t gold and 14.7 g/t silver
 - SA16-MET-44 7.05 metres of 5.29 g/t gold and 6.2 g/t silver

QA&QC Procedures

The Company follows 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.

Forward-Looking Statements: *Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Such forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to political risks involving the Company's exploration and development of mineral properties interests, the inherent uncertainty of cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, the inability or failure to obtain adequate financing on a timely basis and other risks and uncertainties. Such information contained herein represents management's best judgment as of the date hereof, based on information currently available.*

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 release.

Figure 1.

