



TSXV – EUK
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EUREKA ANNOUNCES CLOSING OF GRANT OF OPTION ON THE FG PROPERTY TO CANARC

Vancouver, British Columbia, September 12, 2016 – Eureka Resources Inc. (“Eureka” or the “Company”) (TSXV: EUK) is pleased to announce that it has closed the grant of an option to Canarc Resource Corp. (“Canarc”) (TSX: CCM) to earn up to a 75% interest in the Company’s FG Property (the “Property”) pursuant to the terms of an option agreement dated August 24, 2016 between the Company and Canarc.

As consideration for the grant of the option, Canarc has issued Eureka 250,000 common shares in the capital of Canarc and has purchased 750,000 units of Eureka at a price of \$0.14 per unit for an aggregate purchase price of \$105,000. For details of the conditions to be satisfied by Canarc in order to exercise the option and the terms of the Offering, see the Company’s news release dated August 25, 2016.

FG Project

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.

Gemini Lithium Project

Eureka owns a 50% participating interest in the Gemini lithium brine project, located in the western Lida Valley, located in 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.

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.

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

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 or future exploration plans at the FG Project and the Gemini Project, including with respect to the grant of the option on the FG Property to Canarc, the Offering 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.