



**GRAY ROCK RESOURCES LTD.**

Suite 900 – 570 Granville Street

Vancouver, BC V6C 3P1

Ph: (604) 682-3701 ♦ Fax: (604) 682-3600

[www.grayrockresources.com](http://www.grayrockresources.com) ♦ [ir@grayrockresources.com](mailto:ir@grayrockresources.com)

October 31, 2016

TSX-V Trading symbol: GRK

### **GRAB SAMPLING PROGRAM AT SURPRISE LAKE GOLD PROJECT**

**Gray Rock Resources Ltd. (“Gray Rock” or the “Company”)** is pleased to announce that it has received the assay reports from recent rock samples taken on the Surprise Lake property in Northwest BC. A total of 43 rock samples were collected from three locations on the Otter Creek area of the Surprise Lake property which is the subject of a binding Letter of Intent between DeCoors Mining Corp. and Gray Rock Resources Ltd.

“The results from the recent sampling program along with the discovery of visible gold at the Surprise Lake property are very encouraging. We expect the transaction with DeCoors to close soon and are currently preparing an exploration budget for 2017. Previous work on the Surprise block of the Surprise Lake project has identified drill ready targets and we’re excited to explore the recent discovery on the Otter Creek block with the team from DeCoors, who have extensive knowledge of the property, joining our team as we move the project forward”.

- David Wolfin, President & CEO, Gray Rock Resources Ltd.

#### **Sampling Program**

Five one-meter long samples were collected from rock saw channels cut into mineralized rock composed of fine grained, black, phyllite with occasional centimeter-scale quartz veins parallel to the foliation. The area sampled is located approximately 550 meters north of an area where visible gold was observed in bedrock (see Gray Rock press release dated September 30, 2016). The samples were analyzed by ALS Minerals’ Laboratory in Vancouver, BC; gold results from these five samples are listed below:

<b>Sample</b>	<b>Au g/t</b>
2501	0.01
2503	6.89
2504	42.1
2505	3.05
2506	0.15

A line of 20 grab samples was collected over 120 meters running north-south approximately 130 meters due west of the rock samples described above. The samples were analysed by Bureau Veritas Commodities Canada Ltd.’s (ACME Lab) in Vancouver. Highlights from the grab samples assayed at 20.8 and 4.11 grams per tonne respectively.

<b>Sample</b>	<b>Au g/t</b>
3675	0.043
3676	0.563
3677	20.8
3678	4.11
3679	0.135

Sample	Au g/t
3680	0.289
3681	0.32
3682	0.016
3683	0.023
3684	0.155
3685	0.002
3686	0.063
3687	0.335

A third group of 18 one meter chip samples were collected across 18 meters of bedrock perpendicular to a felsic dyke 850 meters south of the first group and 300 meters south of the visible gold reported in the press release dated September 30, 2016. These samples were taken from bedrock, predominantly black, pyritiferous phyllite with abundant centimeter quartz veins making up 80% of the rock in places. The samples were analyzed by ALS Minerals' Laboratory in Vancouver, BC and although anomalous, did not show gold value greater than 2.41 grams per tonne.

Additionally, results of a British Columbia Provincial Geological Survey analysis of visible gold samples in the area are expected soon.

**Readers are cautioned that the above results are from selected grab samples and in no way represent the true grade of the structure. There has been no drilling conducted on the Surprise Lake property.**

### **Surprise Lake Project**

The Surprise Lake project is located 8 kilometers east of the town of Atlin in northwestern British Columbia, a productive, placer mining area with a rich mining history dating back to the gold rush of the 1890's. Large parts of the property are situated within the drainage basins of several prolific gold placer streams such as Pine Creek and Spruce Creek which are actively being mined. It has been speculated that some of the placer gold originated from the bedrock on the Surprise Lake property.

The property hosts ultramafic peridotite in an arcuate thrust slice in the northwestern part of the property and as small lenses in the southeast. Provincial examples of gold camps with spatially associated ultramafic rocks include the Bridge River, Cassiar and Rossland lode gold and the Atlin and Dease Lake placer camps. Additionally, the Surprise Lake Property covers four documented mineral occurrences on file with the British Columbia Geological Survey (Surprise, Atlin Project (Main Block), O-1 and Cabin Silver), and the recent discovery in July, 2016 of visible gold in bedrock along Otter Creek. The gold is hosted by quartz vein stockwork and variably pyritic pale green and graphitic phyllite wall rock, proximal to the northerly trending Otter Creek Fault. Studies of this bedrock are currently underway by the BC Geological Survey to determine the age, petrology and geochemical associations. The extent of this mineralization is the primary focus of the current property exploration.

### **Agreement**

On September 30, 2016, Gray Rock announced that it had entered into a binding letter agreement with DeCoors Mining Corp. to acquire the Surprise Lake Property, consisting of 31 mineral claims, and covering an area of approximately 5,144 hectares. The Agreement also includes six other early-stage mineral exploration properties comprising a further 48 mineral claims, all located in British Columbia. In consideration of the acquisitions, the Company will issue to DeCoors for the Surprise Lake Property 4.0

million common shares and reimburse DeCoors for its location and exploration costs on the Surprise Lake Property up to a maximum of \$30,000. The other properties will be acquired for only nominal consideration. In addition, DeCoors will retain a 1.5% NSR on each of the purchased properties, until the Company has paid \$2.0 million under the NSR of any property placed into commercial production. Each NSR will be subject to the Company's exclusive option to purchase all of any part of the NSR at any time at the rate of \$666,667 for every one-third of a NSR (i.e., 0.5% NSR), or \$2.0 million in the aggregate for the total NSR.

In addition to the consideration described above, DeCoors will have the right to nominate up to two directors to the board of the Company; one at the closing of the Agreement and another at the next annual general meeting of the Company.

The Agreement is subject to the acceptance of the TSX Venture Exchange.

### **QA/QC**

QA/QC protocol for the Surprise Lake Project includes monitoring the results of blank and certified reference standard samples that are inserted in the sample stream at a frequency of 1 in 20 each. Two different certified analytical laboratories were used. Samples were collected in the field under the supervision of a Qualified Person. Samples were sealed on site and transported directly to the laboratory's sample preparation facility. Samples for this program were submitted for preparation and analysis at ALS Minerals' Laboratory in Vancouver, BC using (Me-Ms 61) ICP with fire assay AA finish, as well as Bureau Veritas Commodities Canada Ltd.'s (ACME Lab) in Vancouver using ICP-ES/MS (MA200) and fire assay for gold, both of which are ISO certified. Gold analyses were conducted using the fire assay method with AA finish. Over limit samples were assayed by fire assay with a gravimetric finish.

### **Qualified**

Mr. John Buckle, P.Geo., P.Geoph., a Qualified Person as defined by NI 43-101, has reviewed and approved the scientific and technical disclosure in this news release.

### **About Gray Rock**

Gray Rock Resources Ltd. is a Vancouver based precious metals exploration company focused on high-potential gold prospects in British Columbia.

For more information, visit Gray Rock's website: [www.grayrockresources.com](http://www.grayrockresources.com) or contact Luc Lesage, Investor Relations at (604) 682-3701 or [ir@grayrockresources.com](mailto:ir@grayrockresources.com)

ON BEHALF OF THE BOARD

*"David Wolfin"*

-----  
President & CEO  
Gray Rock Resources Ltd.

This news release contains forward-looking information and forward-looking statements (together, the "forward looking statements") within the meaning of applicable securities laws, including exploration results and grades. These forward-looking statements are made as of the date of this news release. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes or results anticipated in or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are based will occur. While we have based these forward-looking statements on our expectations about future events as at the date that such statements were prepared, the statements are not a guarantee that such future events will occur and are subject to risks, uncertainties, assumptions and other factors which could cause events or outcomes to differ materially from those expressed or implied by such forward-looking statements.

Neither 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.