

October 2017

SHAREHOLDER UPDATE

To the Shareholders of Golden Reign Resources Ltd.:

We wanted to provide a brief update on our recent activities and what we expect to achieve as we move forward into 2018.

Advancing the San Albino Gold Deposit

Post-Permitting

With our Environmental Permit now in place, the Company has begun preparations for road work around the mine site area – including the initial clearing of underbrush.

EPCM

Our next step is to finalize an EPCM (Engineering, Procurement and Construction Management) contract and, in due course, commence detailed engineering and construction of a high grade, high margin gold mine at San Albino.

Trenching Activities at Las Conchitas

Our planned 2017 trenching program is well advanced. Despite some unseasonably wet conditions, our exploration activities at Las Conchitas are on-going.

On September 28, we announced initial trenching results from the Las Conchitas area. Located approximately 1.5 kilometres south of the San Albino Gold Deposit and not subject to the gold streaming arrangement, Las Conchitas hosts several prospects and significant gold targets, with a similar structural setting and style of mineralization.

Highlights from this trenching work included:

- SAM17-TR06 3.0 m averaging 13.10 g/t gold and 17.9 g/t silver (along dip)
- SAM17-TR06-Ext Pit 4.1 m averaging 15.66 g/t gold and 20.9 g/t silver (along dip)
- SAM17-TR06-Ext Pit 1.5 m of 27.90 g/t gold and 36.3 g/t silver (along strike)
- SAM17-TR06-Ext 7.7 m averaging 18.51 g/t gold and 13.2 g/t silver (along dip)
including 1.5 m of 62.30 g/t gold and 31.8 g/t silver
- SAM17-TR06-Ext 4.6 m averaging 13.07 g/t gold and 20.1 g/t silver (along dip)
- SAM17-TR06-Ext 0.6 m of 128.10 g/t gold and 94.2 g/t silver (vertical)
- SAM17-CATA 15 0.8 m averaging 15.00 g/t gold and 33.6 g/t silver (vertical)
- SAM17-CATA 18 2.0 m averaging 27.05 g/t gold and 57.7 g/t silver (along dip)
- SAM17-CATA 18 1.7 m averaging 4.50 g/t gold and 5.9 g/t silver (waste dump material)
- SAM17-TR01 1.7 m of 2.34 g/t Au and 3.1 g/t Ag (vertical)
- SAM17-TR02 1.3 m of 8.88 g/t gold and 26.4 g/t silver (vertical)
- SAM17-TR04-Ext 10.8 m averaging 9.39 g/t gold and 10.8 g/t Ag (along dip)
- SAM17-TR04 1.0 m of 9.95 g/t gold and 26.4 g/t silver (along dip)

(The mineralized intervals shown above utilize a 1.0 g/t gold cut-off grade. The results presented above are preliminary in nature. There has been insufficient exploration to date to estimate a "Mineral Resource", as such

term is defined in National Instrument 43-101 "Standards of Disclosure for Mineral Projects". There is no certainty that further exploration will result in the identification of Mineral Resources.)

(The full set of exploration results are included in the table accompanying the news release, both of which are available on our website at www.goldenreignresources.com)

Trenching continues, with the testing of four additional zones within the Las Conchitas area. The results from this work will be released when available.

The goal of the Las Conchitas trenching program is three-fold: (i) to confirm the extensions of structures previously identified by the Company; (ii) to test for other similar structures in the near-surface oxide domain; and (iii) to obtain information to be used in the design of a drilling program.

Our Strategy

In 2013, we charted a strategic course that set a short path towards low cost, small scale production intended to provide cash flow to fund further exploration and organic growth.

In September 2017, we accomplished a critical path item – receiving our Environmental Permit for the development, construction and operation of up to a 500 ton per day operation at our San Albino Gold Deposit.

Earlier steps along this path included our initial NI 43-101 resource estimate at the San Albino Gold Deposit delivered in January 2013, an update of the resource in 2014, and delivery of a preliminary economic assessment (PEA) in March 2015. As well as the signing (July 2014) of a gold streaming arrangement for US\$15 million with Marlin Gold Mining Ltd. to provide the funding needed to develop San Albino.

Thank you for your continued interest in, commitment to and support of Golden Reign. Please do not hesitate to contact us directly with any questions. We can be reached at info@goldenreign.com.

Sincerely,

Kevin Bullock, P.Eng.
CEO

For further information, or if you know of anyone who would like to receive this newsletter, please direct them to our website at <http://www.goldenreignresources.com>.

Forward-Looking Statements: *Some of the statements contained herein may be considered "forward-looking information" within the meaning of applicable securities laws. Forward-looking information is based on certain expectations and assumptions, including the assumption that the Company's exploration program will be successfully completed, and are subject to known and unknown risks and uncertainties. Such forward-looking information is 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 information, including, without limitation, the risk that satisfactory exploration results will not be obtained, the risk that exploration results will not translate into the discovery of an economically viable deposit, 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.*

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