

Cariboo Rose Resources Ltd. **CRB** TSX-V

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Cariboo Rose Options Interest in Carbonate Hosted Gold Project

Vancouver BC, October 18, 2016 **Cariboo Rose Resources Ltd. (TSX-V: **CRB**)** (“Cariboo Rose”) has entered into a letter of intent (“**LOI**”) with JM Capital II Corp (**TSX-V: **JCI.H****) (“JM Capital”) whereby JM Capital can earn a 60% interest in the Carbonate Hosted Gold Project (the **Property Option**”) by making payments totaling \$15,000, issuing 750,000 shares and completing \$2,850,000 in exploration before Sept 30, 2019. JM Capital intends that the agreement concerning the Carbonate Hosted Gold Project, as summarized in the LOI, will be a qualifying transaction under Policy 2.4 of the TSX Venture Exchange (“**TSX-V**”).

The Carbonate Hosted Gold Project encompasses 4,072 hectares (10,061 acres) of mineral claims located immediately northwest of the community of Clinton in south-central British Columbia. The project was initiated by Cariboo Rose in 2013 and has been continuous since. The geological basis for the project was the permissiveness for gold mineralization in carbonate rocks (silty sediments and limestone) as demonstrated by the Muddy Lake deposit in northern BC (Wheaton River Minerals-now Goldcorp Inc.), the Rackla gold project in the Yukon Territory (Atac Resources Ltd) and the numerous gold deposits of Carlin Nevada (particularly those of Newmont Mining Corporation and Barrick Gold Corporation).

Since initiating exploration in 2013 Cariboo Rose has discovered three small drainages sourcing in the Marble range that produce highly anomalous gold in silt values with numerous samples ranging in value from greater than 100 ppb gold to 929 ppb gold. These drainages source from an area approximately 8 kilometers wide. One of the clues to the permissiveness of this area for gold mineralization is excerpts from a report written by the Geological Survey of Canada in 1895. In this report G.M. Dawson comments, “the discovery of several specimens of rock containing richly auriferous haematite [hematite], in gravel deposits near Clinton has been noticed. Inquiries made on the spot show that such specimens, consisting of jaspery haematite with quartz, have been found in three separate locations near the west end of the town of Clinton, and one of these, subjected to assay, is reported as yielding gold to the value of \$300 to the ton [then at \$20.67 per ounce].... It would appear that the eastern edge and the eastern slopes of the Marble Mountains well deserve to be closely examined and searched for the possible origin of the richly gold bearing specimens first alluded to...”

The Property LOI is to be superseded by a definitive option agreement (the “**Definitive Agreement**”) to be signed on or before December 31, 2016 (or such other date as may be mutually agreed between JM Capital and Cariboo Rose). The Property option is subject to the requisite regulatory approval, including the approval of the TSX-V, and the completion of due diligence to the satisfaction of JM Capital and Cariboo Rose.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved or disapproved the contents of this news release.

Bill Morton, P.Geo., who is a qualified person within the context of National Instrument 43-101, has read and takes responsibility for the description of the Carbonate Hosted Gold Project contained in this news release.

J.W. (Bill) Morton, P.Geo.

President and CEO

Cariboo Rose Resources Ltd.

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About Cariboo Rose Resources Limited

Cariboo Rose Resources is a well-funded prospect generating mineral exploration company with six precious and base metal exploration projects in BC and the Yukon. Cariboo Rose trades on the TSX Venture exchange under the symbol "CRB". For more information please visit the Company's website at www.cariboorose.com.

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.