



PRESS RELEASE

ARMISTICE RESOURCES CORP.

For Immediate Release

Armistice Resources Closes First Part of Equity Offering

- Financing provides funding for exploration on the McGarry and Kerr-Addison properties, and on additional possible property acquisitions

Toronto, ON – December 31, 2010 – Armistice Resources Corp. (TSX: AZ) today announced that it has closed the first tranche of the planned private-placement equity offering that it announced on December 21, 2010. In the first closing, Armistice has issued a total of 6,190,000 flow-through shares at \$0.50 per share for gross proceeds of approximately \$3,095,000.

As previously announced, the offering is intended to raise gross proceeds of up to \$6 million and is being made on a best-efforts basis. D&D Securities Inc. (D&D) is acting as the lead agent for a syndicate that includes Northern Securities Inc. The total offering is planned to consist of approximately 8,286,111 units at \$0.45 per unit and up to approximately 6,250,000 flow-through shares at \$0.50 per share. Each unit will comprise one common share and one-half of one warrant. Each whole warrant will be exercisable into one common share at a price of \$0.55 for a period of 18 months from the closing date of the offering. The second tranche is expected to close early in January 2011.

The overall financing will provide Armistice funding to move its McGarry Mine gold project into production in 2011 and also will provide the company with the flexibility to acquire additional property and to launch a significant exploration program on both the McGarry property and the adjacent Kerr-Addison property for which it has signed a definitive five-year option agreement for the purchase of up to 100 percent of the mineral rights.

About Armistice Resources Corp.

Armistice Resources, a Canadian-based exploration and development company, expects to begin gold production in 2011 from its McGarry Mine in the Kirkland Lake area of northeastern Ontario. The McGarry Mine is located in Virginiatown on the prolific Larder Lake-Cadillac Break that extends 200 km east-west straddling the Ontario and Quebec border and that has produced 95 million ounces of gold. The McGarry Mine is adjacent to the Kerr-Addison Gold Mine that has produced more than 11 million ounces of gold. The McGarry Mine consists of 33 contiguous patented mining claims, including three licenses of occupation, totaling 484 hectares. The McGarry Mine is fully permitted and all equipment and systems at the site have been brought up to standards, including its installed mining plant. Armistice Resources is listed on the Toronto Stock

Exchange (Symbol: AZ) and currently has 86,836,899 common shares issued and outstanding. To find out more about Armistice Resources, please visit the company's website at www.armistice.ca.

Forward-Looking Statements

This news release contains forward-looking statements, including completion of the equity offering and current expectations on the timing of the commencement of production. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, the strength of the Canadian economy; the price of gold; operational, funding, and liquidity risks; the degree to which mineral resource estimates are reflective of actual mineral resources; the degree to which a pre-feasibility study gives sufficient grounds for classifying the indicated mineral resources as probable reserves; and the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with underground operations. Risks and uncertainties about Armistice Resources' business are more fully discussed in the company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Armistice Resources assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law.

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