



PRESS RELEASE

ARMISTICE RESOURCES CORP.

For Immediate Release

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Armistice Resources Files Final Prospectus for Equity Offering

- Offering to raise a minimum of \$12.5 million and a maximum of \$25.0 million
- Armistice plans to use net proceeds to fund development, mining, and pre-production programs at its McGarry gold mine project, for exploration on the McGarry and Kerr-Addison properties, and to repay \$7.0 million loan from Waterton Global
- Offering expected to close on or around October 31, 2011
- Files new Technical Report and revised AIF

Toronto, ON – October 25, 2011 – Armistice Resources Corp. (TSX: AZ) (Armistice or the company) today announced that it has filed with securities regulators in British Columbia, Alberta, and Ontario a final short-form prospectus for its previously announced equity offering (the Offering).

Canaccord Genuity Corp. is acting as the Agent for the offering, with BayFront Capital Partners Ltd. included in the selling group. The offering is expected to close on or around October 31, 2011, subject to the fulfillment of certain conditions, including the receipt of all necessary approvals from the applicable regulatory authorities.

The prospectus qualifies for distribution up to 50,000,000 units (the Units) of the company at a price of \$0.25 per Unit and up to 17,900,000 Common Shares of the company that qualify as Flow-Through Shares at a price of \$0.28 per Flow-Through Share, or any combination thereof, for minimum aggregate gross proceeds of \$12,500,000. The maximum size of the Offering is set at 80,000,000 Units at \$0.25 per Unit and up to 17,900,000 Flow-Through Shares at \$0.28 per Flow-Through Share, or any combination thereof, for aggregate gross proceeds of up to \$25,012,000. Under no circumstances shall more than \$5,012,000 of the gross proceeds of the Offering result from the sale of Flow-Through Shares. Each Unit will consist of one Common Share of the company and one-half of one Common Share purchase warrant. Each warrant will entitle the holder to purchase one Common Share of the company at an exercise price of \$0.35 per Common Share for a period of 36 months following the date of closing of the Offering. The Units and the Flow-Through Shares are offered separately from each other.

The Toronto Stock Exchange (TSX) has conditionally approved the listing of the Common Shares issuable under this Offering (including the Flow-Through Shares and the Unit Shares), the Common Shares issuable on the exercise of the Warrants, and the Common Shares issuable on the exercise of the Compensation Options payable to the Agent for the Offering. Listing is subject to Armistice fulfilling all of the requirements of the TSX by December 29, 2011.

Armistice will use the net proceeds raised under the Offering to fund the company's development, mining, and pre-production programs at the McGarry Project, exploration on its properties, property option payments, consumables, equipment purchases, to repay a \$7.0 million loan from Waterton Global Value, L.P. (Waterton), and for general working capital purposes. Armistice will incur Canadian Exploration Expenses (CEE) for activities on its McGarry Project and Kerr Addison Property equal to the proceeds of the Flow-Through Offering.

Armistice has executed a discharge and termination agreement with Waterton with respect to the \$15 million Senior Secured Gold Stream Debt Facility (the Facility) that Waterton made available to Armistice. Armistice will repay in full all of its obligations under the Facility. All security granted by Armistice to Waterton shall be discharged in full and the Gold Supply Agreement will be terminated. Termination of the gold supply agreement will result in substantial financial savings to Armistice as the company begins and subsequently ramps up gold production at the McGarry Mine. The closing of the Waterton settlement is conditional upon the Offering raising a minimum of \$12.5 million.

In consideration of the full and final release of the security under the Credit Facility Agreement and the termination of the Gold Supply Agreement, upon completion of the Offering, Armistice will pay to Waterton \$7.0 million in cash and issue 24,000,000 Common Shares. The 24,000,000 Common Shares issued to Waterton will be subject to a statutory hold period of four months and one day from the closing. The Offering is conditional upon the termination of the Credit Facility and the Gold Supply Agreement, the discharge of all security granted by the company, and the issuance of the 24,000,000 Common Shares to Waterton.

Armistice has agreed to issue 600,000 Common Shares to each of Canaccord Genuity Corp. and BayFront Capital Partners Ltd. as consideration for their role as co-financial advisors in providing general financial and strategic advice to the company in negotiating the discharge and settlement agreement with Waterton. The issuance of Common Shares to Waterton, Canaccord Genuity Corp., and BayFront Capital Partners Ltd. has been conditionally approved by the TSX and are subject to the company fulfilling the conditions to such issuance.

Concurrent with the filing of the final prospectus, Armistice has filed a new NI 43-101 technical report dated September 30, 2011, which has been amended from the original report dated April 8, 2009 previously filed by the company on SEDAR. The new technical report was prepared by Martin Drennan, P.Eng., of Python Mining Consultants. Armistice also has filed a revised Annual Information Form for its fiscal year ended June 30, 2011.

About Armistice Resources Corp.

Armistice is an exploration company engaged in the acquisition and exploration of gold properties. The company currently owns the rights to a mineral property (the McGarry Project), which is an underground gold project currently in pre-production located in the

southwestern part of McGarry Township, in north-eastern Ontario, on the major geological structure referred to as the Larder Lake Break, immediately west of the municipality of Virginiatown.

On December 23, 2010, the company entered into a five-year option agreement to acquire up to a 100% interest in a property (the Kerr Addison Property) which adjoins Armistice's McGarry Project to the east. The former mine on the Kerr Addison Property (the Former Kerr Addison Mine) produced approximately 11 million ounces of gold during a 58-year operating life from 1938 to 1996. Gold-bearing zones within its extensive mineralized system were mined from surface to a depth of 4,500 feet, and over a strike length of about 3,200 feet. The Former Kerr Addison Mine was in production right to the time that creditors forced a foreclosure during a period of low gold prices. Armistice is listed on the TSX and currently has 104,924,771 common shares issued and outstanding. To find out more about Armistice, please visit the company's website at www.armistice.ca.

Forward-Looking Statements

This news release contains forward-looking statements, including current expectations on the timing of the commencement of production and the rate of production, if commenced. 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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