

NFX Gold Options 25% Interest in Swansea Property to Newstrike Resources

Toronto, Canada: September 17, 2007 – NEWSTRIKE RESOURCES INC. (NR: TSX Venture Exchange) (“Newstrike”) is pleased to announce that it has signed a Letter of Agreement with NFX GOLD INC. (NFX: TSX Venture Exchange) (“NFX” or the “Company”), allowing Newstrike to earn a 25% interest in NFX’s 75% owned Swansea property (the “Swansea Property”) located along the Larder Lake Break in northeastern Ontario.

Under the terms of the agreement, Newstrike has an option (the “Option”) to earn an undivided 25% interest in the Swansea Property by incurring C\$1,000,000 on exploration related expenditures on or before September 30, 2009, as follows:

- C\$400,000 on or before September 30, 2008 (“Year One Expenditures”)
- C\$1,000,000 in the aggregate (including Year One Expenditures) on or before September 30, 2009.

In order to exercise the Option, Newstrike further agrees to issue to NFX 100,000 common shares of Newstrike, subject to the receipt of all required regulatory approval, as follows: i) 50,000 common shares within ten days after execution of the formal agreement, and ii) 50,000 additional common shares on or before October 31, 2009. The agreement remains subject to the satisfaction of several conditions, including the receipt of approval of the TSX Venture Exchange.

In a related transaction Newstrike independently acquired an additional 25% interest in the Swansea Property from an arm’s length party. After the exercise of the Option, NFX and Newstrike shall constitute a 50/50 joint venture in respect of the Swansea Property.

The Swansea Property is located in McVittie Township, Ontario with its eastern boundary approximately one kilometer west of NFX’s Larder Lake Property. The Larder Lake Property is comprised of the Fernland, Cheminis, N. Cheminis, Bear Lake and Barber Larder properties currently under an option and joint venture agreement (the “Larder Lake Property Agreement”) with Maximus Ventures Ltd. (“Maximus”). Under the terms of the Larder Lake Property Agreement, Maximus has the option to earn a 60% interest in the Company’s interest in the Larder Lake property by completing exploration expenditures totaling C\$6.0 million by December 31, 2008.

Maximus recently announced (Press Release, August 16, 2007) assay results from diamond drill hole NFX07-11 drilled on the Bear Lake claims of the Larder Lake Property. Sample assays from 2 new zones of gold mineralization in the hole graded 10.4 gpt¹ Au over 5.2 m and 13.3 gpt Au over 6.0 m. The latter intersection occurring at a vertical depth of 550 m is reported as typical of the Kerr Addison mine “flow-ore” style of mineralization. The Kerr Addison mine “flow-ore” produced 23 million tons at a grade of 0.33 opt² Au (11.31 gpt Au). The Kerr Addition Mine also produced an additional 15 million tons at a grade of 0.23 opt Au (7.88 gpt Au) from “green-carbonate” style mineralization. Historic production and resources at the Cheminis and Fernland Mines include both “flow-ore” and “green-carbonate” style mineralization.

The east-west striking Larder Lake fault is the principal structure along which the significant gold deposits of the Larder Lake area occur and include; the Kerr-Addison, Chesterville, Armistice, Barber Larder, Cheminis, Fernland and Omega deposits. The “flow ore” mineralization occurs within volcanic flow horizons adjacent to the Larder Lake fault near intersecting northeast striking faults. The high grade drill intersections recently reported by Maximus occur near the intersection of the northeast trending Bear Lake fault and the Larder Lake fault.

The Larder Lake fault continues westward from the Omega deposit across the approximate 4 km length of the Swansea Property. Historic drill results from the Swansea property reveal several intersections of gold mineralization that may warrant follow-up drilling. The most significant intersection from a historic report³ on the Swansea property indicates 4 diamond drill holes were completed in 1987 including hole SW-87-4 that contained an intersection from 372.4 to 378.5 meters grading 0.30 opt Au (10.28 gpt Au) over 6.1 m including 1.179 opt Au (40.42 gpt Au) over 1.5 m. Some historic follow-up drilling was completed of the SW-87-4 intersection and the historic data is being compiled to determine the extent of the mineral zone and whether additional drilling is warranted.

The higher grade deposits in the Larder Lake camp are notably at depths below 300m. Above 300m the deposits tend to be weaker grade and/or often form smaller lenses or shoots. The recent Maximus Bear Lake drill hole intersections and the Swansea historic drill hole intersections are at vertical depths of 550m and 320m, respectively.

A program of surface prospecting, alteration and lithogeochemical sampling is expected to begin shortly on the Swansea property. Favourable alteration zones and historic shallow low grade drill hole intercepts near the intersection of northeast trending fault structures and the Larder Lake fault will be primary targets for deep drilling.

The technical content of this news release has been reviewed by Mr. Alexander S. Horvath, P. Eng., a qualified person for NFX under the guidelines of National Instrument 43-101.

For further information please contact either Thomas G. Larsen, President and Chief Executive Officer of NFX or Jorge Estepa, Vice President of NFX, at: telephone: (416) 360-8006; fax (416) 361-1333 or Don Rankin, director of Newstrike at (416) 628-6556.

¹ gpt is the grade in grams per tonne Au

² opt is the grade in ounces per ton Au

³ The historic report dated June 25, 1987 is titled "Report on the Swansea Property, Ontario" and was prepared for Eldor Resources by Derry, Michener, Booth and Wahl.

The TSX Venture Exchange Inc. has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

This release contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that the Company and/or Newstrike believes, expects or anticipates will or may occur in the future, are forward-looking statements. Potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource on the Swansea Property mentioned above and it is uncertain if further exploration will result in any such target being delineated as a mineral resource. Forward-looking statements reflect the current internal projections, expectations or beliefs of the Company and/or Newstrike based on information currently available to the Company and/or Newstrike. Forward-looking statements are subject to a number of risks and uncertainties, including those detailed from time to time in filings made by the Company and/or Newstrike with securities regulatory authorities, that may cause the actual results of the Company and/or Newstrike to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company and/or Newstrike. (Not for dissemination in the United States.)