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Newstrike Resources Ltd. Announces Closing of Private Placement

Toronto, Ontario – October 20, 2009. Newstrike Resources Ltd. (TSX-V:NR) (“Newstrike”) is pleased to announce that has closed its previously announced non-brokered private placement pursuant to which it has issued an aggregate of 1,666,666 flow-through units (“FT Units”) at a price of \$0.60 per FT Unit to raise aggregate gross proceeds of approximately \$1,000,000. Each FT Unit consists of one “flow-through” common share and one share purchase warrant of Newstrike, each such share purchase warrant entitling the holder thereof to acquire one additional common share of Newstrike (which shall not be a “flow-through” share) for a period of 24 months at an exercise price of \$0.75 per share. All of the securities issued in connection with the private placement are subject to a statutory hold period expiring on February 20, 2010.

In connection with the offering, Newstrike has paid finder’s fees in the aggregate amount of approximately \$25,270 to certain qualified registrants assisting in the offering (representing 6% of the gross proceeds raised by such finders). Insiders of Newstrike subscribed for an aggregate of 183,000 FT Units in connection with the offering.

The private placement remains subject to the final approval of the TSX Venture Exchange.

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Forward Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Newstrike, including, but not limited to the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with the uncertainty of resource and reserve estimates, currency fluctuations, dependence upon regulatory approvals, the availability of future financing and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.