

# **GOLDEN PEAKS RESOURCES LTD.**

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## **UPDATE ON THE ACQUISITION OF INDONESIAN GOLD COMPANY**

January 25, 2011, - Vancouver - Golden Peaks Resources Ltd. (TSX:GL) (the "Company" or "Golden Peaks") further to the Company's press release dated December 22, 2010 in which it announced that it had executed a definitive agreement with Reliance Resources Limited ("Reliance") to acquire (the "Acquisition") all of the issued and outstanding shares of Reliance, the Company is pleased to report that, pursuant to the policies of the Toronto Stock Exchange, and specifically section 604 d) of the TSX Company Manual, it has received written consent from a majority of its shareholders to the issuance of 62,667,713 common shares from its treasury (representing an aggregate of 144.221% of the Company's current issued and outstanding share capital) to the shareholders of Reliance in exchange for 41,725,337 common shares of Reliance, and to the issuance of up to \$2,000,000 of securities of the Company either through the exercise of existing share purchase warrants or by conducting a private placement. In the event that the Company decides to conduct a private placement, it will issue a further press release prior to the closing of the Acquisition to disclose the terms of the private placement.

At the annual general meeting of the shareholders of Reliance held on January 21, 2011, all Reliance shareholders voting in person or by proxy, at the meeting, unanimously voted in favor of the Acquisition.

Following the completion of the Acquisition, the shareholders of Golden Peaks will hold approximately 40.95% of the outstanding Golden Peaks Shares and former shareholders of Reliance will hold approximately 59.05% of the outstanding Golden Peaks Shares. Current insiders of Golden Peaks have no ownership interests in Reliance and will not receive any common shares of the Company in connection with the Acquisition of Reliance.

Upon the completion of the Acquisition, the board of directors of Golden Peaks will be comprised of six members, consisting of three representatives from each of Golden Peaks and Reliance as follows:

<u>Golden Peaks Representatives on the Board</u>	<u>Reliance Representatives on the Board</u>
Scott Emerson	Gary Lewis
Gilyeard Leathley	John Levings
Nick DeMare	Ian Mitchell

Upon completion of the Acquisition, the management of Golden Peaks will be as follows:

Gary Lewis	-	Chairman and Chief Executive Officer
Scott Emerson	-	President
John Levings	-	Vice President, Exploration
Harvey Lim	-	Chief Financial Officer and Corporate Secretary

Upon completion of the Acquisition, Golden Peaks will indirectly hold the rights to five advanced gold exploration permits covering 30,000 hectares, on the islands of Sulawesi and Halmahera in eastern Indonesia. All projects have been converted to IUP tenements as required under the new Indonesian Mining Act (2009). The Reliance portfolio comprises three exploration projects on Sulawesi Island, and two areas on the island of Halmahera, 70km north of Newcrest Mining's high-grade, world-class Gosowong gold mine. Reliance has the second largest landholding behind Newcrest on Halmahera. All five projects are within close proximity to operating gold mines or defined resources with similar geological settings.

Closing of the Acquisition is expected to be completed on or before February 1, 2011, or such later dates as may be agreed upon by the parties. The Company will issue a further press release subsequent to the closing.

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*The statements herein that are not historical facts are forward-looking statements. These statements address future events and conditions and so involve inherent risks and uncertainties, as disclosed under the heading "Risk Factors" in the company's periodic filings with Canadian securities regulators. Actual results could differ from those currently projected. The Company does not assume the obligation to update any forward-looking statement.*