



8th floor, 700 W. Georgia St.
Vancouver, BC Canada V7Y 1H4
T. 604-688-5866 F. 604-488-0787



Suite 900 – 475 Howe Street
Vancouver, BC Canada V6C 2B3
T. 604-681-7446 F. 604-684-9877

887416

Seel

JOR → Seel

Grayd Resource - Gold Reach Resources Announce Discovery of Copper-Gold Porphyry at Seel - Drill Hole S 04-4 Intersects 148m Grading 0.29% Cu and 0.27 g/t Au

Vancouver, BC, January 18, 2005 . . . Grayd Resource Corporation (TSX Venture: GYD) and Gold Reach Resources Ltd. (NEX: GRH.H) are pleased to announce that diamond drilling has discovered a near surface copper-gold porphyry system at the Seel property located in central British Columbia.

Hole S04-4, one of six holes drilled in December 2004, intersected 148 m grading 0.29% Cu and 0.27 g/t Au. Disseminated pyrite and chalcopyrite occur within a highly altered intrusive from the start of bedrock at 35 m and continue to the end of the hole. Copper grades range from 0.09 to 0.93 % and gold grades range from 0.01 to 0.82 g/t throughout the hole. There is a strong correlation between Cu and Au grades (1:1 ratio, 0.1 g/t Au for every 0.1% Cu).

This hole was one of six holes drilled in December 2004 within a 1200 m long by 800 - 1300 m wide coincident high-chargeability low-resistivity anomaly outlined in an Induced Polarization (IP) geophysical survey completed in October 2004. The diamond drill program was designed to test a previously known copper-gold breccia zone and to test the potential for a large bulk mineable deposit. All holes intersected volcanic and intrusive rocks exhibiting strong alteration of the type commonly associated with porphyry deposits. Analytical results have been returned from the first four holes.

Holes S04-1 and 2 tested the breccia zone on the north end of the IP anomaly, returning 24 m grading 0.40% Cu, (including 3 m @ 1.79% Cu) and 19.5 m grading 0.51% Cu, (including 6.9 m @ 0.93% Cu). These holes continued beyond the breccia to test for bulk mineable mineralization. Both holes intersected highly altered rock with abundant pyrite, but no significant copper mineralization was encountered.

Hole S04-3 intersected intermittent copper-gold mineralization while testing an area of strong chargeability. Based on the observation of chalcopyrite in S04-3, the drill was subsequently turned around 180° for hole S04-4 to test an area of moderate chargeability flanking the high to the southeast and successfully vectored in on more consistent copper mineralization. To date, only selected samples have been taken from S04-3. Core lengths ranged from 0.3 to 2.0 m with copper grades ranging from 0.02% - 0.59 % and gold grades ranging from 0.03 – 0.40 g/t. Additional samples will be analyzed from this hole.

Hole #	Azimuth (degrees)	Dip (degrees)	Hole Length (metres)	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Mo (%)
S 04-1 <i>including</i>	315	-50	210.3	29.00	53.00	24.00	0.40	0.04	0.000
				31.00	34.00	3.00	1.79	0.04	0.000
S 04-2 and <i>including</i>	135	-50	182.9	43.40	46.40	3.00	0.60	0.03	0.000
				49.15	68.50	19.35	0.51	0.05	0.000
				49.15	56.00	6.85	0.93	0.04	0.000
S 04-3 and	315	-50	178.3	33.50	35.50	2.00	0.37	0.34	0.001
				60.50	62.20	1.70	0.47	0.26	0.001
S 04-4	135	-70	182.9	35.00	182.95	147.95	0.29	0.27	0.008

Holes S04-5 and 6 were drilled 500 metres to the west of holes 3 and 4 to test another area within the large IP anomaly with assays pending.

Drilling has resumed on the property following the holiday break to complete the initial 1,500 m program. Three additional holes will be completed to follow up on the intersection in S04-4 and are being designed to continue vectoring in on the heart of this newly discovered porphyry system. Similar chargeability to that associated with S04-4 can be traced throughout the 1.2 km long IP anomaly. Further results from the 2004-2005 drill program will be released in entirety upon completion of the program.

Grayd and Gold Reach are pleased that a broad copper intersection was discovered so early in the drill program and are particularly encouraged that gold is associated with the copper mineralization. The copper-gold grades in the S04-4 intersection can be compared to the reserves remaining at the operating 20,000 tonne per day Huckleberry mine (located 7 km away across the Thatsa Reach) which are quoted at 25 million tonnes of 0.51% Cu, 0.06 g/t Au and 0.014% Mo (information from Imperial Metals-Huckleberry Mines website). The remaining reserves reported by Northgate Minerals Corp. at the Kemess mine are 92 million tonnes at 0.23% Cu and 0.70 g/t Au for Kemess South and a resource of 414 million tonnes at 0.16% Cu and 0.31 g/t Au for Kemess North (information from Northgate Minerals Corp website).

The diamond drill holes were drilled NQ diameter, excepting the top of the holes through the breccia zone which were drilled HQ diameter. Core was halved using a diamond rock saw to cut the core. Half-core samples were sent to Acme Analytical Labs's facility in Vancouver, B.C. for sample preparation and analysis. All samples underwent multi-element analysis by ICP/MS. The breccia zones in holes S04-1 and 2 and all samples from hole S04-4 were also assayed for gold and copper. A sample quality control/quality assurance program is in place. The diamond drill program is under the supervision of Hans Smit, P.Geol., Vice-President Exploration for Grayd Resource Corporation, a qualified person under NI 43-101.

Gold Reach can earn a 61% interest in the Seel property by incurring \$1,000,000 in exploration expenditures before December 31, 2006. Once Gold Reach has vested, Grayd has 60 days to elect to earn back 10% of the interest by incurring the next \$250,000 in exploration expenditures (effectively forming a 51% Gold Reach – 49% Grayd Joint Venture). During the earn-in period, Grayd is the operator.

A drill hole location map is attached and can also be viewed on both company's websites along with additional information at www.grayd.com and www.goldreachresources.com.

For further information, please contact:

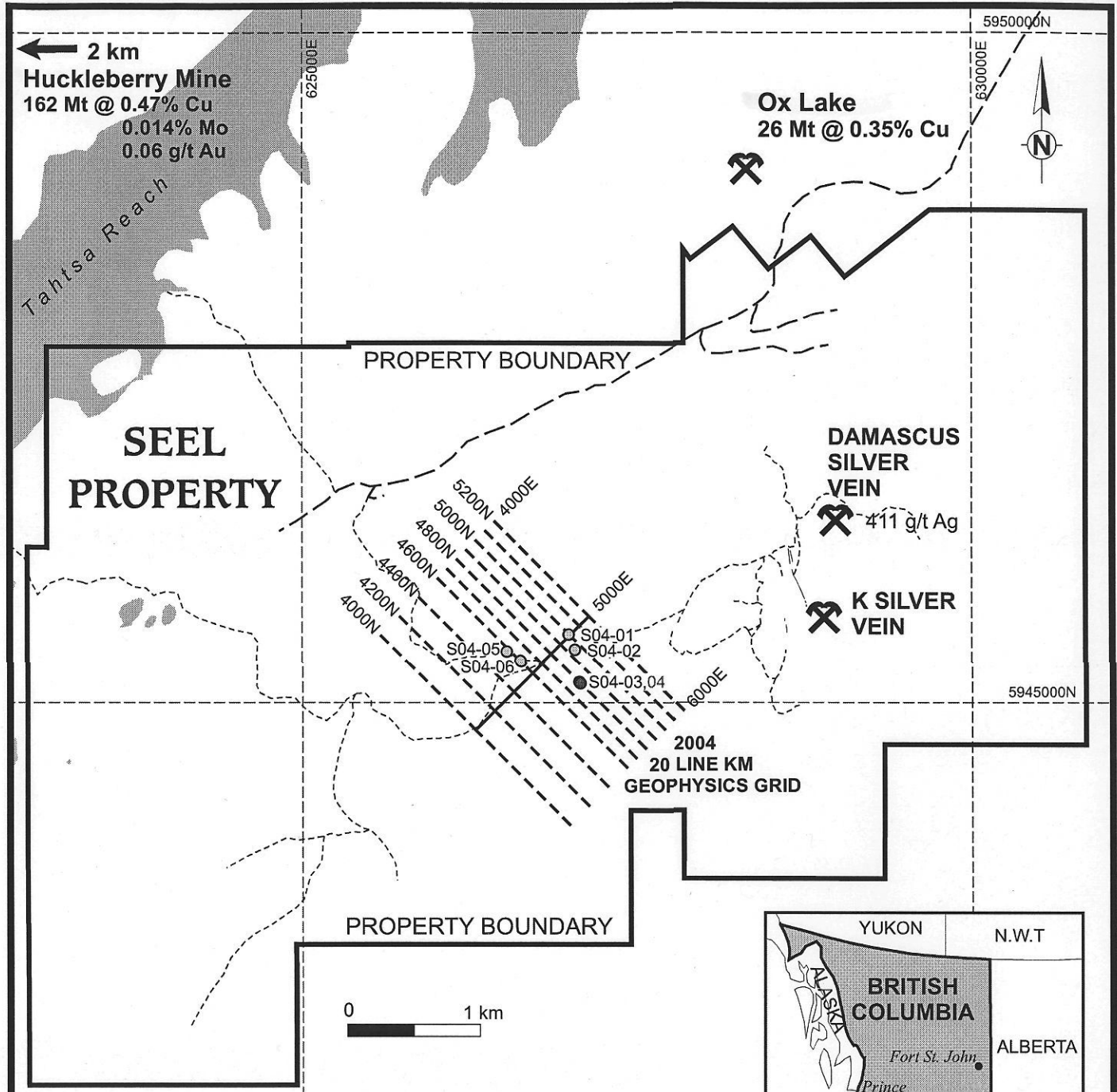
Grayd Resource Corporation

Marc A. Prefontaine, M.Sc., P.Geol. – President and CEO (604-681-7446) or
Freeform Communications Inc. (778-371-9100 - ext 1220)

Gold Reach Resources Ltd.

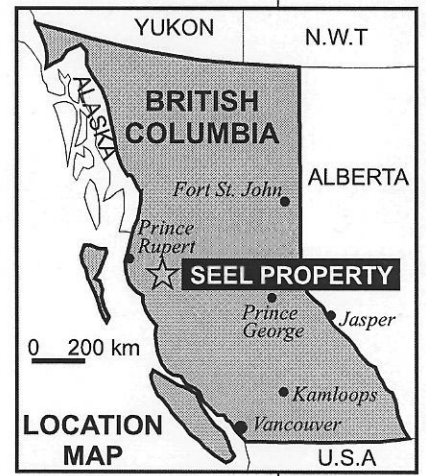
Mike Sieb, B.Sc., MBA - Director – (604-331-2263)

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE CONTENT OF THIS NEWS RELEASE.



Seel Property Drilling Summary - December 2004

Hole	East	North	Azimuth	Dip	Length (m)
S04-01	49+90	50+00	315	-50	210.3
S04-02	51+10	49+50	135	-50	182.9
S04-03	53+10	48+00	315	-50	178.3
S04-04	53+25	48+00	135	-70	182.9
S04-05	47+50	45+75	-90	-90	155.4
S04-06	48+70	46+00	135	-50	185.9
Total:					1095.8



Schroeter, Tom EM:EX

From: Schroeter, Tom EM:EX
Sent: Tuesday, January 18, 2005 8:31 AM
To: 'Hans Smit'
Cc: 'marc@grayd.com'
Subject: RE: Jan 18, 2004 News Release (PDF format)

CONGRATULATIONS! It is the FIRST discovery of 2005. Look forward to more details next week. Now - can we get Mike back on the ice here for hockey on Thursdays? See 'ya next week.

Tom
Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey and Development Branch
Mining and Minerals Division
Ministry of Energy and Mines

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gems6.gov.bc.ca
Autotel 604 662-9091

-----Original Message-----

From: Hans Smit [mailto:hsmit@bulkley.net]
Sent: Monday, January 17, 2005 5:13 PM
To: Schroeter, Tom EM:EX
Subject: Fw: Jan 18, 2004 News Release (PDF format)

Hi Tom,

Thought I would send you some good news with regards to BC copper-gold porphyry exploration for your annual Round-Up summary. First discovery for 2005! More to come so we will keep you posted.

See you next week.

Cheers,

Hans

----- Original Message -----

From: "Marc Prefontaine" <marc@grayd.com>
To: "Hans Smit (E-mail)" <hsmit@bulkley.net>
Sent: Monday, January 17, 2005 4:38 PM
Subject: FW: Jan 18, 2004 News Release (PDF format)

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