



Franco-Nevada Commits to Funding Ring of Fire Resources' Purchase of Project 81; Ring of Fire Executes Definitive Purchase and Sale Agreement with AbiBow Canada Inc.

Toronto, Ontario – October 5, 2011 Ring of Fire Resources Inc. (the "Company" or "ROF") (TSX-V:ROF, FRANKFURT: RG5, OTC.PK:HWKPF) is pleased to announce that **Franco-Nevada Corporation** ("Franco-Nevada") (NYSE/TSX:FNV) has agreed to fund part of ROF's purchase of Project 81 from **AbiBow Canada Inc.**, for a total funding commitment from Franco-Nevada to ROF of up to \$4,000,000:

- Franco-Nevada has agreed to purchase a three-year secured convertible debenture issued by ROF in the principal amount of \$2,000,000, convertible into common shares at a price of \$0.20 per share, and earning 5% interest annually (the debentures and underlying shares would be subject to a four month hold period);
- Franco-Nevada has agreed in principle, if necessary, to backstop the \$1,500,000 property payment due to AbiBow in 180 days or the final \$1,500,000 property payment due in 365 days using a convertible debenture with similar terms (except the conversion price will be based upon the then current market price); and
- Franco-Nevada has agreed to pay ROF \$500,000 to acquire certain rights ROF would otherwise obtain with respect to a royalty that will be granted to AbiBow in connection with the purchase of Project 81.

Description	Amount
Convertible debenture	\$2,000,000
Property purchase backstop commitment	\$1,500,000
Rights with respect to royalty	\$500,000
Total funds committed to ROF from Franco-Nevada	\$4,000,000

"Franco-Nevada is very excited to be involved in Project 81 based on its attractive land package in the prolific mining area of Timmins, Ontario," said David Harquail, CEO of Franco-Nevada.

Vance White, President of Ring of Fire Resources reported, *"We welcome Franco-Nevada, the world's leading gold royalty company, as a key financial partner in this transaction as it will help to solidify the efforts of ROF to properly explore and develop Project 81. Encouraging historical results (non NI 43-101 compliant) have given us confidence that our modern exploration program will be successful in creating both a stronger, more vibrant company and enhanced value for shareholders. To gain Franco-Nevada's support and its keen eye for future production opportunities is a tremendous vote of confidence for the Company and Project 81."*

IBK Capital Corp. was instrumental in initiating and facilitating the transaction with Franco-Nevada.

ROF is also pleased to announce that it has executed a definitive agreement of purchase and sale with AbiBow dated October 4, 2011 for the acquisition of Project 81, and that the parties plan to close the transaction as early as October 6, 2011, subject to receiving final approval from the TSX Venture exchange.

ROF's Project 81 property is located in the Timmins, Iroquois Falls and Smooth Rock Falls areas of Northern Ontario and consists of approximately 60,000 hectares (>149,000 acres) of property which includes surface, mineral and timber rights. Under its agreement with AbiBow, ROF is required to pay AbiBow a total of \$6,500,000 in cash, issue 3,000,000 treasury shares of ROF and grant to AbiBow a 5% net smelter returns royalty from the sale of minerals produced from the property. Of this, \$3,500,000 will be paid on closing. An additional payment of \$1,500,000 is the subject of a secured vendor take-back note due 180 days after closing, and a further \$1,500,000 is the subject of a secured vendor take-back note due one year after closing. If ROF requires funding to make one of these payments, Franco-Nevada has agreed to purchase from ROF an additional \$1,500,000 secured convertible debenture under the same terms (with a conversion price based upon the then current market price.)

Under the terms of the agreements, Franco-Nevada has agreed to acquire from ROF for \$500,000 (i) ROF's right to purchase 45% (2.25% of the 5%) of the NSR royalty from AbiBow for a total payment of \$5,625,000 (or \$2,500,000 per 1%), and (ii) an assignment of ROF's right of first refusal to purchase the NSR royalty should AbiBow receive an offer from an arm's length third party that it is prepared to accept.

ROF's acquisition of the Project 81 properties and its transactions with Franco-Nevada have been conditionally approved by the TSX Venture Exchange.

About Ring of Fire Resources Inc.:

Ring of Fire Resources Inc. is a Canadian based junior exploration company with a portfolio of diversified exploration projects at various stages of exploration and drilling for Vanadium/Nickel/Copper/Chromium/PGM in the 'Ring of Fire' McFauld's Lake Area of Northern Ontario, Gold in Northern Ontario, and Uranium in Northern Saskatchewan.

Michael Newbury, P. Eng. (ON), a "qualified person" as such term is defined by National Instrument 43-101 and a director of ROF has verified the data disclosed in this news release, and has otherwise reviewed and approved the technical information in this news release on behalf of ROF. Mr. Randy Singh, P. Eng. (ON) is the Company's Exploration Manager and will supervise the field activities on this project.

More detailed information is available on the website at www.ringoffireresources.com

Cautionary Statement:

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

The foregoing information may contain forward-looking statements relating to the future performance of Ring of Fire Resources Inc. Forward-looking statements, specifically those concerning future performance, are subject to certain risks and uncertainties, and actual results may differ materially from the Company's plans and expectations. These plans, expectations, risks and uncertainties are detailed herein and from time to time in the filings made by the Company with the TSX Venture Exchange and securities regulators. Ring of Fire Resources Inc. does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

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