

NEWS RELEASE

October 4, 2012

Trading Symbol: TSX-V: ERA.P
Shares Issued: 10,250,000

ELCORA RESOURCES CORP. Announces Proposed Qualifying Transaction

HALIFAX, NOVA SCOTIA -- (CNW – October 4, 2012) – Troy Grant, President and CEO of **ELCORA RESOURCES CORP.** (TSXV: ERA.P), (the "Company" or "Elcora"), is pleased to announce that it has entered into an arm's length binding letter of intent with Mantis Mineral Corp. (CNSX: MYN) ("Mantis") dated October 4, 2012 (the "Letter of Intent") for the right to acquire a fifty-one percent (51%) undivided interest in the Cree Lake Gold Property located in Swayze Township, Ontario, (the "Transaction") consisting of 18 mining claims covering approximately 3,904 hectares (the "Cree Lake Claims"), which claims are subject to a 1.5% net smelter return royalty on mining claim numbers 4203295, 4203275, 4203296 and 4209811.

The Company is a Capital Pool Company ("CPC") and intends the Transaction to constitute its Qualifying Transaction under the policies of the TSX Venture Exchange (the "Exchange"). Following completion of the Transaction, the resulting issuer will be a Tier 2 mining exploration company.

Trading of the common shares of Elcora has been halted at Elcora's request and will remain halted pending the Exchange's receipt of satisfactory documentation and the issuance of a comprehensive press release.

The Transaction

Under the terms of the Letter of Intent, Elcora has the exclusive right to earn up to a 51% undivided interest in the Cree Lake Claims by making cash payments, issuing common shares of Elcora and conducting work programs on the Cree Lake Claims. Elcora may earn a 51% interest in the Cree Lake Claims by making cash payments totaling \$50,000, issuing 3,000,000 common shares and completing work programs on the Cree Lake Claims with a total value of a minimum of \$1,000,000 over a four year period.

Elcora may accelerate the cash payments, delivery of common shares and work programs in order to exercise the option at any time. Elcora may terminate its obligations and forfeit its rights under the Letter of Intent at its sole discretion at any time on 30 days notice after completing the initial requirements of making a cash payment of an aggregate of \$25,000, the delivery of 300,000 common shares of Elcora and the completion of a work program of a minimum of \$200,000 on the Cree Lake Claims.

Shareholder approval is not expected to be required under the policies of the Exchange because of the arm's length nature of the Transaction.

Private Placement

Following conditional acceptance of the Qualifying Transaction by the Exchange, Elcora intends to complete a private placement offering (the "Offering") of a minimum of \$400,000 up to a maximum

of \$500,000. The gross proceeds of the Offering will be used to pay for costs and expenses associated with the Cree Lake Claims and for general working purposes.

The Offering is subject to certain conditions, including but not limited to the receipt of all required regulatory approvals and consents, including the approval of the Exchange. The securities issued pursuant to the Offering will be legended with a hold period expiring four months and one day after the closing of the Offering in accordance with applicable securities laws and, if required, the policies of the Exchange.

Sponsorship of a Qualifying Transaction of a CPC is required by the Exchange unless exempt in accordance with Exchange policies or waived by the Exchange. The Transaction may require sponsorship and Elcora plans to provide a news release update should a sponsor be retained. Elcora also expects that trading in its common shares will remain halted pending closing of the Qualifying Transaction. The common shares of Elcora may trade sooner, only upon Exchange approval and the filing of required materials with the Exchange as contemplated by the CPC policy of the Exchange.

Completion of the Transaction is subject to a number of conditions including, but not limited to, Exchange acceptance, preparation of a National Instrument 43-101 compliant Technical Report acceptable to the Exchange and, if applicable pursuant to Exchange requirements, shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release.

A comprehensive press release will be filed by Elcora when a definitive agreement is finalized.

For further information please contact:

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CAUTIONARY STATEMENT:

The TSX Venture Exchange does not accept 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. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of Elcora, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Elcora's expectations are exploration risks detailed herein and from time to time in the filings made by Elcora with securities regulators.

(Not for distribution to US wire services or for dissemination in the United States of America)