

*Jan 04, 2010*

### **Chrysos Capital Corporation Closes Qualifying Transaction**

HALIFAX, NOVA SCOTIA - (Marketwire -- January 4, 2010) - Tom Hickey, President and CEO of Chrysos Capital Corporation ("Chrysos"), a capital pool corporation, announces that Chrysos completed its Qualifying Transaction, a \$2,651,566 private placement and appointed an expanded board of directors effective December 31, 2009.

Chrysos plans to change its name to Frontline Gold Corp. at its next shareholders meeting. The name change should be implemented before Q2 2010. Hickey says, "The addition of such an experienced mining group and financing expertise on the new board should make our team very strong for implementing our plan".

#### **The Qualifying Transaction**

Chrysos acquired a bundle of assets (the "Merrex Assets") from Merrex Gold Inc. ("Merrex") (TSX-V symbol MXI) including:

- a. a 50% interest in 328 claims in Nova Scotia, which include the Jubilee Zinc-Lead Project in Victoria County, Nova Scotia (the "Jubilee Claims"), and two ancillary properties, the Cape Breton Regional Zinc Claims and the Eastville Permits;
- b. a 100% interest in 229 claims in the Red Lake-Birch Lake District, Northwestern Ontario; and
- c. Merrex's exclusive strategic alliance with AgeanGold Madencilik Ltd., and a 90% interest in Merrex Insaat Madencilik Sanayi Tasimacilik ve Ticaret Ltd. Sti. which holds twelve early-stage exploration permits in Turkey.

Chrysos issued 18,675,000 shares at \$0.17 per share (\$3,174,750.00) for the Merrex Assets and agreed to fund a \$413,600.00 Phase 1 drill program at Jubilee after which Chrysos will operate the project under a Joint Venture Agreement. The 18,675,000 shares received by Merrex and 2,500,000 shares owned by Chrysos principals are subject to a Value Securities Escrow to be released 10% on closing and 15% each six months thereafter.

The arm's length purchase of the Jubilee Claims is Chrysos's qualifying transaction (the "Qualifying Transaction").

#### **Niaouleni Gold Project, Mali**

Chrysos also acquired a 100% interest in two contiguous exploration permits (the "Niaouleni Permits") in Mali, West Africa from Touba Mining SARL Société ("Touba") for \$150,000 and 7,140,000 shares subject to a Value Securities Escrow. Touba retained a 2% Net Smelter Return Royalty and a 5% Net Profit Royalty. Chrysos also paid \$250,000 to acquire prior exploration data and reports, clear titles and reimburse costs of current exploration.

#### **Private Placement**

Chrysos completed a brokered private placement of 11,397,500 units, a non-brokered private placement of 1,385,269 units and a brokered private placement of 2,518,400 flow-through common shares for gross proceeds of \$2,651,566. Each unit is priced at \$0.17 and will be comprised of one Chrysos common share and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire a Chrysos common share at a

price of \$0.25 per common share for a period of 24 months. Each flow-through common share is priced at \$0.19 and does not carry a share purchase warrant but will entitle the holder to certain Income Tax Act benefits. Finders' fees/commission totalling \$195,124.68 and 1,212,328 agents options exercisable at \$0.25 per share until December 31, 2011 were paid in connection with the private placement.

### **Board of Directors**

Concurrently, the board of directors was restructured. Messrs Bill Ritchie and Glenn Jessome resigned as officers and directors and Greg Isenor, John Cumming, Walter Henry, Jim Patterson, all directors of Merrex Gold Inc., and Nick Tintor, President of Homeland Uranium, were appointed to the board joining Tom Hickey and Colman O'Brien.

Greg Isenor was appointed President and CEO replacing Tom Hickey. John Cumming was appointed Executive Vice-president and Secretary and will serve as General Counsel. Each of Mr. Isenor and Mr. Cumming hold similar offices in Merrex Gold. Tom Hickey will remain active as Executive Vice President and Chief Financial Officer. Mr. Tintor was appointed Chairman of the board.

### **Resumption of Trading**

Subject to filing required documentation with the TSX Venture Exchange, Chrysos will resume trading on Tier 2 of the Exchange on a date to be determined by the Exchange.

This press release was prepared under the supervision of Peter C. Webster, P. Geo., President of Mercator Geological Services, who is a Qualified Person as defined under National Instrument 43-101. Peter C. Webster has reviewed the scientific and technical information in this press release.

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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To be added to the Chrysos email database for company updates please contact [info@frontlinegold.com](mailto:info@frontlinegold.com)

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to the Exchange's final acceptance. There can be no assurance that the transaction will be completed as proposed or at all.

Investor are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Chrysos should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this press release.

**(Not for dissemination in the United States of America)**