

April 29, 2011

Vancouver, British Columbia

NEWS RELEASE

For Immediate Release

TSX: GSL AIM: GSL

Greystar Releases Positive Scoping Study for Angostura Underground Operation

Greystar Resources Ltd. ("the Company") is pleased to announce receipt of a positive scoping stage Preliminary Assessment under National Instrument 43-101 ("Scoping Study") for an underground only operation at its 100%-owned Angostura gold-silver project in northeastern Colombia. The Technical Report entitled "Mineral Resource Estimate and Preliminary Economic Assessment for Underground Mining, Angostura Gold-Silver Project, Santander, Colombia" prepared by Rodrigo Mello, MAusIMM, Carlos Guzman, MAusIMM (NCL Ingeniería y Construcción Ltda.), John Wells, FSAIMM, Giovanni Ortiz, MAusIMM (Greystar) and dated April 25, 2011 is available for viewing under the corporate profile of Greystar at www.sedar.com.

The Scoping Study, which evaluated roasting, bio-oxidation ("BIOX") and pressure oxidation ("POX") processing treatments for the production from Angostura underground resources, estimated that 1.9 million ounces of gold, 7.7 million ounces of silver and 228,316 pounds of copper could be produced over a 14-year mine life.

Highlights of the Scoping Study include:

- All three processing routes produce positive returns with roasting being the most economically beneficial method evaluated
- Average annual production for the first seven full years of 209,458 gold equivalent (AuEq) ounces, which is comprised of 197,840 ounces of gold and 582,079 ounces of silver
- Total cash costs of \$455 per ounce over the life of mine, net of silver and copper by-product credits
- Pre-tax internal rate of return (IRR)* of 21.4%
- Estimated initial capital cost of \$301.6 million
- Pre-tax net present value (NPV)* (5% discount) of \$400.2 million
- Mineable Resource ("In Stope Inferred Mineral Resource") of 2.4 million ounces of gold in 13.98 million tonnes grading 5.35 grams gold, 29.61 grams silver per tonne and 0.091% copper based on 3 gram gold per tonne cut-off grade
- Mine life of 14 years at a planned production rate of up to 4,000 tonnes per day
- Potential Economic Enhancements
 - Mineable Resource Expansion - Study does not include mineral resource estimates defined outside of the stopes, which comprise an additional indicated mineral resource of 1.44 million ounces of gold and an additional inferred mineral resource of 1.0 million ounces of gold, at 3 gram gold per tonne cut-off grade.
 - Mineable Resource Expansion – Optimizing cut-off grade to enhance tonnage and contained ounces of gold/silver.

- Mineral Resource Expansion – Mineralization remains open at depth with deep drilling program on going.
- Improved mine design and mineral recovery through on going optimization work
- Potential to increase production scenario and/or enhance mine life from further exploration and development of known areas of mineralization.

* based on a gold price of \$1,170 per ounce and a silver price of \$18.25 in the first two years followed by a life of mine price of \$1,015 per ounce for gold and \$15.85 per ounce for silver.

"The Scoping Study results clearly demonstrate the viability of developing the Angostura deposit as an underground only operation with all three processing routes yielding positive returns," stated Greystar's Chief Operating Officer, David Heugh. "The Company is excited by the prospects of further enhancing the positive economic potential and the future growth leverage offered through resource expansion and mine optimization."

The Scoping Study

The Scoping Study represents an unoptimized, technically feasible design that includes the development of a mineable resources inventory and a mine plan for the recovery of high-grade veins of the deposit and a preliminary engineering design for process plant options to extract gold, silver and copper. For Greystar, NCL Ingeniería y Construcción Ltda. completed the mining studies and Alquimia Conceptos S.A. completed the process and infrastructure components of the Scoping Study. NCL also developed a preliminary economic evaluation of the project with a pre-tax cash flow analysis.

Economic Evaluation from the Scoping Study

		Roasting	POX	BIOX
Dore Produced	Oz	12,983,907	13,040,538	12,995,233
Gold in dore	Oz	1,928,577	1,985,209	1,939,904
Silver in dore	Oz	7,725,719	7,725,719	7,725,719
Copper in dore	lb	228,316	228,316	228,316
Copper in cathodes	lb x 1000	17,758	17,758	
Sulfuric Acid	kt	881		
Mine Cost	US\$/t	40.4	40.4	40.4
Process Cost	US\$/t	26.02	26.25	27.09
G&A	US\$/t	5.0	5.0	5.0
Selling Costs	US\$/oz	5.00	4.89	4.97
Royalty	US\$/oz	35.0	34.9	35.0
Cathodes Transport	US\$/t Cu	70.0	70.0	
Total Cost	US\$/oz	509.0	496.9	512.9
Initial Capital	KUS\$	301,630	299,447	274,421
Mine	KUS\$	20,667	20,667	20,667
Process & Infrastructure	KUS\$	280,963	278,780	253,754
Total Capital	KUS\$	506,462	504,279	479,253
Mine	KUS\$	220,381	220,381	220,381
Process & Infrastructure	KUS\$	286,081	283,898	258,872
NPV (5%)	KUS\$	400,193	397,040	355,823
IRR	%	21.4%	21.5%	21.3%

The Scoping Study includes only the underground portion of the Angostura gold-silver deposit, with a total mineable resource comprised of In Stope Inferred Mineral Resources of 2.4 million ounces of gold in 13.98 million tonnes grading 5.35 grams gold, 29.61 grams silver per tonne and 0.091% copper based on 3 gram gold per tonne cut-off grade

The Scoping Study contemplates a 4,000 tonnes per day ("tpd") underground mine and a 3,300 tonne per day floatation plant producing an average of just over 140,000 ounces of gold and just over 570,000 ounces of silver annually over a 14 year mine life. The total mine capital cost is \$220 million for the life of the mine, with \$108 million for equipment and \$49 million for development. These numbers include a 35% contingency given the preliminary nature of the analysis.

In all three of the processing options (Roasting, Pressure Oxidation ("POX") and Bio-Oxidation ("BIOX")) the main final product is metal Dore, with a content of 75% of gold-silver and 25% of copper. In the case of roasting, small productions of copper cathodes and sulfuric acid were also accounted and included in the economic evaluation. Pre-tax NPV at 5% discount rate and IRR of the cash flows have been calculated for a gold price of \$1,015 per ounce and a silver price of \$15.85 per ounce. Higher prices were applied to the two initial years of the plan (\$1,170 per ounce for gold and \$18.25 per ounce for silver).

All the options show positive results. The option of Roasting shows better NPV and slightly lower IRR compared to the POX option due to the contribution of copper cathodes and sulfuric acid sales. Without that contribution this option results in an NPV of \$340 million with a 17.8% IRR.

Project sensitivity analysis indicates that the Project NPV is more sensitive to feed grade and metal price followed by operating costs and then capital costs.

Mine Design and Processing

Different mining methods were analysed for the underground exploitation of the Angostura deposit. Based on the rock conditions presented, a geotechnical assessment was provided by consultants AKL S.A., whose recommendations for mining methods were:

- Veins with less than 5 m width = Bench and Fill Stopping
- Veins within 5 m and 20 m width = VCR (Vertical Crater Retreat)
- Veins within 20 m and 40 m width = Blast Hole Open Stopping

The processing operation was designed for a nominal throughput of 3,288 tpd (tonnes per day) with an average head grade of 5.5 grams gold, 18 grams silver and 0.077% copper. According to mining plan the ore type composition is: 75% sulfide; 15% transition and 10% oxide.

The Mine layout was designed considering the following restrictions and criteria:

- Avoid surface accesses and roads above 3,000 meters above sea level.
- Main transport levels should connect the different sectors of production.
- Portals for access to the main transport levels located below 3,000 meters above sea level.
- If possible, use accesses from surface avoiding development of long internal ramps.
- Ore passes will take the ore to the transport level, and ventilation shafts will provide fresh air; for every ramp created. The ventilation shafts will be equipped with fans (range between 200 to 300 thousand cfm) that have been sized according to the requirements of the mine.

Mineable Mineral Resources ("In Stope Inferred Mineral Resources")

In the preliminary underground study, underground mining potential was restricted by the terms of reference resulting in a cut-off grade of 3.0 g/t gold. The mineral resource estimate is as of March 18, 2011 and includes drill and assay data up to July 2010. A gold price of \$850 per ounce was utilized for the cut-off grade calculation. Drilling results reported subsequent to this period will be incorporated into future resource updates.

In Stope mineral resource estimates consider dilution and the mineral resource estimates were determined from the selected veins by generating a contour at 3.0 gram gold per tonne cut-off grade. These contours were created from plan views at 20 metres. Stopes were created from 20 m level contours. These polygons were tied between levels to delineate the corresponding solids representing the stopes. A minimum width of 2 m was applied for the construction of the solids. Given the separation of the levels and the width of the veins, the delineation of the stopes does not accurately follow the limits of the high grade veins, incorporating dilution to the content of the generated solids. For this reason, no additional dilution factors have been applied to the calculation of the mineable resources.

The terms of reference are detailed below.

Total Mine Cost (Production & Maintenance)	40	US\$/t
Process Cost	20	US\$/t
G&A	10	US\$/t
Selling	10	US\$/oz Au
Recovery Au	85	%
Au Price	850	US\$/oz

The mining method selected as most suitable for the preliminary economic assessment was bench and fill because of the narrow width of veins.

Diluted mineable resources contained within stope limits are detailed in the following table

In Stopes Inferred Mineral Resources, @ 3.0 g/t Au COG (diluted)

	Ore (t)	Au (g/t)	Ag (g/t)	Cu (%)
Oxide	616,324	5.746	18.514	0.027
VETA DE BARRO	144,203	5.836	8.287	0.009
CENTRAL	112,470	6.000	18.662	0.048
PEREZOSA FAULT	229,678	6.028	11.302	0.022
SILENCIO-LOS LACHES	129,972	4.928	42.477	0.035
Mixed	2,291,293	5.676	21.990	0.043
VETA DE BARRO	435,836	6.200	15.984	0.025
CENTRAL	174,416	3.975	25.204	0.090
PEREZOSA FAULT	945,243	5.507	13.029	0.053
SILENCIO-LOS LACHES	735,798	5.987	36.298	0.030
Sulfide	11,076,011	5.260	31.806	0.105
VETA DE BARRO	1,070,032	5.065	16.345	0.044
CENTRAL	685,539	4.731	16.103	0.169
PEREZOSA FAULT	6,032,143	5.462	15.260	0.094
SILENCIO-LOS LACHES	3,288,297	5.062	70.463	0.131
Total	13,983,628	5.349	29.612	0.091

In addition to the above mineable portion of the resource estimate, Mineral Resources, inside the high grade veins and outside the stopes @ 3.0 g/t Au COG which were not included in the economic assessment but are included in the Technical report are as follows:

Outside of the Stopes Mineral Resources, @ 3.0 g/t Au COG

	Ore (t)	Au (g/t)	Au Oz	Ag (g/t)	Cu (%)
INDICATED					
Oxide	499,214	5.43	87,198	15	0.025
Mixed	1,783,624	5.77	330,880	24	0.037
Sulfide	5,642,124	5.62	1,019,271	31	0.102
Sub-total	7,924,963	5.64	1,437,349	28	0.083
INFERRED					
Oxide	308,467	5.78	57,328	14	0.028
Mixed	666,322	6.42	137,632	18	0.050
Sulfide	4,207,439	5.94	803,700	35	0.107
Sub-total	5,182,227	5.99	998,661	32	0.095

The mineral resources in this press release were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions. Solids were constructed to represent the mineralization, using a mix of criteria: geologic description and gold grade, using a reference cut-off of 1.5 g/t. 200 different veins were modeled, which were grouped into 5 different families, according to predominant directions. Data inside the veins were composited to a standard 1m length, except for Los Laches area, where 1.5 m length was applied. Grade distribution was evaluated using a probability plot. Grade caps were applied to gold, silver and copper grades. Variograms were constructed to provide the appropriate distances for search ellipsoid radii for each vein family. Ordinary kriging was used for interpolating gold, silver, copper and sulfur. Each vein was interpolated with its own data and using an ellipse that follows the dominant aptitude of its family (Strike and Dip). The model was validated using visual methods, tabulations, and comparison between the average grade of composites and interpolated values (drift analysis) to ensure no biases were present.

The mineral resource estimate and the mineable in stope mineral resource estimate are based on 306,915 metres of drill core from 936 drill holes.

Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.

The Scoping Study is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized. Additional drilling will be required and is planned to better categorize these mineral resources.

Moving Forward

Based upon the results of this Scoping Study, Greystar plans to proceed with follow-up diamond drilling, engineering, metallurgy and other work in order to develop a Preliminary Feasibility Study for an underground only operation. A diamond drilling program is underway to expand the current underground resource. Trade-off studies will include different processing options and mining schedules. Greystar will continue with further metallurgical testing to optimize process parameters and project economics.

Exploration Program

The Company will also continue exploration on its mineral properties. Over the next year, exploration efforts will focus on extending the mineralization at Angostura to depth and outlining the extent of mineralization on its La Plata property and Mongora prospect 4-km and 3-km to the southwest respectively.

Qualified Persons

The Preliminary Economic Assessment is based on a NI 43-101 compliant mineral resource estimate reviewed by Rodrigo Mello, Independent Consulting Geologist (MAusIMM).

The following are the Qualified Persons as defined under National Instrument 43-101 who are responsible for reviewing and approving the contents this press release: Carlos Guzmán, Principal Mining Engineer (MAusIMM), was responsible for the overall preparation of the report, Rodrigo Mello, Geologist (MAusIMM), was responsible for the resource estimation and database auditing, John Wells, Metallurgical Engineer (FSAIMM), provided an independent review and analysis of the metallurgy and process plant, , Giovanni Ortiz, Exploration Manager from Greystar Resources Ltd. (MAusIMM) was responsible for the preparation of the geology, exploration and geological model. The expert, Americo Delgado, Superintendent of Metallurgy from Greystar Resources, was responsible for the metallurgical testwork program and the review of the process plant design.

All of the above Qualified Persons and experts are independent of the Company with the exception of Mr. Ortiz and Mr. Delgado.

About Greystar Resources Ltd.

Greystar Resources Ltd. is a precious metals exploration and development company currently working on an alternative way to develop its wholly owned, multi-million ounce Angostura gold-silver deposit in northeastern Colombia. Greystar is committed to developing the project but recognizes that there is a need to reconfigure it. Consequently, we intend to continue with studies into the feasibility of an alternative project, which includes underground, at Angostura whilst the uncertainty surrounding the definition of Paramo and the exclusion of mining from Paramo affects the permitting of our open pit/heap leach project.

<u>Greystar Resources Contact:</u>	<u>Investor Relations Contact:</u>	<u>London NOMAD Contacts:</u>
David B. Rovig, Interim CEO rovigminerals@imt.net Tel: + 406 245 9520 Rafael Nieto Loaiza, President rnieto@greystar.com.co Tel: +57 310 239 8269 www.greystarresources.com	4C Communications Carina Corbett Corbett@4communications.com Tel: +44 (0) 20 3170 7973	Evolution Securities Romil Patel Andrew Dacey +44 207 0714300

Neither the Toronto Stock Exchange nor the AIM Market of the London Stock Exchange has reviewed and neither accepts responsibility for the adequacy or accuracy of this news release.

Forward-Looking Statements

Certain statements in this news release are “forward-looking” within the meaning of Canadian securities legislation. They include statements about estimated resources, estimated annual production, estimated pre-tax internal rate of return, estimated initial capital cost, estimated pre-tax net present value and estimated mine life relating to an underground only operation at the Company’s Angostura Project and the future price of gold and silver. Forward-looking statements are necessarily based upon the current belief, opinions and expectations of management that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and other contingencies. Many factors could cause the Company’s actual results to differ materially from those expressed or implied in the forward-looking statements. These factors include, among others, conclusions or realization of mineral resources, the actual results of exploration activities, possible variations in ore grade or recovery rates, fluctuations in the price of gold and silver, risks relating to additional funding requirements, political and foreign risks, production risks, environmental regulation and liability, government regulation as well as other risk factors set out under the heading “Risk Factors” in the Annual Information Form dated March 25, 2011 which is available on SEDAR at www.sedar.com. Investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

CAUTIONARY NOTE CONCERNING INFERRED MINERAL RESOURCES

A preliminary economic assessment is preliminary in nature and includes inferred mineral resources. Inferred mineral resources have a great amount of uncertainty as their existence and as to their economic and legal feasibility. It cannot be assumed that an inferred mineral resource will have the economic consideration applied that would enable it to be categorized in the mineral reserves category, and there is no certainty that the preliminary assessment will be realized.