



FOR IMMEDIATE RELEASE
October 7, 2009

Trading on TSX (Symbol: AQI)

Aquiline Completes Purchase of Pico Machay Gold Project

TSX: AQI: Aquiline Resources Inc. ("Aquiline" or the "Company") is pleased to announce the closing of the previously announced purchase of all of the right, title and interest held by Monterrico Metals PLC ("**Monterrico**"), in the Pico Machay gold project in Peru (the "**Pico Machay Gold Project**"). The Pico Machay Gold Project is a high-sulphidation gold deposit located in the Huancavelica Province of Peru. Pico Machay contains an inferred resource of 437,000 ounces of gold in oxide and mixed zones and a further 146,000 ounces in sulfide zones, as stated in the technical report dated October 27, 2006 entitled "Independent Technical Report, Pico Machay Gold Deposit" prepared by Caracle Creek International Consulting Inc. and filed on SEDAR under Absolut Resources Corp. (the "**Pico Machay Technical Report**").

The transaction was implemented pursuant to a share purchase agreement (the "**Share Purchase Agreement**") whereby Absolut Resources Inc. ("**Absolut**"), a wholly-owned subsidiary of the Company, purchased all of the issued and outstanding shares of Pico Machay Cayman Limited ("**Pico Cayman**") from Intercontinental Resources Inc. ("**IRI**"), a subsidiary of Monterrico. Pico Cayman holds all but one of the issued and outstanding shares in Minera Pico Machay S.A.C. ("**Pico Peru**"). Minera Calipuy S.A.C., an indirect subsidiary of the Company, purchased the remaining one share in Pico Peru from Minera Coripacha S.A.C., an indirect subsidiary of Monterrico. Pico Peru holds the registered title to the Pico Machay Gold Project. As a result of these purchases, the Company now holds all of the issued and outstanding shares in Pico Peru.

The total purchase price was US\$7.8 million, of which US\$1.2 million was paid on or before closing, and US\$6.6 million is outstanding and reflected by the issuance by Absolut of a promissory note in favour of IRI (the "**Note**"). The Note has a two year term, and is payable in eight quarterly installments of US\$825,000 each. The Note bears no interest, unless there is a default on any of the payments in which case a default interest rate equal to 5% above the floating LIBOR rate will apply to the defaulted payment and the full remaining balance commencing 30 days after the due date of such first defaulted payment. After the first payment default, any subsequent payments must be made on their due date; if payment is made one day late, then Monterrico has the right to exercise security and accelerate payment of the full balance including interest. The Note is secured by (i) a guarantee from the Company for Absolut's obligations under the Note and for certain indemnity obligations of Absolut under the Share Purchase Agreement, (ii) a pledge of shares in Pico Cayman; (iii) a pledge of shares in Pico Peru; and (iv) a mining mortgage in the Pico Machay Gold Project. The pledges and the mining mortgage will be released once the Note is paid in full. The guarantee has a term of five years from the date of signing. The Note is not assignable, and in case of a change of control of Aquiline, Absolut, Pico Cayman, or Pico Peru the Note will become immediately

due, unless IRI consents to the new controlling person assuming the obligations of Aquiline and/or Absolut, as applicable.

"We are very pleased with the completion of this transaction," said Marc Henderson, President and CEO of Aquiline. "The Pico Machay Gold Project is a conventional dump leach operation with internal feasibility and environmental studies completed to satisfy permitting regulations in Peru. We expect to be able to submit our final permit applications within the fourth quarter of 2009, at which time we will be able to set market expectations regarding our timeline to first gold production."

Mr. Dan Noone, a member of the Australian Institute of Geoscientists and is the Vice President of Peruvian Operations for Aquiline, is the Qualified Person for the Pico Machay Gold Project in accordance with NI 43-101. Mr. Noone has read and approved the contents of this news release.

ABOUT AQUILINE

Aquiline Resources Inc. is an exploration and development company advancing one of the world's largest undeveloped silver deposits (Navidad), as well as a gold/silver deposit (Calcatreu), both of which are in southern Argentina. Aquiline is also advancing the Pico Machay gold deposit in Peru, which is a feasibility stage project containing an inferred resource of 437,000 ounces of gold in oxide and mixed zones and a further 146,000 ounces in sulfide zones as stated in the Pico Machay Technical Report.

CAUTION REGARDING INFERRED RESOURCES

The inferred resources at the Pico Machay Gold Project contained in this press release are preliminary assessments only. A preliminary assessment 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. Accordingly there is no certainty that the preliminary assessment will be realized. You should review the Pico Machay Technical Report which discusses the basis for the preliminary assessment and the qualifications and assumptions in respect thereof.

Pico Machay

Combined Zone (Inferred Resource as of October, 2006).			
Interval Au (g/t)	Tonnes	Grade Au (g/t)	Contained Ounces Au
0.3 – 0.5	4,664,000	0.39	58,000
0.5 – 1.0	6,833,000	0.73	161,000
>1.0	4,429,000	1.52	217,000
Total > 0.3	15,926,000	0.85	437,000
Sulphide Zone (Inferred Resource as of October, 2006).			

Interval Au (g/t)	Tonnes	Grade Au (g/t)	Contained Ounces Au
0.3 – 0.5	5,766,000	0.38	71,000
0.5 – 1.0	2,793,000	0.67	60,000
>1.0	341,000	1.30	14,000
Total > 0.3	8,900,000	0.51	146,000

“Inferred Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred resource will ever be upgraded to a higher category. Under certain Canadian rules, estimates of Inferred resources may not form the basis of feasibility or other economic studies.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Press Release contains "forward-looking" statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities and operating performance of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. All statements regarding the Company's plan to submit final permit application and the Company's expectation to meet timeline for first gold production is 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 these forward-looking statements include the risk factors described in the periodic filings with the Canadian securities regulatory authorities, including the Company's Annual Information Form and quarterly and annual Management's Discussion & Analysis, which may be viewed on SEDAR at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

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