



NEWS RELEASE

FOR IMMEDIATE RELEASE – October 30, 2009

FOR: Alhambra Resources Ltd.

SUBJECT: Warrant Exercise Retires Subordinated Secured Promissory Notes

CALGARY, Alberta – Alhambra Resources Ltd. (TSX-V: ALH) (“Alhambra” or the “Corporation”) announces that certain share purchase warrants (the “Warrants”) associated with the previously issued 20% \$675,000 subordinated secured promissory notes (the “Notes”) have been exercised.

Of the 5,400,000 common shares which were available for purchase pursuant to the Warrants, 5,300,274 common shares were actually purchased for gross proceeds of \$790,055 and of which 1,620,274 common shares were purchased by insiders of the Corporation. Post conversion, the Corporation now has 81,074,421 issued and outstanding common shares.

The proceeds from the exercise of the Warrants were used to retire \$758,507 of principal and accrued interest on the Notes for which the Warrants were originally issued, which represents all of the outstanding indebtedness associated with the Notes.

ABOUT ALHAMBRA

Alhambra is a Canadian based international production and exploration company celebrating its eighth year of operations in the Republic of Kazakhstan. It is engaged in the exploration and development of gold properties and commenced gold production in late 2004.

Alhambra shares trade in Canada on The TSX Venture Exchange under the symbol ALH and in Germany on the Frankfurt Open Market under the symbol A4Y. The Corporation’s website can be accessed at www.alhambraresources.com

Neither the 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.

For further information please contact:

| |
|--|
| <p>Ihor P. Wasylkiw Chief Information Officer +1 (403) 508-4953</p> |
|--|