ETRUSCAN DIVERSIFIED MINING IN AFRICA

NEWS RELEASE
TSX:EET

ETRUSCAN REPORTS THIRD QUARTER 2008 RESULTS

Halifax, Nova Scotia, October 15, 2008 -- Etruscan Resources Inc. (EET.TSX) has reported its financial and operating results for the nine months ended August 31, 2008. The Q3 2008 unaudited financial statements and management's discussion and analysis are available on the SEDAR website at www.sedar.com or at the Company's website at www.etruscan.com. All figures are reported in Canadian dollars unless otherwise noted.

Highlights from third quarter 2008 operations include:

- Youga Gold Mine achieved commercial production and produced 8,136 ounces of gold during July and August
- Exploration drilling on the Youga Gold Belt at Bitou returned significant results including 36 meters at 3.9 grams per tonne
- Mining feasibility study for the Agbaou Gold Project in Cote d'Ivoire progressed
- Finkolo Gold Project (Tabakoroni deposit) in Mali proceeding to mining feasibility study
- Geochemical surveys in southwestern Ghana identified several kilometer scale gold anomalies within 20 kilometers of the 60 million ounce Obausi Mine
- Exploration drilling program initiated on four targets in northern Namibia targeting precious metals, base metals and rare earth elements
- Blue Gum Diamond Project recovered 4,099 carats as the processing operation continued to ramp up to design capacity
- Indicated resource at the Blue Gum Diamond Project increased by 24%
- $12.5 million equity financing completed

Youga Gold Mine, Burkina Faso

Commercial production was achieved at the Youga Gold Mine in the third quarter effective July 1, 2008. Accordingly, the results of operations for the third quarter include two months of gold mining and processing. Prior to July 1, 2008 the operating, finance and other costs associated with the Youga Gold Mine were capitalized as preproduction costs.

Gold production for the two months ended August 31, 2008 totaled 8,136 ounces at an estimated cash operating cost of US$899 per ounce. This high cost per ounce figure is attributed primarily to the lower number of ounces produced during ramp up to "steady state" production. Gold production is expected to achieve forecast levels for the fourth quarter 2008 which would bring the operating costs more in line with the life-of-mine average cash operating cost of approximately US$450 per ounce. Actual gold production for the month of September was 6,572 ounces which was in line with forecast. Gold production for calendar 2008 is estimated to be 45,000 ounces.

A review of operating costs was completed during the quarter which resulted in the life-of-mine operating costs being increased from $396 per ounce to $450 per ounce. This is in keeping with the significant increases in capital and operating costs experienced by the mining industry as a whole during the past year.

Gold sales for the two months totaled 8,018 ounces which generated revenue of $7.3 million or US$870 per ounce of gold sold. A total of 7,232 ounces were delivered into the $700 hedge commitment during the period and 786 ounces were sold at spot prices. The non-cash revenue adjustment related to the financial derivative for the two month period aggregated $1.3 million (US$158 per ounce) for net revenue received of $6.0 million (US$712 per ounce).

The mill processed approximately 132,400 tonnes of ore during the two month period at an average grade of 2.41 grams per tonne gold. The mill throughput represented 80% of forecast as certain aspects of the operation continued to be optimized during the period. The milling operation continued to ramp up during September with 75,000 tonnes processed equating to 90% of monthly forecast.

During the quarter, the mining contractor mobilized additional gear to site and mining operations commenced at the A2 West Zone 1 pit which has mineable reserves of 0.5 million tonnes at an average grade of 3.0 grams per tonne with a low strip ratio of 1.3 to 1. Prior to this, mining activities were focused in the A2 Main pit which has mineable reserves of 4.1 million tonnes with an average grade of 3.1 grams per tonne and a strip ratio of 6.8 to 1. Approximately 180,000 tonnes were mined from the two pits during July and August.

Mine operations expenses aggregated $5.9 million and mine administration expenses aggregated $1.6 million for the two month period. Cash operating costs for the quarter after giving effect to an inventory adjustment of negative $0.8 million were US$899 per ounce of gold produced. Amortization and accretion expenses for the two month period aggregated $1.5 million. Financing costs related to the Youga Gold Mine aggregated $1.0 million for the two months of commercial production.

Bitou Exploration Permits, Burkina Faso

Exploration activities during the third quarter were focused on the Bitou permits in southern Burkina Faso. The Bitou permits are located on the Youga Gold Belt, 35 kilometers northeast of the Youga Gold Mine. A reverse circulation drill program was completed to determine the resource potential of the Ouaré Main Zone, with a total of 7,118 meters drilled in 93 holes. The reverse circulation drill program returned significant results which were highlighted by 36 meters of 3.9 grams per tonne gold in a step-out hole located 675 meters east of the Ouaré Main Zone. The hole was stopped in the mineralized zone. The most significant results from this drill program are listed below:

- 36 meters at 3.9 g/t (including 4 meters at 11.0 g/t)*****
- 12 meters at 4.8 g/t (including 2 meters at 11.1 g/t)
- 10 meters at 4.4 g/t (including 6 meters at 6.2 g/t)
- 12 meters at 3.9 g/t (including 4 meters at 9.0 g/t)
- 28 meters at 3.8 g/t (including 6 meters at 7.0 g/t)
- 54 meters at 2.4 g/t (including 4 meters at 17.6 g/t)
- 14 meters at 2.3 g/t (including 6 meters at 4.0 g/t)

***** *Hole BITRC-08-93 from 72 - 108 meters ended at 108 meters in mineralization*

Previous work on the Ouaré Main Zone, including trenching and reverse circulation drilling, had identified significant mineralization with resource potential over a strike length of 575 meters. The additional exploration work by Etruscan has expanded this potential strike length to over two kilometers. A resource estimation for Ouaré is expected to be completed during the fourth quarter 2008.

Additionally, several new gold targets on the Bitou permits were confirmed in saprolite with single sample auger drilling, and ground geophysical surveys were initiated to assist in tracking the mineralized zones.

During the third quarter the Company invested $0.8 million in exploration activities in Burkina Faso. A total of $3 million was expended during the nine months ended August 31, 2008 bringing the total investment to $5.3 million.

Agbaou Gold Project, Cote d’Ivoire

The Agbaou Gold Project is located on the Agbaou gold belt in Côte d’Ivoire, approximately 200 kilometers northwest of the port city of Abidjan. A 43-101 compliant resource estimation for the Agbaou Project was completed in February 2008 by Coffey Mining Pty. Ltd. Using a 1.0 gram per tonne cut-off, Coffey Mining concluded that the Agbaou Project contains indicated resources of 10.5 million tonnes at an average grade of 2.6 grams per tonne (871,000 ounces) of gold and inferred resources of 2.8 million tonnes at an average grade of 2.5 grams per tonne (218,000 ounces) of gold.

The Agbaou feasibility study advanced significantly over the quarter. The remaining field work associated with the hydrogeological and environmental programs was completed. The preparation of the study document was progressed with several of the key sections completed including the resource and reserve determination and mine design, and the metallurgy and plant design components. Many of the capital and operating cost estimates were prepared as well as much of the environmental impact statement. The study is expected to be completed in the fourth quarter of October 2008. Etruscan will have an 85% interest in any mining company established to mine at Agbaou with the remaining 15% held by the State of Côte d’Ivoire.

In the third quarter of 2008, the Company incurred $0.2 million on its feasibility activities. A total of $0.725 million was expended in the nine months ended August 31, 2008 bringing the total investment in the Agbaou feasibility study to $1.3 million.

Finkolo Gold Project, Mali

The Finkolo Gold Project is located on the Syama gold belt, approximately 300 kilometers southeast of Bamako, the capital city of Mali. The Finkolo permit is contiguous with Resolute mining Limited's Syama permit, which hosts the Syama gold mine. First gold pour at Syama is expected in October 2008 with the commissioning of the oxide circuit. Current open-pit minable reserves at Syama are estimated to be 1,725,000 ounces at an average grade of 3.6 grams per tonne (June, 2007). An additional 2.4 million ounces of measured and indicated resources lie beneath the current open-pit reserves and are currently being evaluated for potential underground mining.

Resolute holds a 60-per-cent interest in the Finkolo Gold Project and acts as operator and manager of the joint venture. Under the terms of the joint venture agreement Resolute must finance all costs of the joint venture until completion of a feasibility study and Etruscan will reimburse Resolute from 50 per cent of its share of future project cash flow.

Resolute completed an updated 43-101 compliant resource estimation earlier this year for the Tabakoroni deposit on the Finkolo permit to a vertical depth of approximately 120 meters from surface. At a one-gram-per-tonne cut-off, Resolute reported 4.62 million tonnes of measured and indicated resource at 2.6 grams per tonne (382,000 ounces) and a further 4.54 million tonnes of inferred resource at 2.5 grams per tonne (364,000 ounces).

Resolute is initiating a mining feasibility study that will determine the most effective means of exploiting the deposit. This would include a determination of the preferred treatment of the ore at either the existing Syama plant or whether sufficient reserves and potential exists to support a stand-alone operation.

Dominase and Kente Reconnaissance Licenses, Ghana

Results from geochemical surveys in southwestern Ghana have identified several kilometer scale gold anomalies in the Kumasi Sedimentary Basin along a favourable trend that parallels the prolific Ashanti Volcanic Belt, within 20 kilometers of the 60 million ounce Obausi Mine. The surveys were carried out over the 79 square kilometers Dominase Reconnaissance Licence and the 204 square kilometers Kente Reconnaissance Licence and comprise regional stream sediment surveys on both permits, and wide spaced soil sampling on a 400 x 50 meter grid over Dominase.

Over 175 stream sediment samples were collected over both permits and returned several highly anomalous results in excess of 0.5 grams per tonne gold, to a maximum of 1.4 grams per tonne gold. Over 3,900 soil samples have been collected on Dominase which have confirmed widespread gold anomalies with several samples in the 0.5 – 5.0 grams per tonne range. Follow up soil sampling over the anomalies at a nominal 200 x 50 meter spacing is proceeding on Dominase, and the regional soil sampling on Kente is in progress.

These initial geochemical results are considered to be extremely encouraging and point towards the emergence of a new gold belt. These permits are being converted into prospecting licences and will be the focus of exploration activities in Ghana in the next quarter.

During the third quarter the Company invested $0.5 million in exploration activities in Ghana. A total of $1.6 million was expended during the nine months ended August 31, 2008 bringing the total investment to $5.1 million.

Namibia Exploration Programs

During the third quarter drilling was carried out on four targets in northern Namibia on Etruscan's Kamanjab Project. The drilling targeted a variety of commodities including gold, silver, base metals and rare earth elements (REEs). These drill targets were selected following an extensive period of exploration over very large tracts of ground, starting from a grassroots level in late 2005 and represent four very different styles of mineralization. The targets and their respective principal commodities are:

- Lofdal Copper Mine (gold, copper, silver)
- Noute-AK (gold, copper)
- Lofdal-J (gold, silver, copper)
- Lofdal Carbonatites (rare earth elements)

Drill results from the first three targets did not return significant results. Complete results from the rare earth targets are pending along with a significant number of surface samples. A more complete update will be provided upon receipt of all results. The Lofdal drill program consisted of 450 meters in 6 holes, with additional drilling contingent on positive results. Results from earlier exploration of the Lofdal carbonatites reported values up to 14.4 % ThO_2, 0.63 % yttrium, 0.87 % cerium, 1.5% lanthanum and 0.74 % neodymium. REEs are essential for a number of wide-ranging applications including many high-tech applications from long-lasting rechargeable batteries to new light emitting diodes.

During the third quarter, the Company invested $1 million in exploration activities in Namibia. A total of $1.9 million was expended during the nine months ended August 31, 2008 bringing the total investment to $4 million.

Blue Gum Diamond Project, South Africa

During the first quarter of 2008, the Company's 52% owned subsidiary, Etruscan Diamonds Limited, recommenced mining and processing operations at the Tirisano Diamond Mine located on the Blue Gum property in the alluvial diamond district of Ventersdorp in South Africa. The gravel from the mine is being processed at the Tirisano DMS (dense media separation) plant and through four 16 foot pans installed near the DMS plant. The objective is to achieve a monthly throughput of 100,000 cubic meters of gravel per month from the two facilities with 40,000 cubic meters coming from the DMS plant and 60,000 cubic meters from the pan plant. The operation is anticipated to recover over 2,500 carats per month at the forecasted monthly production rate of 100,000 cubic meters.

During the quarter, Etruscan Diamonds received a National Instrument 43-101 compliant independent resource update on the Blue Gum Project. The independent resource update prepared by Dr. Tania Marshall of Explorations Unlimited as of June 30, 2008 estimated that the Blue Gum Project contains 25.5 million cubic meters of indicated diamond resource and 15.3 million cubic meters of inferred diamond resources at grades ranging from 1.77 to 2.85 carats per hundred cubic meters of gravel. This represents almost a 24% increase in the indicated resource from the previous resource calculation in January 2008.

Etruscan Diamonds continued to make progress ramping up processing operations at the Tirisano Mine during the quarter with production for the three month period ending August 31, 2008 approximating 150,000 cubic meters yielding 4,099 carats for an overall grade of 2.74 carats per hundred cubic meters and a rough tender average value of US$589 per carat. All costs associated with the Blue Gum operation, net of diamond revenues realized, have been capitalized given commercial production has not yet been achieved. The amount capitalized during the third quarter was $2.5 million and $6.8 million was capitalized for the nine months ended August 31, 2008 bringing the total net investment in the Blue Gum Project to $26.6 million.

Installation of a commercial scale pre-screening unit was completed during the quarter which is expected to increase the pre-screening capacity. This installation is critical to ensuring ramp up of the pan plants to the steady state production rate of 60,000 cubic meters per month. Also, in order to ensure uninterrupted power supply for operations, Etruscan Diamonds purchased a 2.2 megawatt generator to provide backup power availability for the entire mine site when grid power is unavailable.

These capital items, as well as the excess of expenses over diamonds revenues, were funded in part during the quarter by the proceeds of a rights offering to the existing shareholders of Etruscan Diamonds. A total of 983,642 shares of Etruscan Diamonds Limited were issued at a price of $2.00 per share for net proceeds of approximately $2 million. Etruscan Resources Inc. elected not to subscribe for its approximately one million share purchase rights and these shares have been made available for issuance to third parties by way of private placement. As of the date of this report, these shares had not been subscribed to.

During the month of September the Blue Gum operation processed approximately 67,500 cubic meters yielding 1,899 carats for an average grade for the month of 2.81 carats per hundred cubic meters. It is estimated that an investment of $2 million will be required in the fourth quarter to further develop the open pit at Tirisano to meet forecast production targets and to continue ramp up activities. This investment is expected to be funded by a combination of diamond revenues, additional bank financing, and/or the private placement of the one million shares referred to above.

Financing

In the third quarter of 2008, the Company completed a public offering of common shares for net proceeds of $11.5 million. Pursuant to the financing a total of 8,620,000 units were issued at a price of $1.45 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant with each warrant entitling the holder to acquire a common share at a price of $1.85 for a period of three years. The Company has assessed the fair value of these warrants and allocated gross proceeds of $0.28 to each warrant. In addition the Company issued an additional 509,500 over-allotment warrants to the underwriters. The net proceeds allocated to the warrants is $1.3 million. The warrants have been listed on the Toronto Stock Exchange and trade under the symbol EET.WT.A.

The Company had a working capital deficiency at August 31, 2008 of $15.0 million as compared to a working capital surplus of $16.2 million at the end of 2007. Available cash as at August 31, 2008 was $7.8 million. The expected sources of cash for funding the Company's ongoing operations and working capital deficiency include a combination of gold revenues, potential additional debt or equity financing, as well as the disposition of assets as well as a potential equity financing.

Operating Results

Etruscan's consolidated net income for the third quarter of 2008 was $2.1 million or $0.02 per share compared to a net loss for the third quarter of 2007 of $0.8 million or $0.01 per share. The third quarter results include an unrealized gain on the financial derivative of $9.0 million ($0.07 per share) and $0.5 million ($0.005 per share) for 2008 and 2007 respectively.

Etruscan's consolidated net loss for the nine month period ended August 31, 2008 was $20.5 million or $0.16 per share compared to a net loss of $16.8 million or $0.16 for the prior year comparative period. The nine month results include an unrealized loss on the financial derivative of $9.1 million ($0.07 per share) and $14.0 million ($0.14 per share) for 2008 and 2007 respectively.

Generally accepted accounting principles (GAAP) require non-hedging financial derivative instruments, those which do not qualify for hedge accounting, to be recorded at fair value (marked to market) on the balance sheet date and the resulting gains or losses are to be included in earnings for the period. The Company and its independent advisors have determined that while the Youga gold hedge constitutes an effective economic hedge for the Youga Gold Mine; it does not, however, meet the requirements for hedge accounting under GAAP. The marked to market revaluation of the Youga gold hedge as at August 31, 2008 was negative $36.3 million. The unrealized marked to market amount represents the theoretical value on cancellation of the gold option contracts based on market values as at August 31, 2008. As such it does not represent an estimate of further gains or losses nor does it represent an economic obligation for the Company as long as it is expected to meet its delivery obligations as they fall due. Furthermore, over future operating periods as the Youga hedge commitment is fully settled with physical delivery of gold, the financial derivative liability will be reduced to zero and a corresponding increase in gold revenue will be recorded.

The financial statements have been prepared in accordance with Canadian GAAP.

Robert Harris, P.Eng., Vice President of Operations of Etruscan, is the Qualified Person overseeing production and development in West Africa and South Africa and has reviewed and approved this press release.

K. Kirk Woodman P.Geo., Etruscan's Chief Project Geologist, is the Qualified Person overseeing Etruscan's exploration programs in West Africa and has reviewed and approved this press release.

About Etruscan Resources Inc.

Etruscan Resources Inc. is a gold focused Canadian junior mining company with dominant land positions in district scale gold belts covering more than 13,000 square kilometers in West Africa. Its principal mine development projects include the **Youga Gold Project in Burkina Faso** (latest press release dated October 8, 2008), the **Agbaou Gold Project in Côte d'Ivoire** (latest press release dated February 21, 2008), and the **Finkolo Gold Project in Mali** (latest press release dated July 2, 2008)**.** Advanced and early stage exploration projects are on-going in Burkina Faso, Mali, Côte d'Ivoire, Ghana (see press release dated June 10, 2008) and Namibia (see press release dated June 19, 2008). See press release dated May 6, 2008 for a comprehensive update of explorations projects. Etruscan also has a 52.1% interest in Etruscan Diamonds Limited which has a dominant land position in the Ventersdorp Diamond District located in South Africa. (latest press release dated September 11, 2008). The common shares of Etruscan are traded on the TSX Exchange under the symbol "EET". More extensive information on Etruscan can be found on its home page at http://www.etruscan.com

For more information from Etruscan contact:
Richard Gordon, Investor Relations, email: rgordon@etruscan.com Tel: (877) 465-3674/ Fax (902) 832-6702

-30-