



New Drill Results Expand Higher-Grade Zone at Pele Mountain's Elliot Lake Uranium Mine Project

Symbol: **GEM**
Listing: TSX Venture Exchange
Common Shares Outstanding: 77,985,660

FOR IMMEDIATE RELEASE

January 25, 2008 – Toronto – **Pele Mountain Resources Inc. (TSX Venture: GEM)** ("**Pele**" or the "**Company**") today announced new drill results from its Elliot Lake Uranium Mine Project in Northern Ontario. Pele is advancing the project to the licensing and feasibility stages, following recommendations provided by Scott Wilson Roscoe Postle Associates ("**Scott Wilson RPA**") in its recent positive Scoping Study. The ongoing 26-hole, 5,000-metre in-fill drill program is designed to upgrade inferred resources to the indicated classification for feasibility study purposes.

The Scoping Study focused on U₃O₈ mineralization in the Main Conglomerate Bed ("**MCB**") within the Adit Block. The Adit Block is a near-surface area of relatively higher-grade mineralization that presents a favourable location for initial mining. The MCB averages about 2.5 metres in thickness and extends across a strike length of 6,000 metres and a dip length of at least 3,800 metres, all within the Pele property.

As announced in Pele's press release dated September 19, 2007, the highest U₃O₈ grades in the MCB, within the Adit Block, occur on the western flanks of a topographic high in the basement rocks and historic drill results on the north and east flanks of this same feature indicated the potential for similar grades. The most recent drill results show an arcuate shaped extension of the near surface higher-grade mineralization within the Adit Block for approximately one kilometre around the topographic basement high. Management is encouraged by these new results and upon completion of the current phase of drilling, plans to update the NI 43-101 resource estimate and projected economic models for the project.

Additional assay results will be reported as they become available, as will analyses of a recently completed VTEM electromagnetic survey which was flown to help target conductive zones capable of concentrating significantly higher-grade remobilized uranium near the unconformity between the basement rocks and the overlying sediments.

Drill Results - Main Conglomerate Bed, North & East Flanks of Topographic High

Hole ID	From (m)	Length (m)	Est. True Width (m)	U ₃ O ₈ %
PM-07-58*	276.68	2.08	1.98	0.039
PM-07-59*	185.96	2.31	2.20	0.034
PM-07-60	110.18	2.58	2.46	0.043
PM-07-61	101.46	2.54	2.35	0.042
PM-07-62	73.88	3.39	2.66	0.080
PM-07-63	81.97	3.03	2.85	0.055
PM-07-64	109.65	2.09	1.88	0.067
PM-07-65	Drilled south of MCB contact			
PM-07-66	41.96	3.06	2.92	0.077
PM-07-67	168.35	2.89	2.75	0.046
PM-07-68	216.07	3.06	2.92	0.060
PM-07-69**	144.86	3.37	2.31	0.039
PM-07-70	205.00	2.50	2.38	0.069
PM-07-72	213.38	2.53	2.50	0.065

* Intersected outside higher grade zone

** Intersected outside Main Conglomerate Bed

This press release has been reviewed and approved by Robert MacGregor P.Geo., an independent Qualified Person under NI 43-101.

About Pele Mountain Resources

Pele Mountain Resources provides investors with leverage to uranium as it advances its 100-percent owned Elliot Lake Uranium Project toward objectives of development and production. The project hosts more than 42-million pounds of NI 43-101 compliant U₃O₈ resources (6.4 million pounds “indicated” at a grade of 0.051-percent and 36.1 million pounds “inferred” at a grade of 0.044-percent) and has received a positive Scoping Study, providing the basis for economically-viable, environmentally-compliant uranium mining and processing operations.¹ The Elliot Lake mining camp has produced more than 300 million pounds of U₃O₈ and was formerly known as the “Uranium Capital of the World”. Pele also holds a diverse portfolio of gold, diamond, and base metal projects in Northern Ontario. Pele stock is listed on the TSX Venture Exchange under the symbol “GEM”.

For further information please contact Al Shefsky, President, at (800) 315-7353, or visit the Pele website at www.pelemountain.com.

1. The Scoping Study is preliminary in nature and includes both indicated and inferred mineral resources. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary assessment will be realized.

The TSX-V has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. Some of the statements contained in this release are forward-looking statements, such as estimates and statements that describe Pele’s future plans, objectives or goals, including words to the effect that Pele or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. The economic viability of the 43-101 mineral resource at Pele’s Elliot Lake Project has not yet been demonstrated by a preliminary feasibility study.