



Pele Mountain Mobilizes Second Drill Rig to Elliot Lake To Begin Testing Geophysical Targets for Remobilized Uranium

Symbol: **GEM**

Listing: TSX Venture Exchange

Common Shares Outstanding: 84,027,612

FOR IMMEDIATE RELEASE

February 29, 2008 – Toronto – **Pele Mountain Resources Inc. (TSX Venture: GEM)** ("Pele" or the "**Company**") announced today that a second drill rig has been mobilized to its 100-percent owned Elliot Lake Uranium Mine Project in Northern Ontario. The second rig will be used to drill test recently identified geophysical targets for remobilized and relatively higher-grade uranium. Pele is advancing its Elliot Lake 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.

Among the Scott Wilson RPA recommendations was continued exploration near the unconformity between Archean basement rocks and the overlying Huronian sediments (the "**Unconformity**") with geophysics and drilling. Mineralogical and assay analyses of Pele drill core sampled near the Unconformity indicate that remobilization of uranium has resulted in localized grades significantly greater than the average grade of the Main Conglomerate Bed, suggesting the potential to increase resources and providing an exciting "blue sky" exploration target.

Pele also announced today that it has recently completed its 26-hole, 5,000-metre in-fill drill program at Elliot Lake and expects to announce additional results shortly once they become available. Drilling continues in and around the Adit Zone, a near-surface area that presents a favourable location for initial mining, with the objective of upgrading NI 43-101 inferred resources to the indicated classification for feasibility study purposes.

This press release has been reviewed and approved by Donald Hawke, M.Sc., P.Geo., an independent Qualified Person under NI 43-101.

About Pele Mountain Resources

Pele Mountain Resources provides investors with superior leverage to uranium as it advances its 100-percent owned Elliot Lake Uranium Project toward objectives of development and production. The project hosts substantial 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.