



Pele Mountain to Launch Pre-Feasibility Study for Elliot Lake Uranium Mine Project

Symbol: **GEM**
Listing: TSX Venture Exchange
Common Shares Outstanding: 84,067,612

FOR IMMEDIATE RELEASE

May 01, 2008 – Toronto – **Pele Mountain Resources Inc. (TSX Venture: GEM)** (“**Pele**” or the “**Company**”) announced today that it will initiate a NI 43-101 compliant pre-feasibility study for its Elliot Lake Uranium Mine Project. Pele is advancing its 100-percent owned project to the licensing and feasibility stages, following recommendations provided by Scott Wilson Roscoe Postle Associates (“**SWRPA**”) in its positive scoping study (the “**Scoping Study**”).

Pele President and CEO Al Shefsky stated, “On-going mining, processing, and waste management optimization studies at Elliot Lake are advancing the project beyond last October’s Scoping Study, leading us to conclude that a pre-feasibility study will add significant value. We continue to assess and pursue opportunities to maximize the project’s economic, environmental, and social benefits. Our objective is to develop a safe, secure, and reliable uranium mine at Elliot Lake, providing sustainable long-term growth for our shareholders and the local communities.”

Pele has requested proposals from SRK Consulting and SNC-Lavalin Inc. to prepare the pre-feasibility study with a target completion date of year-end 2008. Meanwhile, Pele is continuing work programs to upgrade NI 43-101 resources that will be included in the pre-feasibility study, preparations for the Environmental Assessment and the licensing application process, and its community relations activities.

Pele places great value on its relationships within the City of Elliot Lake and the Serpent River First Nation (“**SRFN**”) with which it enjoys regular, friendly, and productive communications. Chief Isadore Day of the **SRFN** recently stated that: “The Serpent River First Nation is optimistic that Pele’s recent efforts at transparency and in publicly acknowledging Serpent River First Nation interests; have created a solid basis for future dealings, including Pele’s willingness to collaborate on the beginnings of the consultation process”.

Pele has strived to implement best practices in its dealings with the **SRFN**. The Company’s commitment to this process has been demonstrated by its ongoing and frequent communications with the Chief and members of the **SRFN** Council, engaging the Anishinabek/Ontario Fisheries Resource Centre (**A/OFRC**) to conduct the aquatic environmental baseline studies, providing capacity funding for the review of technical data, providing employment opportunities for **SRFN** members, and actively working towards a comprehensive framework for consultation. Pele intends to continue strengthening its relationship with

the SRFN as it proceeds with exploration and development work at Elliot Lake, in compliance with all applicable laws and regulations.

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 U_3O_8 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 U_3O_8 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.