



## **Pele Mountain Initiates Planning and Permitting Process to Mine Near Surface Gold at East Highland's 'A' Zone**

Symbol: **GEM**

Listing: TSX Venture Exchange

Common Shares Outstanding: 101,843,608

### **FOR IMMEDIATE RELEASE**

June 25, 2010 - Toronto - Pele Mountain Resources Inc. (TSX Venture: GEM) ("**Pele**" or the "**Company**") today announced that it has initiated planning and permitting process to resume near surface mining at the 'A' Zone of its East Highland Gold project in Northern Ontario. East Highland is 100-percent owned by Pele Gold Corporation, a wholly owned subsidiary of the Company.

Pele has received preliminary engineering plans and sections for a proposed extension of the open pit at the 'A' zone based on the results of a close-spaced drilling program completed earlier this year. A previous bulk sample of 3,800 tonnes averaging 5 grams per tonne ("g/t") gold, was mined under an agreement with River Gold Mines in 1999. By widening and deepening the existing open pit, and including an estimated 20-percent dilution of the ore, the plan proposes to mine approximately 12,000 tonnes of ore, at an average, diluted, grade of 6.6 g/t gold for a total of approximately 2500 ounces of contained gold. The proposed mining plan also includes the removal of approximately 94,500 tonnes of waste rock.

Pele has retained the engineering and permitting services of Rod Doran P.Eng. a senior mining engineer with Genivar of Sudbury Ontario, to assist with permitting for the 'A' zone Advanced Exploration mining project. Mr. Doran's responsibilities will include updating the existing closure plan and preparation of documentation to obtain the required permits. The company has also initiated discussions with a number of mill operators in the region to arrange for ore processing.

Drilling has established that the 'A' zone has a strike length of a minimum of 65 metres and continues to a vertical depth of approximately 200 metres with the mineralized trend remaining open along strike to the east and at depth. Earlier this year, holes were drilled from the existing pit to a vertical depth of approximately 22 metres to delineate a near-surface, bulk mineable, gold resource. Highlights from the recent drilling, all over estimated true widths, included:

- 34.20 g/t gold over 2.78 metres, including significant visible gold (Hole #27)
- 10.61 g/t gold over 4.40 metres (Hole #10)
- 17.15 g/t gold over 2.40 metres (Hole #18)

The Highland Project, covering more than 10,000 acres, is located in the Michipicoten Greenstone Belt, approximately 100 kilometres to the southeast of Hemlo in Northern Ontario. The Michipicoten Belt, where Richmond Mines Inc. is operating the Island Gold mine and milling complex, is also home to several past producing gold mines, including the one-million ounce plus Renabie Mine. Over the past 14 years, Pele has consolidated historically fragmented mining claims covering favorable geology through acquisitions, staking and licensing and has now accumulated one of the largest claim holdings in the area. Pele also completed a 10,000 tonne bulk sample at the Markes Zone in 1999 which returned positive cash flow when gold was trading at US\$300 per ounce.

The proposed permitting and mining plans relating to the 'A' zone Advanced Exploration project have been reviewed and approved by Rod Doran, P.Eng., an independent and Qualified Person under National Instrument 43-101. This news release has been reviewed and approved for other technical content by Peter Dimmell, P. Geo. (NL, Temp On), a Pele Director and a Qualified Person under National Instrument 43-101.

### **About Pele**

Pele Mountain Resources has generated and advanced high-quality mineral projects since 1996, discovering and developing the mineral wealth of Northern Ontario. At its Eco Ridge Mine uranium project, Pele is focused on the sustainable development of a safe, secure, and reliable operation near Elliot Lake. At its high-grade Highland gold properties, Pele's goal is to identify mineable, near-surface gold resources. At its 270 square kilometre Pigeon River project, Pele is conducting exploration in search of Ni/Cu/PGE deposits. The Company also holds the Ardeen Gold and Sudbury Nickel projects, which are advancing under option/JV agreements with Coventry Resources Ltd. and Wallbridge Mining Company, respectively. Pele's shares are 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](http://www.pelemountain.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.** 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.