



Pele Mountain's Newly Consolidated Elliot Lake Project Contains Over 20 Million Pounds of Uranium Oxide¹

Symbol: **GEM**
Listing: TSX Venture Exchange
Common Shares Outstanding: 59,622,145

FOR IMMEDIATE RELEASE

November 2, 2006 - Toronto - **Pele Mountain Resources Inc. (TSX Venture: GEM)** (“**Pele**” or the “**Company**”) announced today that it has successfully concluded the acquisition of the Pardee Uranium Property in the Elliot Lake area of northern Ontario, as announced on October 16, by completing and filing all necessary assessment work. With this acquisition, Pele now owns a 100-percent interest in the entire 155 mining claim units that comprise its Elliot Lake uranium project (the “**Project**”).

The Project hosts more than 80-percent of a “Measured Ore Estimate” exceeding 28 million pounds U_3O_8 , compiled by Rio Algom in the mid-1970s. While this estimate does not conform to NI 43-101 standards, Rio Algom mined more than 100 million pounds of uranium from similar deposits in the Elliot Lake camp and its compilation is generally considered reliable according to local industry standards.¹

Additional drilling by several companies has confirmed the continuation of the mineralized zone within the Project boundaries, indicating the potential for 50 to 60 million tons of uranium-bearing conglomerates in addition to the Rio Algom ore estimate.² The uranium-bearing conglomerates outcrop intermittently on the surface for more than four kilometers and continue down dip to the northwest at approximately 15 to 20 degrees for more than four kilometres, remaining open along strike at depth.

Pele President and CEO Al Shefsky stated, “Recent events affecting forecasted uranium supplies have added momentum to the well-established uptrend in uranium prices. Our 100-percent ownership interest in over 20-million pounds of U_3O_8 ¹ within a proven mining camp offers our shareholders compelling exposure and leverage to the rapidly growing global demand for uranium”.

The Elliot Lake mining camp has historically produced over 270 million pounds of uranium from stratigraphically-bound conglomerate deposits that demonstrate remarkable consistency over large areas. Pele has consolidated a large zone of known uranium mineralization in a geological environment similar to several past producing mines on adjacent properties including the Algom Nordic, Lacnor, and Stanleigh mines. The project is ideally situated, adjacent to an all-season highway with secondary roads and power lines extending throughout the property.

This press release has been reviewed and approved by Robert MacGregor, P.Eng., an independent Qualified Person with 14 years experience working in the Elliot Lake area during its time as an active uranium mining camp.

About Pele Mountain Resources

Pele Mountain Resources is discovering and developing the mineral wealth of northern Ontario. Pele is focused on the exploration and development of high-grade gold zones at its 100-percent owned Highland

project, within the Goudreau-Lochalsh mining camp. Exploration results at Highland indicate strong potential for near-surface gold resources and existing regional infrastructure, including nearby gold milling facilities, provide opportunities for revenue generating operations. Pele is a generative exploration company holding a diverse portfolio of gold, diamond, uranium and base metal projects, providing exposure to discovery and to the increased global demand for natural resources. Four Pele projects are currently funded through agreements with strategic partners, including Goldcorp, Wallbridge Mining, Trigon Exploration, East West Resources and Maple Minerals (a division of Mega Uranium). Pele stock trades on the TSX Venture Exchange under the symbol "**GEM**".

For further information please contact Al Shefsky, President, at (416) 368-7224, or visit the Pele website at www.pelemountain.com.

¹ The Rio Algom "measured ore estimate" is historical, has not been confirmed by a qualified person, and should not be relied upon.

² The potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in the discovery of a mineral resource.

The TSX Venture Exchange 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.