



## **Pele Mountain Closes Property Acquisition, Increases Uranium Holdings at Elliot Lake**

Symbol: **GEM**  
Listing: TSX Venture Exchange  
Common Shares Outstanding: 65,307,860

### **FOR IMMEDIATE RELEASE**

December 22, 2006 - Toronto - **Pele Mountain Resources Inc. (TSX Venture: GEM)** (“**Pele**” or the “**Company**”) announced today that it has closed its previously announced (December 18<sup>th</sup>) purchase of a 100-percent interest in 101 mining claim units (the “**New Claims**”) along the eastern and southern boundaries of its Elliot Lake Uranium Project in northern Ontario from Precambrian Ventures Ltd. The consolidated project area now comprises a total of 256 mining claim units covering approximately 10,000 acres.

The Company has received TSX-V acceptance of its filings in connection with its acquisition of the New Claims and entering into the previously announced consulting agreements with Msrs Greg Campbell and Donald Hawke.

The New Claims include most of the previously announced “Measured Ore Estimate”, defined by Rio Algom in the mid-1970s, which Pele did not already own. Previous drilling by several companies in the project area led to Rio Algom outlining a measured ore estimate of 27,181,000 tons grading 1.03 pounds per ton U<sub>3</sub>O<sub>8</sub>, or approximately 28 million pounds of U<sub>3</sub>O<sub>8</sub>. While this historic ore estimate does not conform to NI 43-101 standards, Rio Algom mined more than 100 million pounds of U<sub>3</sub>O<sub>8</sub> from similar deposits in the Elliot Lake camp and its compilation is generally considered reliable according to local industry standards.<sup>1</sup> Pele now owns all but a small fraction of the mineral rights for the area hosting this historic ore estimate.

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 of its 100-percent owned projects at Elliot Lake and Highland. The Elliot Lake uranium project contains a substantial “Measured Ore Estimate” compiled by Rio Algom within an historically prolific mining camp. Exploration at Highland indicates outstanding potential for gold resources and existing regional infrastructure provides opportunities for revenue producing operations. Pele is also a generative exploration company holding a diverse portfolio of gold, diamond, and base metal projects, providing exposure and leverage 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](http://www.pelemountain.com).

<sup>1</sup> The Rio Algom “measured ore estimate” is historical, has not been confirmed by a qualified person, and should not be relied upon.

**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.