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Mustang Reports Positive Results from Prefeasibility Study at Maskwa Open Pit Nickel Project

Mustang Minerals Corp., (TSXV: MUM, Frankfurt: NJF) today announced positive results from the prefeasibility study completed for the Company's Maskwa nickel-copper-platinum group metals project located near Lac du Bonnet Manitoba. The study was compiled by Micon International Limited with Met-Chem Canada Inc. Wardrop Engineering Inc and Golder Associates Ltd. The proposed project is a 2,750 tonnes per day open pit mine and milling operation producing an average of 9.2 million pounds of nickel per year in concentrate and other credits including platinum group metals, copper and cobalt. Micon concluded that "*the Maskwa Project contains an economic mineral reserve and warrants continued development to the full feasibility stage.*"

Mustang President Robin Dunbar commented that " the prefeasibility study outlines important progress made to date on the mine development and highlights the potential for Maskwa to be a low cash cost producer of nickel. The project has exceptional upside from here including the potential for more in pit resource and by incorporating Mustang's large Mayville resource."

Using the exchange rate and metal price assumptions contained herein the Project is projected to yield a pre-tax internal rate of return (IRR) of 19.4 % and a NPV of C\$62.2 million at an 8% discount rate. The undiscounted pre-tax operating profit generated by the project is C\$285 million with peak single year pre-tax earnings of \$63 million. Net life-of-mine revenue for the project after smelting and refining charges is \$569 million. Operating cost per tonne milled averages \$39.54 for the life of the project. Cash cost of nickel produced net of credits is CDN\$ 2.77 per pound. The initial capital cost of the project is C\$123 million including contingency of C\$10.6 million.

Wardrop Engineering Inc. (Wardrop) estimated a Proven and Probable open pit reserve totalling 7.11 million tonnes grading 0.64% nickel, 0.13% copper, 0.01% cobalt, 0.10 g/t platinum and 0.37 g/t palladium. The reserve is based on a diluted nickel cut-off of 0.2% nickel. A two phase open pit design was incorporated. Total waste tonnes in phase 1 were 15.54 million tonnes for a strip ratio of 5.5:1. The strip ratio for phase 1 and 2 combined is 10.8:1. The reserve was derived from a geological resource of Measured and Indicated resources of 10.12 million tonnes grade 0.60% nickel, 0.12% copper, 0.105% cobalt, 0.38 grams/tonne palladium and 0.10 grams/tonne platinum.

Based on infill sampling programs carried out in recent months by the Company, Wardrop has noted that *strong potential exists for adding additional mineralization from both the "hangingwall" of the pit and the main zone of mineralization.* Wardrop suggests that a new geological model for mineralization be created and verified with additional drill holes and further infill sampling of historic drill holes available to the company.

The economic analysis uses the assumption of a US\$ 10 per pound nickel price in the first 2 years (based on the assumption that the first two years' production could be hedged) reverting to a long term metal price of \$8 per

pound. The resulting average prices predicted for the life of the project, expressed in 2007 dollars, are nickel \$8.57 (U.S.) per pound, copper \$2.42 (U.S.) per pound, cobalt \$20 (U.S.) per pound, platinum \$ 1,500 (U.S.) per ounce and palladium \$ 359.70 (U.S.) per ounce. The base exchange rate assumed for the economic model is Canadian-dollar/U.S.-dollar =0.90.

Processing of the ore is to be by standard grinding and flotation techniques. Most of the comminution test work was by SGS Mineral Services of Lakefield Ontario. Metallurgical recoveries used in the study were based on extensive test work conducted at Process Research Associates in Richmond B.C. under the supervision of F. Wright Consulting Inc. Most of the associated analytical work was performed by iPL Laboratories which has ISO 9001 accreditation with check analyses performed by ACME labs of Vancouver BC. Testwork included both open cycle and locked cycle tests. The predicted plant recoveries of 72% nickel, 81 % copper, 71% cobalt, 47% platinum and 82% palladium were based on a locked cycle test that produced an average concentrate grade of 10.2% nickel, 2.5% copper, 0.36% cobalt 9.8 g/t palladium and 1.5 g/t platinum. This concentrate also contained approximately 33% S, 35% Fe and 5.4% MgO. Smelting and refining charges were based on indicative terms received from a Sudbury smelter and refiner of nickel and associated metals. The report of F.Wright Consulting concluded that *“Based on more recent open cycle studies... further improvements to recovery may be available by modifications to the reagent scheme.”*

Initial capital cost (but not including sustaining capital) for the project including contingency is estimated to be \$123 million. Major cost components include plant and infrastructure at \$65.6 million; mining equipment at \$29.4 million; EPCM and owners costs of \$13.2 million; tailings and water management of \$4 million and contingency of \$10.6 million. The plant and infrastructure was designed for an average throughput of 2,750 tonnes of ore per day. Met-Chem Canada Inc. completed the plant and infrastructure design as well as capital cost and operating costs estimation for the plant. Power will be accessed from the Manitoba Hydro grid.

Baseline environmental studies are well advanced in the project area and the Company will soon commence public engagement for the project leading to a formal permit application. Tailings and water management facilities were designed by Golder Associates Ltd.

Mustang Proceeding with Full Feasibility Study

The Mustang board of directors has approved that a full feasibility study be completed and a mine permit be applied for at the Maskwa Project. Currently additional work at the project is focused on in-pit resource expansion. Mustang has completed drilling additional drill holes in the area of the proposed Maskwa Open Pit and has completed additional sampling of available historical holes. Based on the results of this work a new resource will be calculated for inclusion in the full feasibility study. Mustang will also investigate supplying open pit feed from the Mayville M2 resource to further enhance the economics and mine life of the Maskwa project.

The external Qualified Persons for purposes of National Instrument 43-101 are:

Micon International Inc. - Ian Ward P.Eng, Chris Jacobs C.Eng.
Wardrop Engineering Inc, - Cliff Duke, P.Eng., Chris Sharpe, P.Eng.
Met-Chem Canada Inc.- Lionel Poulin Eng.
F.Wright Consulting Inc. – Frank Wright P. Eng.
Golders Associates Ltd.- Irwin Wislesky, P.Eng.

About Mustang Minerals Corp. – Base Metal Resources

Mustang owns 100% of the mineral rights to Maskwa subject to a 1% Net Smelter Royalty with no obligations for offtake or back-in rights held by a third party. Mustang also owns the mineral rights to the Mayville Property which is located 35 km by road from Maskwa. The geological resource at the Mayville M2 Zone consists of an open pit Indicated Resource of 21.9 million tonnes grading 0.20% nickel and 0.48% copper containing 94.3

million pounds of nickel and 232 million pounds of copper. The M2 resource was prepared by Scott Wilson Roscoe Postle Associates in January 2007. (for technical notes please see Feb.7, 2008 press release)

Carey Galeschuk P. Geo and Ernie Marcotte P. Eng are the Qualified Person for Mustang Minerals Corp. for purposes of National Instrument 43-101.

To find out more about Mustang Minerals Corp. (TSX-V: MUM)
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*The TSX Venture Exchange has not reviewed and does not accept responsibility for the contents of this press release.
We seek safe harbour.*

This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) (together, "forward-looking statements"). Such forward-looking statements may include the Company's plans for its mineral projects in Manitoba, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risk, uncertainty of production and capital costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, currency fluctuations, fluctuations in the price of nickel and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Management Discussion and Analysis for the period ended December 31, 2007 and Material Change Reports filed with the Canadian Securities Administrators and available at www.sedar.com. The Company advises investors that although certain terms contained herein are recognized and required by Canadian securities regulations (under National Instrument 43-101 "Standards of Disclosures for Mineral Projects"), the US Securities and Exchange Commission does not recognize these terms.