



## **Pele Mountain Enters Into Option Agreement for Ardeen Gold Project**

Symbol: **GEM**

Listing: TSX Venture Exchange

Common Shares Outstanding: 91,200,278

### **FOR IMMEDIATE RELEASE**

April 27, 2009 - Toronto - **Pele Mountain Resources Inc. (TSX Venture: GEM)** ("**Pele**" or the "**Company**") today announced the signing of an option agreement (the "**Option Agreement**") for its Ardeen Gold Project with Coventry Resources Limited ("**Coventry**"), one of several natural resource companies controlled by Australian company MQB Ventures Pty Ltd.

The Ardeen Project covers more than 10,000 acres along the Shebandowan Greenstone Belt west of Thunder Bay and includes Northern Ontario's first gold mine. More than 12,000 metres of past core drilling by Pele has returned numerous high-grade gold intercepts. The Shebandowan Belt also offers excellent base metal potential as evidenced by presence of the nearby past producing North Coldstream Mine which produced over 100 million pounds of copper. The Ardeen Project is 100-percent owned by Pele Gold Inc., ("**Pele Gold**") a wholly-owned subsidiary of the Company, which entered into the Option Agreement with Coventry.

Terms of the Option Agreement call for Coventry to make a \$25,000 initial payment to Pele Gold in consideration of a 90-day exclusivity period for Coventry to perform due diligence at Ardeen which has already begun. If Coventry decides to exercise its option on the project, a definitive option agreement is to be entered into between Pele Gold and Coventry with the following terms:

- Coventry will pay Pele Gold an additional \$75,000 cash on signing the definitive agreement.
- Coventry may earn a 51-percent project interest by spending \$1.5-million at Ardeen within 18 months of entering into the definitive agreement.
- If Coventry does not spend at least \$750,000 in the first 12 months, it will pay Pele Gold an additional \$100,000 in cash to maintain its option to acquire a 51-percent project interest.
- Once Coventry has earned a 51-percent interest, it may then elect to increase its interest to 75-percent by spending an additional \$1.5-million at Ardeen by the 42<sup>nd</sup> month after signing the definitive agreement.
- Once Coventry has earned a 75-percent interest, it will provide Pele Gold with a proposed budget for an additional two years of work. At that point, Pele Gold may elect to keep its 25-percent project interest by agreeing to fund its proportionate share of the proposed budget in which case a joint-venture will be formed between Coventry and Pele Gold. Otherwise, Pele Gold can elect to not fund the proposed budget and Coventry will continue to solely fund project development. Under that scenario, once

Coventry has completed a feasibility study, it will have earned a 100-percent interest in the project, with Pele retaining a 2-percent net smelter returns (NSR) royalty. Until a feasibility study has been completed, Pele Gold shall retain a 25% project interest.

- Coventry has also entered into a confidentiality and non-disclosure agreement with Pele Gold.

### **About Coventry**

Coventry is the most recent addition to the MQB Ventures group of companies, which are focused on the acquisition, financing, and development of diversified resource projects worldwide. Since its inception in 2003, MQB has founded and listed six companies on the Australian Stock Exchange and completed the reverse take-over of two others while raising more than A\$140-million for project development.

### **About Pele**

Pele is focused on the sustainable development of the Eco Ridge Mine in the historic Elliot Lake mining camp. The company is developing a safe, secure, and reliable uranium project in order to deliver lasting benefits to local communities and its shareholders. 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](http://www.pelemountain.com).

**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.