

June 9, 2009

SYMBOLS: UME (TSXV), UGY (AIM)

Gold Production for 2009 Financial Year

Uruguay Mineral Exploration Inc (“UME or the “Company”), a gold production and exploration company, announced today that it has produced 70,147 ounces of gold for the financial year to May 31, 2009. Ore processed for the year was 1,361,696 tonnes at a gold grade of 1.73 g/t with recovery averaging 92.7%.

In comparison to the previously disclosed target range of 72,000 to 75,000 ounces, lower production was due to waste being encountered in an area where high grade ore was expected in the San Gregorio East pit in May. The area had previously been mined and filled with waste. Mining has progressed into hard rock.

The Company’s cash position at the end of the financial year was \$US 9.5 million, in accordance with the company’s projected range of \$US 8 to 10 million. Higher gold prices, costs reductions and other initiatives implemented since the end of calendar 2008 offset the reduction in production.

The Company’s forecast production for the 2010 financial year is 60,000 ounces of gold. The overall production shortfall experienced during 2009 was attributable to the Arenal open pit that is now completed. Production during 2009 from other ore sources, which form the basis of the 2010 mine plan, were in line with or exceeded expectations.

Forward Looking Statements

All statements, other than statements of historical fact, contained or incorporated by reference in this news release, including any information as to the future financial or operating performance of the Company, constitute “forward-looking statements” within the meaning of certain securities laws, including the “safe harbour” provisions of the Securities Act (Ontario) and the United States Private Securities Litigation Reform Act of 1995 and are based on expectations estimates and projections as of the date of this news release. There can be no assurance that such statements will prove to be accurate, such statements are subject to significant risks and uncertainties, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements include, without limitation success of exploration activities; permitting time lines; the failure of plant; equipment or processes to operate as anticipated; accidents; labour disputes; requirements for additional capital title disputes or claims and limitations on insurance coverage. The Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events and such forward-looking statements, except to the extent required by applicable law.

ENDS

Neither 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.

Editors' note: Uruguay Mineral Exploration Inc. is a gold producer and exploration company focused on identifying and developing mineral opportunities in Latin America. UME is a fully integrated mining company, possessing the skills necessary to explore and develop its discoveries. The Company operates the only producing gold mine in Uruguay (San Gregorio), and is also the leading mineral exploration company in Uruguay having assembled an exploration portfolio based on gold, base metals (copper, nickel, lead, zinc) and diamond prospects.

Uruguay Mineral Exploration Inc. is quoted in Canada (TSXV) and London (AIM) and Matrix Corporate Capital LLP is its Nominated Adviser and Broker.

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