



**Mountain Lake Resources Inc.**

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## **News Release**

# **Mountain Lake Enters Sub-Option and Joint Venture Agreement with Marathon PGM**

*Exploration focus will be on the evaluation of the open pit potential of the Valentine Lake gold resource*

**Halifax, Nova Scotia, December 23, 2009 – Mountain Lake Resources Inc. (TSX-V: MOA) (“Mountain Lake” or the “Company”)** and Marathon PGM Corporation (“Marathon”, TSX: MAR) are pleased to announce today they have entered into an option and joint venture agreement (“OJVA”), granting Marathon a sub-option to earn a 50% interest in the Valentine Lake Gold Property (“Valentine Lake” or the “Property”) located in Central Newfoundland. Mountain Lake currently owns a 30% interest in the Valentine Lake Property and has an exclusive option to purchase the remaining 70% interest (the “Richmont Option”) from Richmont Mines Inc. (“Richmont”; TSX: RIC) to consolidate 100% ownership in the Property (subject to certain existing underlying royalties, as previously reported).

### Highlights:

- potential to convert underground gold resource of 443,000 ounces into a larger open pit gold resource (see discussion below for further details);
- excellent infrastructure with low risk in a politically mining friendly jurisdiction;
- Marathon will be the project operator and plans to commence drilling in January 2010;
- Marathon’s exploration model is based on the potential to outline open pit deposits.

“In my 30 plus years of gold exploration and mining experience, the resource development potential of Valentine Lake ranks as one of the best opportunities I have seen in Canada. Mountain Lake’s experience and knowledge of the Property will play an integral role in future exploration,” said Phillip Walford, Marathon’s President and CEO. “We took the Marathon Project from resource drilling to feasibility in less than four years. Our exploration team that brought success at Marathon is focused on repeating that achievement at Valentine Lake.”

“We are extremely pleased to have the opportunity to join forces with an aggressive partner at Valentine Lake and welcome the expertise and enthusiasm Marathon brings to the project. Examining the project’s open pit potential, particularly with the improving gold price, brings a new dimension to the property’s existing resource and other bedrock prospects over a 14 kilometre strike length,” said Gary Woods, Mountain Lake’s President and CEO.

### Project Details and Geology:

The Valentine Lake Gold Project is located 55 kilometre (km) south of the town of Buchans, in Central Newfoundland. The Property is very large at 32 km in length and hosts the Leprechaun Pond Gold Deposit as well as numerous gold showings over a strike length of 14 km. The Leprechaun Pond gold resource is primarily associated with quartz-tourmaline veins hosted in sheared granite. Other lithologies (metasediments, volcanic, etc) known to host gold mineralization have not undergone detailed exploration to date. The Property is bounded by major structures which has developed a competency difference between lithologies. This is similar to other gold mining districts where differences in competency act as a channel for phases of mineralization. The pervasive quartz-tourmaline association with gold mineralization seen throughout the Valentine Lake Property is similar to other granite hosted gold deposits.

#### Leprechaun Pond Resource:

The Valentine Lake Property hosts the Leprechaun Pond Gold Deposit, which has an NI 43-101 compliant underground inferred mineral resource of 1,314,780 tonnes grading 10.50 grams per tonne (g/t) gold using a 5 g/t gold minimum cut-off and a 3 metre minimum width for a total estimated mineral resource of 443,000 ounces of gold. Cutting individual assays to 58 g/t gold, the average grade is 8.51 g/t gold, for a total estimated mineral resource of 359,000 ounces of gold at the cut grade. The Deposit is open at depth. The resource estimate of the Valentine Lake Property presented in the NI 43-101 Technical Report dated January 12, 2005 was performed by Larry Pilgrim, P. Geo. a Qualified Person (see: [NI 43-101 Valentine Lake Technical Report](#)).

#### Exploration Program:

Past exploration drilling at Leprechaun Pond focused on deeper underground potential. Marathon's drilling will test the upper 100 m of the deposit to evaluate the open pit potential. By focusing on the areas up-dip of the resource, Marathon's intent is to build an open pit resource. The gold resource has potential to increase due to a lower cut-off grade and additional resources in the upper 100 m of the deposit.

Strong and extensive soil geochemistry over more than 20 km indicate excellent potential for additional gold discoveries to be made on the Valentine Lake Property. The presence of numerous gold occurrences on surface and in drill holes over a strike length of 14 km demonstrates the untapped potential of the Valentine Lake Property.

#### OJVA Terms:

Pursuant to the OJVA, Marathon has been granted a sub-option to earn a 50% interest in the Valentine Lake Property, in Central Newfoundland. Marathon can earn the 50% interest by assisting Mountain Lake in exercising the Richmond Option, through total option payments of \$3,000,000 in installments over the next three years and incurring a total of \$3,000,000 in exploration and development expenditures on the Valentine Lake Property over the next three years. Over the first year of the OJVA, Marathon has agreed to spend at least \$500,000 in exploration and development on the Valentine Lake Property by May 1, 2010, and will deposit into escrow \$100,000 upon signing the OJVA. Marathon must then incur an additional \$500,000 on exploration and development by December 31, 2010, and deposit into escrow an additional \$150,000 by January 4, 2011. All funds Marathon deposits into escrow will be applied towards the next option payment to Richmond (due by April 4, 2011).

### **About Marathon PGM Corporation**

Marathon is exploring resource development potential in the immediate vicinity of the Marathon deposit to expand mine life of the planned large tonnage, open pit mining operation. The Marathon deposit is one of the largest PGM-Cu reserves in Canada and is expected to grow with development of additional nearby resources. Marathon's optimized P+P reserve of 91.45 million tonnes grading 0.832 g/t Pd, 0.237 g/t Pt, 0.085 g/t Au, 0.247% Cu and 1.44 g/t Ag, contains 2.44 million ounces of Pd, 696,000 ounces of Pt, 251,000 ounces of Au, 497 million lbs of Cu and 4.23 million ounces of Ag. Marathon also has development and exploration stage properties in southeastern Manitoba and western Newfoundland, respectively. Marathon's management plans to build on its experience through the advancement of its properties and by examining other strategic opportunities.

For more information visit: [www.marathonpgm.com](http://www.marathonpgm.com)

### **About Mountain Lake Resources Inc.**

Mountain Lake Resources Inc. (TSX-V: MOA) is a diversified junior exploration company, whose corporate strategy is to build shareholder value through the exploration and development of economically viable mineral properties. Current projects include: a 30% interest in the Valentine Lake gold property (Newfoundland) with and an option to acquire the remaining 70% interest from Richmond Mines Inc.; a 100% interest in the Bobby's Pond base metals property (Newfoundland) with an option to acquire initially a 51% interest in the surrounding claims from Cornerstone Resources; an option to earn a 100% interest in the Little River gold exploration property (Newfoundland); and a 2,350,000 share (~6.5%) stake in Etruscan Diamonds Limited, an alluvial diamond operation (South Africa).

For more information visit: [www.mountain-lake.com](http://www.mountain-lake.com)

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ON BEHALF OF THE BOARD OF DIRECTORS

*s/“Gary Woods”*

President & CEO

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