



Pele Mountain Announces Option Grants

Symbol: **GEM**
Listing: TSX Venture Exchange
Common Shares Outstanding: 153,151,246

FOR IMMEDIATE RELEASE

February 1, 2013 - Toronto - **Pele Mountain Resources Inc. (TSX Venture: GEM)** ("**Pele**" or the "**Company**") announced that it has granted a total of 2,650,000 incentive stock options to three (3) members of senior management of the Company, of which 250,000 are exercisable at \$0.12 per share and expire on December 31, 2014. The remaining 2,400,000 management options were granted to the Company's President and CEO, of which 800,000 vest immediately and are exercisable at \$0.12 per share, 800,000 vest on December 31, 2013 and are exercisable at \$0.17 per share and 800,000 vest on December 31, 2014 and are exercisable at \$0.22 per share, all expiring on December 31, 2016.

The Company also granted an aggregate of 2,625,000 incentive stock options to the following persons: 1,575,000 options to five (5) directors of the Company, of which 900,000 are exercisable at \$0.12 per share and 675,000 are exercisable at \$0.17 per share, all expiring on December 31, 2015; 575,000 options to three (3) employees of the Company which are exercisable at \$0.12 per share and expire on December 31, 2014; and 475,000 incentive stock options to seven (7) consultants of Pele, of which 450,000 are exercisable at \$0.12 per share and expire on December 31, 2013 and 25,000 are exercisable at \$0.12 per share and expire on December 31, 2014.

All options granted and any common shares issued upon their due exercise will be subject to a statutory four-month hold period. The granting of the options are subject to regulatory acceptance of applicable filings.

About Pele

Pele Mountain Resources is focused on the sustainable development of its 100-percent owned Eco Ridge Mine Rare Earths and Uranium Project. Eco Ridge is located in Elliot Lake, the only Canadian mining camp to have ever achieved commercial rare earth production. Elliot Lake was once the major source of heavy rare earth, yttrium and uranium production in North America. With well-understood geology, mineralogy, and metallurgy, excellent regional infrastructure, and strong local support, Eco Ridge is an ideal location for the development of a safe, secure, and reliable long-term supply of critical rare earths and uranium. Pele's shares are listed on the TSX Venture Exchange under the symbol "**GEM**" and on the OTCQX under the symbol "**GOLDF**".

For further information please contact Al Shefsky, President, at (800) 315-7353, or visit the Pele website at www.pelemountain.com.

Neither the 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. 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.