



Pele Mountain Announces Closing of First Tranche of a Private Placement Offering

Symbol: **GEM**
Listing: TSX Venture Exchange
Common Shares Outstanding: 160,097,055

FOR IMMEDIATE RELEASE

June 24, 2013 - Toronto - **Pele Mountain Resources Inc. (TSX Venture: GEM)** ("**Pele**" or the "**Company**") is pleased to announce that it has closed the first tranche of a non-brokered private placement offering (the "**Offering**") comprised of 6,905,809 flow-through units (the "**FT Units**") at a purchase price of \$0.07 per FT Unit for aggregate gross proceeds of \$483,407 and 40,000 units (the "**Units**") at a price of \$0.05 each for aggregate gross proceeds of \$2,000. Each FT Unit consists of one common share and one-half of one common share purchase warrant (a "**FT Warrant**"), with each whole FT Warrant exercisable to acquire one common share of Pele at \$0.15 until June 24, 2014. Each Unit consists of one common share and one common share purchase warrant (a "**Warrant**"), with each Warrant exercisable to acquire one common share of Pele at \$0.10 until December 24, 2014.

In connection with the Offering, the Company paid eligible persons (the "**Finders**") a cash fee of 7% of the gross proceeds raised through each Finder under the Offering and also issued compensation warrants equal to 7% of the total number of Units or FT Units ("**Compensation Warrants**") issued through each Finder under the Offering. Each Compensation Warrant entitles the holder upon exercise to acquire one common share of Pele at \$0.10 until December 24, 2014. On closing, the Company paid \$21,120 in cash fees to the Finders and issued 221,000 Compensation Warrants to the Finders.

The securities issued pursuant to the Offering will all be subject to a four (4) month statutory hold period commencing from the date of issuance. The Offering is subject to TSX Venture Exchange acceptance of requisite regulatory filings.

All proceeds raised from the sale of FT Units will be used by Pele to finance qualified Canadian exploration expenditures on its Canadian resource properties and all proceeds raised from the sale of Units will be used by Pele for general working capital purposes.

About Pele

Pele Mountain Resources is focused on the sustainable development of its 100-percent owned Eco Ridge Mine Rare Earth and Uranium Project. Eco Ridge is located in Elliot Lake, the former "uranium mining capital of the world" and the only Canadian mining camp to have ever achieved commercial rare earth production. Elliot Lake was historically the major source of heavy rare earth production in North America. With well-understood geology and mineralogy, 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 uranium, critical rare earths and

scandium. 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.