



Pele Mountain Announces Closing of Private Placement

Trading Symbol: TSX Venture : GEM
OTCQX : GOLDF
Shares Outstanding: 178,961,549

FOR IMMEDIATE RELEASE

December 24, 2014 - Toronto - **Pele Mountain Resources Inc. (TSX Venture: GEM; OTCQX: GOLDF)** ("**Pele**" or the "**Company**") announced the closing of a non-brokered private placement offering ("**Offering**") comprised of 1,757,029 units (the "**Units**") at a price of \$0.05 each for aggregate gross proceeds of \$87,851.45. Each Unit consists of one (1) common share of the Corporation issued on a "flow-through" basis and one (1) warrant (a "**Warrant**"), with each Warrant exercisable to acquire one (1) non-flow-through common share of Pele at \$0.07 until December 24, 2017.

Certain directors (the "**Purchasing Directors**"), purchased an aggregate of \$37,851.45 of the securities issued pursuant to the Offering and declared a conflict and recused themselves from voting on the Offering. There was no materially contrary view or abstention by any director approving the Offering. Pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), the purchase by the Purchasing Directors was a "related party transaction" but the Corporation was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offering.

All proceeds raised from the sale of Units will be used by Pele to finance qualified Canadian exploration expenditures on its Canadian resource properties. 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.

About Pele

Pele Mountain Resources is focused on the sustainable development of a low cost, early to market, critical rare earth supply chain by recycling imported, high-grade rare earth bearing monazite in Elliot Lake, Ontario, at the same location as its Eco Ridge Mine Rare Earth and Uranium Project. Recycling monazite presents a relatively low CAPEX approach to producing critical rare earths and, ultimately, can support the development of Eco Ridge. Pele is engaged with government, First Nations, local communities, and rare earth industry leaders and end users to achieve this objective.

With excellent regional infrastructure and strong local support, Elliot Lake is an ideal location for production of a safe, secure, and reliable supply of critical rare earths and uranium. Eco Ridge continues to provide Pele shareholders with exposure and leverage to rare earth and uranium prices. Pele 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.