



## **QUEST ACQUIRES URANIUM PROPERTY IN THE LG4 AREA, JAMES BAY REGION, QUÉBEC**

### ***Highlights***

- *The property covers a highly-favourable geological horizon known to host unconformity-type uranium deposits, similar to those found in the Athabasca Basin area of northern Saskatchewan.*
- *The property includes two historical uranium occurrences as well as extensive radioactive boulder trains and in-situ uranium mineralization within the claim group, previously identified by S.E.S. Mining Group in the 1970's.*
- *S.E.S. work returned upwards of 7.4%  $U_3O_8$  in bedrock chip sampling and up to 1-2%  $U_3O_8$  in extensive boulder dispersion trains across the property.*
- *Quest can acquire a 100% interest in 14 prospector's claims by making \$80,000 in cash payments and by issuing 200,000 Quest shares over the next 12-month period.*

**Montréal, August 22, 2008 - Quest Uranium Corporation [TSX-V : QUC]** is pleased to announce that it has entered into an exploration property agreement with a Montreal-based prospecting group for the right to acquire a 100% interest in claims located in the LG4 area of the James Bay region, Québec. The agreement with the prospectors covers a single block of 14 contiguous mining claims comprising more than 709 hectares in the Sakami Lake area of northwestern Québec (Figure 1). The property area is readily accessible using Hydro Québec's James Bay Hydroelectric installation all-weather road infrastructure.

The claims are considered to be highly prospective for unconformity-related uranium deposits and cover **approximately 2.5 km strike length of favourable Sakami unconformity**. When combined with Quest's James Bay Option properties with **Midland Exploration Inc. [TSX-V: MD]** (*see* Press Release: January 17, 2008), Quest controls more than 9 km of favourable geology in the area.

Under the terms of the agreement, Quest has an option to acquire a 100% undivided interest in the 14 claims, subject to the following conditions:

- Cash payments by Quest of \$80,000, \$40,000 on signing and \$40,000 in one year.
- Issuance by Quest of 200,000 shares, 100,000 on signing and 100,000 in one year.
- Granting by Quest of a 2.0% Net Smelter Royalty (NSR) to the property owners, of which 1.5% can be bought back by Quest for \$1,500,000.

The transaction is subject to regulatory approval, including that of the TSX Venture Exchange.

### **Property Area Geology and Mineralization**

The claim block straddles two historical uranium occurrences, the Kuljit and Sannon showings, discovered by S.E.S. Mining in the mid-1970's.

The area is underlain by Archean-aged basement rocks, unconformably overlain by Proterozoic age Sakami Formation sedimentary rocks. Known uranium resources in the region (i.e. – **Lac Guyot (Dieter Lake) Deposit**; 43-101 Resource Estimate, Strathmore Minerals Corp. Report on 2005 Exploration, NOV. 2005 – **24 million pounds U<sub>3</sub>O<sub>8</sub>**) occur at, above or below the unconformity and show strong geological similarities with the Athabasca Basin in northern Saskatchewan.

The Sannon showing, in the northeastern part of the claim block, straddles an area in which previous operators (S.E.S. Mining Group) discovered more than 47 radioactive boulders over a strike length of greater than 2 km. Analytical results reported by S.E.S Mining **ranging from 1 to 2% U<sub>3</sub>O<sub>8</sub>** (with associated anomalous nickel values) were obtained in its prospecting work. S.E.S. concluded that the uranium-nickel association observed at Sannon is considered significant and may correspond to post-mineralization processes commonly observed in the Athabasca basin. In addition, bedrock mineralization situated to the east of the boulder train, known as the Sannon uranium vein, **returned grab assay values up to 6.28% U<sub>3</sub>O<sub>8</sub>**. Chip sampling across the vein returned **7.4% U<sub>3</sub>O<sub>8</sub> over 0.36 m and 4.0% U<sub>3</sub>O<sub>8</sub> over 0.175 m**. The boulder train and Sannon vein are located on the northern side of the LG4 basin near the base of the Sakami Formation.

The Kuljit occurrence, at the southern part of the claims, is characterized by an extensive northwest-trending uranium mineralized shear structure that is observed to undercut the younger Sakami sedimentary rocks further to the south.

Quest prospectors will be mobilizing to the property area before the end of August to complete ground evaluation of the target areas and to locate areas of new mineralization.

### **Quality Control**

Luciano Vendittelli, P.Geo., is the qualified person who has reviewed the content of this news release.

### **About Quest Uranium**

*Quest Uranium Corporation is a Canadian-based, pure-uranium exploration company focused on the identification and discovery of new world-class Uranium deposit opportunities. The company is publically-listed on the TSX Venture Exchange as "QUC" and is led by a highly-respected management and technical team with a proven mine-finding track record. Quest is currently advancing several high-potential projects in Canada's Premier Uranium exploration areas: the George River belt of northeastern Québec, the Kenora area of northwestern Ontario and the Plaster Rock area of northwestern New Brunswick. Quest also has a clear route to 50% ownership of a large uranium property in the James Bay area, Québec under option from Midland Exploration Inc. Quest recently optioned its Nanuk and Stewart Lake properties in the George River area to Nebu Resources Inc., wherein Nebu is committed to spend \$1 million in exploration on the properties in 2008 and \$3.0 million over the next three years. Quest continues to identify new, high-potential project opportunities throughout North America.*

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*This press release may contain “forward-looking statements”. Readers are cautioned that any such statements are not guarantees of future performance and that actual developments or results may vary materially from those in these “forward looking statements”*

Figure 1 –Property Location Map

