



QUEST URANIUM ACQUIRES MIDLAND EXPLORATION INC'S SAKAMI AREA URANIUM PROPERTIES, QUEBEC

- *Properties are prospective for the discovery of unconformity-related uranium deposits, similar to that of the Athabaska Basin area of northern Saskatchewan.*
- *Prospecting completed by S.E.S. Mining Group in the 1970's located numerous uranium occurrences as well as new radioactive boulder trains and in-situ uranium mineralization within their claim groups.*
- *Quest can acquire a 50% interest in the Midland claims by making \$200,000 in cash payments and by expending \$2.8 million in exploration over four years. Quest will be the operator of the project.*

Montréal, January 17, 2008 - Quest Uranium Corporation (“Quest”) (TSX-V : QUC) is pleased to announce the signing of a letter of agreement with **Midland Exploration Inc. (“Midland”) (TSX-V: MD)** for the right to option a 50% interest in Midland's wholly-owned uranium properties in the LG3 and LG4 areas of the James Bay region, Québec. The agreement with Midland covers five claim blocks (130 claims) comprising 66.0 km² in the Sakami Lake area of northwestern Quebec (Figure 1). Additionally, 119 new claims were recently staked by Midland covering a further 60 km² of highly prospective geology. The project area is readily accessible using Hydro Québec's James Bay Hydroelectric Installation all-weather road infrastructure.

Under the terms of the agreement, Quest has the option to acquire a 50% undivided interest in all of Midland's properties in the region, subject to an area-of-interest, under the following conditions:

- Cash payments of \$200,000 over four years.
- Exploration expenditures of \$2,800,000 over four years including \$400,000 in year one

Midland Property Area Geology and Mineralization

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**; pre-43-101 Historical Resource – **50 million metric tonnes (t) grading 0.1% U₃O₈** ; reference MR-223 ; QUE-72, Energy, Mines and Resources Canada, November 1989) occur at, above or below the unconformity and show strong geological similarities with the Athabaska Basin in Saskatchewan.

The Midland claims are considered to be highly prospective for unconformity related uranium deposits. The claim blocks constituting the project are referred to as the Sannon-Seggau (East Block) and the Ganiq (West Block) properties.

The Sannon-Seggau property is located in the LG4 area and includes 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 in the 1970's. Analytical results reported by S.E.S Mining **ranging from 1 to 2% U₃O₈** (with associated anomalous nickel values) were obtained in their prospecting work around the Seggau boulder area. The source area of the Seggau boulder train remains to be identified. S.E.S. concluded that the uranium-nickel association observed at Sannon-Seggau is considered significant and may correspond to post-mineralization processes commonly observed in the Athabaska basin. In addition, bedrock mineralization situated to the east of the Seggau boulder train, known as the Sannon uranium vein, **returned grab assay values up to 6.28% U₃O₈**. The Seggau boulder train and the Sannon vein are located on the northern side of the LG4 basin near the base of the Sakami Formation.

The Ganiq property is located at the eastern part of the LG3 basin, known to include the most important concentration of uranium occurrences in the James Bay region. The property also includes a three km-long uraniferous boulder train, discovered by S.E.S. in 1975. Some 250 radioactive boulders are located along the train, returning consistently high radioactivity readings of **up to 15,000 counts per second**. In addition, the property hosts several historical uranium occurrences known as Ganiq North, Dominos, Danois and Prospector returned assay **values ranging between 0.03% and 0.085% U₃O₈**. At these showings, uranium mineralization is structurally controlled, occurring in N120°-trending fault and shear zones that seem to have played an important role in the deposition of uranium.

Midland and Quest look forward to undertaking its first phase of exploration on the project, expected to be completed in early spring 2008. A program of airborne Radiometric geophysical surveying will be completed at that time. The geophysical survey data will be used to help plan out the summer field exploration program.

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 lead 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 northeastern New Brunswick. The company continues to identify new, high-potential project opportunities throughout North America.

About Midland Exploration

Midland's strategy to discover new world class gold, base metal and uranium deposits is based on Quebec's excellent mineral potential and favourable investment climate. Midland further intends to be pro-active in 2008 in the acquisition of new mineral exploration properties in Quebec. The Company recently signed important agreements with Agnico-Eagle for its James Bay Gold project and with Breakwater for the Weed on and Gatineau Zinc projects. Management is currently considering other opportunities and other projects in order to expand the Company's portfolio. Midland prefers to work in partnership and intends to quickly secure new agreements to this effect for its properties acquired in 2008.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

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Figure 1 – Quest-Midland Option Property Location Map

