



QUEST URANIUM ADDS RARE EARTH METALS IN ITS SEARCH FOR NEW RESOURCES

- *Prospecting on the Stewart Lake property in 2008 led to the discovery of a Rare Earth Element (REE) mineralized granitic body returning appreciable quantities of REE, zirconium, yttrium, niobium and uranium*
- *This new discovery lies approximately 10 km northeast of the Strange Lake zirconium-yttrium- REE deposit*
- *The intimate association of REE with uranium in magmatic geological environments observed in the George River and Kenora North property area makes them a natural exploration value opportunity*
- *Summer prospecting programs are being planned to expand the areas of known REE mineralization in the George River area, Québec*

Toronto, April 7, 2009 - Quest Uranium Corporation (TSX-V : QUC) announces that it intends to expand its exploration efforts to include high-value Rare Earth Elements (REE) on the list of commodities of interest for the Corporation. Success in the identification of highly-favourable REE targets in the George River area and the recognition of their intimate association with uranium in granitic geological environments on its Quebec and Ontario projects logically supports their inclusion.

Quest previously reported (*see* Press Release – November 20, 2008) that prospecting crews discovered uranium (U), zirconium (Zr), yttrium (Y), niobium (Nb) and Rare Earth Element (REE) mineralization associated with a coarse-grained granitic body within the Stewart Lake claim block (Figure 1). The mineralized granite is associated with a large radiometric anomaly measuring 2.25 km by 1.5 km. Several grab samples from preliminary work over the target area returned **combined Y oxide (Y₂O₃) and Total Rare Earth Element oxides (TREO) of up to 4.35%**. Individual uranium (U₃O₈) and zirconium (ZrO₂) analyses of **up to 0.36% and 1.34%, respectively**, were also returned from sampling of the granite. In addition, **Quest holds the Québec portion of the Strange Lake REE-Zr-Y-Nb-Beryllium (Be) deposit** discovered by the Iron Ore Company of Canada in the late 1970's (historical resource estimate, pre-National Instrument 43-101; Venkatswaran, 1983 – **52 million tonnes @ 3.25% ZrO₂, 0.56% Nb₂O₅, 0.66% Y₂O₃, 0.12% BeO and 1.30% TREO**). Quest's new REE discovery lies approximately 10 km northeast of the Strange Lake deposit.

“Management is confident that the natural occurrence of REE in the environments that are the focus of our uranium exploration programs will provide Quest with a high-value resource opportunity,” said Peter Cashin, Quest's President and CEO. “The discovery of important concentrations of rare earth metals on the Stewart Lake property underlines this point and adds a significant new dimension to the economic potential of the area and to our global exploration efforts.”

Understanding the Rare Earth Metal Market – A Significant New Prospect Avenue

The discovery of significant grades of rare earth metals in the George River belt, northeastern Québec, has driven Quest to seek understanding of this new, highly-valuable set of metallic commodities (Table 2) and to broaden its mineral asset base. Rare Earth Elements (REE) are a series of 15 metals integral to the automotive, high-tech, nanotechnology and aerospace industries. Currently, 97% of the world's rare earth metals are produced in China, whose abundant resources and low production costs have made it a key source of these metals. China has placed strict controls on REE mining, production and export in order to maximise its own use of the resources.

During the 1990s and early 2000s, significant production surpluses and coincident low REE prices led to most non-Chinese rare earth producers ceasing their operations and almost exclusive reliance on China supplies. With curbing of exports from China and continued growth demand elsewhere, the supply-demand deficit is causing great concern to major REE consuming countries (Japan, Korea, Taiwan, United States), and they are anxious to identify new sources of rare earths. With excellent prospects for growth in the hybrid auto battery manufacturing, aerospace and electronics industries, demand growth in REE of 8-11% per year is projected. There is a pressing need for new non-Chinese production capacity in the next three to five years.

On the basis that China will adhere to the announced production and export limits, there is a real prospect that, within five to ten years, the country will produce material only sufficient to satisfy domestic consumption. To meet the estimated global demand of 180-190,000t REO in 2010, around 40,000t of new capacity will be needed to meet the unfulfilled demand from outside China. In addition, it is estimated that world demand could reach 230,000 tonnes of REE per year by 2013, up from 135,000 tonnes in 2008. Primary production is unlikely to keep pace with the increasing demand.

Stewart Lake Property REE Results

The Stewart Lake property (Figure 1) has been the object of reconnaissance exploration since discovery of extensive areas of uranium mineralization in 2006. Quest returned bedrock grab samples **grading up to 0.804% U₃O₈ (16.1 lbs/t)**. It comprises numerous uraniferous outcrops, subcrops and large boulders traced by prospecting over a distance of approximately 2.5 km and over a width of up to 700 m. In 2008, systematic follow-up to known uranium mineralization led to the discovery of significant concentrations of REE (Table 1) approximately 3.5 km west of the Stewart Lake in occurrence. Mineralization is associated a large granitic body. The individual analyses, although of a preliminary nature, compare favourably with known Canadian REE resources, namely the Strange Lake REE-Zr-Y deposit in Québec and Avalon Ventures' Thor Lake REE-Zr-Y-Be (beryllium) deposit, Northwest Territories. Re-evaluation of Quest's substantial regional exploration database (2006-2008) for the George River area has led to the identification of at least five additional REE exploration target areas in the belt requiring further exploration.

In December 2008, Quest commissioned Dr. Eva Schandl of GeoConsult Limited to complete a preliminary mineralogical study of the REE-bearing samples collected from the Stewart Lake area. The objective was to determine the mineralogy of the samples using an electron microprobe. Polished thin sections were studied under transmitted and reflected lights, and an ETEC electron microprobe at the Department of Geology, University of Toronto, Ontario. Dr. Schandl concluded that the suite of rocks was enriched in REE and high field strength elements. The following accessory minerals identified in the suite reflect the abundance of the trace and Rare Earth Elements observed in the rock samples.

Zircon (Zr, Hf)	Gittinsite (Zr)	Xenotime (Y, HREE)
Euxenite (Nb, Ta, Y, HREE)	Ashanite (Nb, Ta, U, LREE)	Fergusonite (Nb, Y, REE)
Pyrochlore (Nb, Ta)	U-Nb silicate (U, Nb, LREE)	Ferrithorite (Th)

Where: Zr=zirconium, Hf=hafnium, Y=yttrium, Nb=niobium, Ta=tantalum, U=uranium, Th=thorium, La=lanthanum, Ce=cerium, Nd=neodymium, Sm=samarium, Pr=praseodymium, Eu=europium, Gd=gadolinium, Tb=terbium, Dy=dysprosium, Lu=lutetium, Tm=thulium, LREE=light rare earth elements, HREE=heavy rare earth elements

Table 1 – Significant REE Grab Sample Assays, Stewart Lake West, George River, Québec

Sample #	Area	Y	Zr	La	Nb	Ce	Pr	Nd	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu	Hf	Th	U	F
		ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
202183	Stewart West	16500	4520	1650	2610	4890	723	3300	933	10.7	1350	306	2080	411	1260	191	1310	215	307	3570	2390	0.04
202393	Stewart West	9890	5070	618	2090	1780	231	1210	395	4.78	701	170	1200	246	762	122	840	127	328	2320	1420	0.02
202394	Stewart West	2210	4460	805	239	2200	312	1400	371	3.4	354	59.8	343	62.4	181	29	193	28.9	248	1220	1380	0.04
202395	Stewart West	9470	9900	1360	1370	4020	622	2900	844	8.84	917	194	1270	251	769	125	844	127	586	3210	2830	0.03
202396	Stewart West	6810	9400	1040	962	3130	437	2090	604	6.64	729	142	897	172	522	87.1	578	85.4	514	2960	3070	0.02
707576	Stewart West	249	3450	390	120	916	119	449	103	4.26	85.1	11.3	58	10.5	29	3.78	22.4	3.29	101	1340	2220	
707615	Stewart West	119	3392	388	136	848	100	342	71.8	3.39	46.7	5.7	26.7	4.6	12.4	1.72	10.9	1.74	122	716	395	
707668	Stewart West	209	10470	334	49	782	101	380	89.8	4.42	62.4	9.1	48.6	9.5	28	4.1	27.3	4.71	397	2160	3900	
202186	Strange Lake	2740	23000	793	3220	1860	197	710	167	11.7	224	61.9	487	124	422	75.5	533	76.5	718	537	66.4	0.42
202511	Strange Lake	1870	24800	760	3430	1780	181	568	109	6.78	115	35.9	323	89.8	351	70.7	532	78.9	747	408	69.2	0.32
707801	Strange Lake	8740	28780	1160	5740	2950	321	1390	370	32.2	582	177	1480	364	1210	187	1120	148	600	1630	198	
362627	Strange West	247	377	1440	155	2910	327	897	161	3.34	96.7	12.6	58.4	9.1	21.6	2.76	15.5	1.91	12.2	806	259	0.52

Assays performed by Actlabs of Ancaster, Ontario using the Delayed Neutron Count Method (DNC) and Fusion-XRF finish. A value of 10,000 ppm is the equivalent of a concentration of 1% of the metal.

Table 2 – REE Metal Oxides, Principal Uses and Prices

Metal Oxide	Principal Uses	Price US\$/ kg
Lanthanum Oxide 99% min	Re-chargeable batteries	8.50 - 9.00
Cerium Oxide 99% min	Catalysts, glass, polishing	4.70 - 4.90
Praseodymium Oxide 99% min	Magnets, glass colourant	31.80 - 32.70
Neodymium Oxide 99% min	Magnets, lasers, glass	32.50 - 33.00
Samarium Oxide 99% min	Magnets, lighting, lasers	4.25 - 4.75
Europium Oxide 99% min	TV colour phosphors: red	470.00 - 490.00
Terbium Oxide 99% min	Phosphors: green, magnets	720.00 - 740.00
Dysprosium Oxide 99% min	Magnets, lasers	115.00 - 120.00
Gadolinium Oxide 99% min	Magnets, superconductors	10.00 - 10.50
Yttrium Oxide 99.999% min	Phosphors, ceramics, lasers	15.90 - 16.40
Lutetium Oxide 99.99% min	Ceramics, glass, phosphors and lasers	Up to 2,000 / kg
Thulium Oxide 99.99% min	Superconductors, ceramic magnets, lasers, X-ray devices	Up to 3,000 / kg

Source: Metals-Pages, October 2008

Quality Control

Peter Cashin, P. Geo., is the qualified person on the George River Project under National Instrument 43-101 and was responsible for this news release. Material for analysis has been obtained from grab samples from outcrop and boulders. A strict QA/QC program is followed which includes the use of elemental standards, duplicates and blanks. Analyses were performed by Activation Laboratory Limited of Ancaster, Ontario.

The 1983 historical mineral resource estimate referred to in this press release was prepared before the introduction of National Instrument 43-101. No qualified person has done sufficient work to classify this historical resource estimate as current mineral resources or mineral reserves. Accordingly, Quest is not treating the historical resource estimate as current mineral resources or mineral reserves, as

defined in National Instrument 43-101, and the historical resource estimate referred to in this press release should not be relied upon.

In separate news, Quest announces that Nebu Resources Inc. has decided to terminate its Letter Agreement (see Press Release – June 12, 2008) covering Quest’s George River properties, effective March 31, 2009. The decision was motivated by the difficulties in raising exploration funds in the current economic climate.

About Quest Uranium

Quest Uranium Corporation is a Canadian-based, exploration company focused on the identification and discovery of new world-class uranium and REE 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 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 continues to identify new, high-potential project opportunities throughout North America.

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Figure 1 – George River Project REE Occurrence Location Map, George River area, Québec

