



## **QUEST MOBILIZES EXPLORATION CREWS, PREPARES FOR DIAMOND DRILLING AT THE STRANGE LAKE RARE EARTH PROJECT, NORTHEASTERN QUÉBEC**

### ***Highlights:***

- *Exploration crews have mobilized to the Strange Lake project area to commence follow-up work of known high-grade REE targets*
- *Work will focus on expanding the Strange Lake deposit and to undertake detailed sampling and geological mapping of four additional priority targets within a 10 km radius of Strange Lake*
- *Quest completed a detailed exploration data compilation of the Strange Lake deposit area which will be used for exploration planning*
- *Preparatory work for a 5,000-m diamond drilling program of the Strange Lake REE deposit and of other high-priority targets on the property has commenced*
- *Quest recently completed a 900-km airborne geophysical survey to identify additional REE targets to the west of Strange Lake and over the Corporation's Misery Lake property, 120 km to the south of Strange Lake*

**Toronto, July 21, 2009 - Quest Uranium Corporation (TSX-V : QUC)** is pleased to announce that ground crews have been mobilized to the Strange Lake project area to commence exploration for Rare Earth Elements (REE) on its extensive landholding in northeastern Québec and western Labrador. The program is intended to confirm the historical Iron Ore Company of Canada (IOC) resource estimate for the property and to evaluate additional high-grade REE occurrences discovered by Quest crews in 2008. Preparatory work has also commenced to complete a diamond-drilling program over the Strange Lake deposit with the objective of undertaking a 43-101 Preliminary Resource Estimate of known mineralization. In addition, diamond drilling of new REE prospects at Strange Lake and on the Corporation's Misery Lake property, 120 km to the south, will be completed during the program. The program is well-financed, with the Corporation having recently completed a \$1.5-million equity financing and a \$600,000 flow-through share private placement. The area of exploration interest is located 175 km north-east of Schefferville, Québec and 125 km west of the Voiseys Bay nickel-copper-cobalt deposit, currently being mined by Vale in eastern Labrador.

"We are very excited about the Strange Lake project's prospect for hosting economic REE resources and the potential of discovery of additional deposits on the property," said Peter J. Cashin, Quest's President and CEO. "Our program objectives include definition drilling of the Strange Lake deposit in order to complete a preliminary 43-101 resource estimate, to evaluate the resource potential of additional REE discoveries on the Strange Lake property and to test high-

potential REE targets identified elsewhere in the George River belt. We look forward to the steady flow of good news from the project as Quest crews advance the objectives of our exploration strategy for the region.”

### Project Summary

Quest previously reported (*see* Press Release – November 20, 2008, April 7, 2009) 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 Strange Lake claim block (Stewart West prospect, 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 (Y<sub>2</sub>O<sub>3</sub>) and Total Rare Earth Element oxides (TREO) of up to 4.35%**. Individual uranium (U<sub>3</sub>O<sub>8</sub>) and zirconium (ZrO<sub>2</sub>) analyses of **up to 0.36% and 1.34%, respectively**, were also returned from sampling of the granite. The individual analyses, although of a preliminary nature, compare favourably with known Canadian REE resources, namely our Strange Lake REE-Zr-Y-Nb deposit and Avalon Ventures’ Thor Lake REE-Zr-Y-Be (beryllium) deposit in the 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 addition, **Quest holds the Québec portion of the Strange Lake REE-Zr-Y-Nb-Be deposit** originally 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% ZrO<sub>2</sub>, 0.56% Nb<sub>2</sub>O<sub>5</sub>, 0.66% Y<sub>2</sub>O<sub>3</sub>, 0.12% BeO and 1.30% TREO**). Quest’s new REE discovery lies approximately 10 km northeast of the Strange Lake deposit.

Quest recently commissioned Dr. Eva Schandl, of GeoConsult Limited, to complete a preliminary mineralogical study of the REE-bearing samples collected from the Stewart Lake area. 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

### Current Exploration Plans

Quest exploration crews mobilized to the Strange Lake area on July 6, 2009 and will be undertaking an extensive, multi-faceted airborne geophysical, reconnaissance mapping, rock sampling and a 5,000-m diamond drilling program during the summer exploration period.

A program of 900 line-km of high-resolution airborne radiometric and magnetic geophysics was completed in early July by MPX Geophysics of Richmond Hill, Ontario. The survey results, obtained to the west of the Strange Lake deposit and over targets on the Misery Lake property to the south, will be used by prospecting crews to identify and evaluate new REE targets.

In addition, Quest contracted Geologica Groupe-Conseil Inc. of Val d'Or, Québec, to complete a digital compilation of all exploration data, including historical drilling, of the Strange Lake deposit area. The compilation information will also be used in rendering a 3-D geological model of the REE deposit and for exploration planning. Detailed mapping and sampling of the surface expression of the Strange Lake deposit and other known REE occurrences on the property will also be completed. The results from this preparatory work will be used to optimize diamond drill targeting and to aid in establishing the Strange Lake deposit definition-drilling pattern.

### **Quality Control**

Mr. Peter Cashin, P. Geo., is the qualified person on the Strange Lake 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 undertaken 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 it has terminated its exploration agreement with Midland Exploration Inc. on the James Bay Uranium Project, Québec, effective immediately. Quest would like to thank Midland for the opportunity to evaluate their James Bay uranium property.

### **About Quest Uranium**

*Quest Uranium Corporation is a Canadian-based, exploration company focused on the identification and discovery of new world-class uranium and Rare Earth 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 Strange Lake area of northeastern Québec, the Kenora area of northwestern Ontario and the Plaster Rock area of northwestern New Brunswick. Quest continues to pursue high-value project opportunities throughout North America.*

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

