

URSA Major Minerals Incorporated

Press Release

UMJ – TSX Venture Exchange



August 18, 2006

URSA Major Minerals Incorporated announces that North American Palladium Ltd. has terminated option agreements on the Shakespeare and Porter Baldwin properties, Sudbury area, Ontario

URSA Major Minerals Incorporated (URSA Major) announces that it has received notice from North American Palladium Ltd. (NAP) that Lac des Iles Mines Ltd., a subsidiary of NAP, is terminating its option agreements on the company's Shakespeare and Porter Baldwin properties located west of Sudbury, Ontario.

At the Shakespeare nickel-copper project, URSA Major is in the process of permitting an open pit mine and 4,500 tonne per day concentrator. The company completed a positive full feasibility study on this project in January 2006 and is currently advancing the property toward a production decision. URSA Major is particularly encouraged by recent strong base metal prices which continue to improve the economic fundamentals for the project.

The exploration and permitting on the Shakespeare property is proceeding on the basis of a joint venture between URSA Major and Falconbridge Limited (Falconbridge) with URSA Major as the project operator. URSA Major has approximately an 86% interest in the Shakespeare property, which will increase to approximately 88% as result of the current programs. The Porter Baldwin property is 100% owned by URSA Major. With the termination of the option agreement, NAP will have no remaining ownership interest in the properties.

CONTACT: Dr. Richard Sutcliffe, P.Geo, President & CEO,
Or
Chris Chadder, C.A. CFO
Phone: 416-864-0615 Fax: 416-864-0620
info@ursamajorminerals.com
<http://www.ursamajorminerals.com/>

Gus Garisto, Investor Relations
Cell : 416-805-3106

Address: 8 King Street East, Suite #1300, Toronto, Ontario, Canada M5C 1B5

Symbol & Exchange: UMJ – TSX Venture Exchange (TSXV)

This release was prepared by management of the Company who takes full responsibility for its contents. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

Some statements contained in this release are forward-looking and, therefore, involve uncertainties or risks that could cause actual results to differ materially. Such forward-looking statements include comments regarding mining and milling operations, mineral resource statements and exploration program performance. Factors that could cause actual results to differ materially include metal price volatility, economic and political events affecting metal supply and demand, fluctuations in mineralization grade, geological, technical, mining or processing problems, exploration programs and future results of exploration programs, future profitability and production.

This press release is not for distribution to any U.S. news wire service or for dissemination in the United States.