

# URSA Major Minerals Incorporated

Press Release

UMJ – TSX



December 17, 2007

## URSA Major Minerals signs processing agreement with Xstrata Nickel, Sudbury area, Ontario

**URSA Major Minerals Incorporated (TSX – UMJ)** (“URSA Major”) is pleased to report that the Company has signed an agreement with Xstrata Nickel that provides for the further treatment of ore from the Shakespeare nickel deposit at Xstrata Nickel’s Strathcona Mill. URSA Major will resume shipments of ore to Xstrata as soon as possible in January 2008.

Xstrata Nickel has agreed to initially process another 50,000 tonne batch of ore from the Shakespeare property. The batching of ore through the mill is expected to take place on or about April 1, 2008, subject to confirmation of Xstrata Nickel’s milling schedule and weekly production profile.

Immediately after the batch sample, Xstrata Nickel has agreed to treat Shakespeare ore at the Strathcona Mill on a blended basis. The initial target blending rate is 500 tonnes/day and this may be increased. Xstrata will treat the blended ore for a period of at least 12 months with Xstrata Nickel giving 4 months notice of cancellation of treatment. The blended ore shipments are anticipated to commence on April 1, 2008.

“This is a significant agreement for the development of the Shakespeare deposit and for URSA Major” stated Richard Sutcliffe, URSA Major’s CEO “The batch ore processing in early 2008 will provide further data on recovery and deposit grade, while the subsequent ongoing ore blending will ensure steady cash flow. We can expect to process a minimum of 185,000 tonnes of ore in 2008, and possibly more. Based on the performance of the bulk sample processed in 2007, it is expected that ore processed in 2008 should produce contained metals in concentrate of approximately 1,000,000 lbs of nickel, 1,500,000 lbs of copper, 50,000 lbs of cobalt and 3,200 ounces of precious metals. This processing arrangement will provide the opportunity for significant cash flow to be realized in 2008 and well into 2009.” The recovered and contained metals are subject to smelter recoveries and to further smelter deductions.

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**Symbol & Exchange:** UMJ – TSX

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