



April 23, 2008

## URSA Major Minerals updates Shakespeare Nickel Mine/Mill feasibility study and increases after-tax IRR to 22.6% and project NPV to C\$73.3 million

URSA Major Minerals Incorporated (URSA Major) is pleased to announce an update to the feasibility study for the company's Shakespeare nickel, copper, platinum group metal project located 70 km west of Sudbury, Ontario. The update study was managed by Micon International Limited (Micon) of Toronto to take into account changes in metal price outlook, marketing of separate nickel and copper concentrates, a treatment and refining contract, and escalation of capital and operating costs since the original feasibility study was published in January 2006. Micon evaluated a base case of an open-pit mine and 4,500 tonne/day on-site concentrator for the Shakespeare project at the feasibility level of accuracy. In Micon's opinion "**the Shakespeare project contains an economic mineral reserve and is worthy of continued development through detailed engineering and construction to produce 4,500 t/d of ore mining and subsequent concentrate for sale.**"

Using exchange rate and conservative metal price assumptions defined below, **the project is projected to yield a pre-tax internal rate of return (IRR) of 29.1% and an after-tax IRR of 22.6%, which is a 56% increase over the original feasibility study. The undiscounted after-tax total cash flow (NPV) is C\$169,581,000 (increase of more than 100% over original feasibility) and the after tax NPV discounted at 8% is C\$73,297,000 (increase of more than 175% over original feasibility).** Net revenue (NSR) is \$58.89/tonne and totals C\$696,331,000 for the project. Total operating cost is C\$26.64/tonne milled. The project has a 7.2 year mine production life and an initial total capital cost of C\$148,193,000 (increase of 25% over original feasibility).

The updated feasibility study defines a diluted **Probable Reserve of 11,824,000 tonnes grading 0.33% nickel, 0.35% copper, 0.02% cobalt, 0.33 g/t platinum, 0.36 g/t palladium and 0.18 g/t gold.** This reserve is an increase of more than 500,000 tonnes over the reserve reported in the original feasibility study. The mineral reserve is to a maximum depth of 250 metres below surface and was determined by applying an C\$12.84/tonne NSR internal cut-off value which is derived from the sum of the milling and G&A costs. An **additional Indicated Resource of 1,832,000 tonnes grading 0.37% nickel, 0.41% copper, 0.03 % cobalt, 0.36 g/t platinum, 0.39 g/t palladium and 0.22 g/t gold** at an NSR cut off of CDN\$50/tonne is located outside of the pit shell. The majority of this material is down plunge to the east of the pit shell.

The economic analysis makes the conservative assumption of a reversion of metal prices from current levels to their 10-year historical median Canadian dollar prices, expressed in 2007 terms. Current price levels are assumed to regress exponentially toward the median, with a 'decay' half-life of three years. The resulting average prices over the life of the project, expressed in 2007 dollars, are nickel US\$9.37/lb, copper US\$2.11/lb, cobalt US\$27.57/lb, platinum US\$995.52/ounce, palladium US\$342.49/ounce, gold US\$563.27/ounce. The base exchange rate for the economic analysis is taken from the average of over 9 months of 2007, for a C\$/US\$ rate of 0.9052.

"The amended feasibility results are significant because they project a robust economic model for the mine and mill development" stated Richard Sutcliffe, URSA Major's President and CEO, "In the next few months we will be focusing on hauling ore to the Strathcona mill for processing, while advancing the site infrastructure and engineering."

URSA Major has received all of the major permits required to proceed with the Shakespeare Nickel Mine and Mill Project. In 2007, URSA Major completed the mining of a 50,000 tonne bulk sample that was successfully processed at Xstrata Nickel's Strathcona mill. The Company has recently completed the mining of a second 50,000 tonne sample for campaign milling. This ore is currently at the Strathcona mill for processing. URSA Major intends to mine on a continuous basis at a minimum rate of 500 tonnes per day from Shakespeare starting in June 2008.

National Instrument 43-101 - Mr. T. Hennessey, P.Geo, of Micon and Mr. E. Puritch P.Eng. of P&E Mining Consultants Inc. are the qualified persons for the resource and reserve estimates and Mr. Ian Ward, P.Eng. of Micon is the qualified person for the feasibility study. The feasibility addendum including sensitivity studies will be posted on SEDAR within 30 days.

**CONTACT:** Dr. Richard Sutcliffe, President & CEO  
Or  
Chris Chadder, C.A., CFO  
Phone: 416-864-0615 Fax: 416-864-0620  
[info@ursamajorminerals.com](mailto: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

**This release was prepared by management of the Company who takes full responsibility for its contents. The TSX 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.**