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News Release

Etruscan Diamonds Regains Control of Tirisano Mine in South Africa

Halifax, Nova Scotia, September 19, 2007 – Mountain Lake Resources Inc. (TSX-V: MOA) (“Mountain Lake” or the “Company”) is pleased to announce that Etruscan Diamonds (Pty) Ltd. (“Etruscan Diamonds”) has reached an agreement with Mvelaphanda Exploration (Pty) Ltd. (“Mvelaphanda Exploration”) to acquire Mvelaphanda Exploration’s 50% interest in the Tirisano Diamond Mine located in the Ventersdorp Alluvial Diamond District of South Africa. Etruscan Diamonds owns the remaining 50%. The Tirisano Diamond Mine is located adjacent to the Hartbeesglaate property where Etruscan Diamonds is presently undertaking a pre-feasibility study. Mountain Lake holds a 17.2% ownership interest in Etruscan Diamonds and Etruscan Resources Inc. (TSX: EET) holds a 50.9% ownership interest in Etruscan Diamonds.

Strategic Significance of the Acquisition of the Tirisano Diamond Mine

Having control of the Tirisano Diamond Mine operation and surrounding Nooitgedacht property will allow Etruscan Diamonds to consolidate the development of the significant diamond resources on the Nooitgedacht property with those on the adjacent Hartbeestlaagte and Zwaartrand properties. The project on the combined properties will be known as the “Blue Gum Project”. (See figure 1).

A National Instrument 43-101 compliant independent technical report dated January 29, 2007 prepared by Dr. Tania Marshall of Explorations Unlimited estimated the in situ inferred diamond resources on the Hartbeestlaagte property to be 16.2 million cubic meters at an average grade of 3.18 carats per hundred cubic meters (approximately 500,000 carats). Contract mining, bulk sampling and drilling activities are currently underway to upgrade this National Instrument 43-101 inferred resource into the indicated category. A National Instrument 43-101 compliant independent technical report dated August 13, 2003 by RSG Global estimated the in situ indicated diamond resources on the Nooitgedacht property to be 12.3 million cubic meters at an average grade of 2.8 carats per hundred cubic meters. As a result of this acquisition, the resource calculations on the Nooitgedacht property, where the Tirisano Mine is located, will now be updated and included as part of the pre-feasibility study now underway.

Work will commence immediately to restart the Tirisano plant to provide additional processing capacity for the bulk samples from the Hartbeestlaagte and Nooitgedacht properties as part of the pre-feasibility work. Upon successful completion of the pre-feasibility study, a public offering is planned together with an application for a stock exchange listing in order to advance the Blue Gum Project to full scale production.

Kevin MacNeill, the President of Etruscan Diamonds Limited, stated:

“We are delighted to have reached an agreement with Mvelaphanda Exploration to acquire their interest in the Tirisano Diamond Mine and surrounding Nooitgedacht property. Development of the three properties together as the “Blue Gum Project” provides the economies of scale to deliver a very robust project. The additional processing capacity provided by the Tirisano plant over and above the newly purchased pan plant will allow us to double the amount of bulk sample gravels being processed as part of the pre-feasibility study to 100,000 cubic meters per month. This will be the first phase of the project which we estimate will be completed by February 2008. The second phase, to be funded with the proceeds from the planned initial public offering by Etruscan Diamonds Limited in the spring of 2008, will incorporate the existing DMS plant at Tirisano into a new plant that will increase processing throughput to 260,000 cubic meters per month.”

Background on the Tirisano Diamond Mine

Over the last five years, Etruscan Diamonds has been acquiring strategic properties in the Ventersdorp and Lichtenburg alluvial diamond districts, located approximately 150 kilometers and 200 kilometers respectively west of Johannesburg, South Africa. The Tirisano Diamond Mine represented the first phase of development for the Ventersdorp group of properties. A National Instrument 43-101 compliant independent resource estimate for the Tirisano Diamond Mine was completed in August 2003 by RSG Global (Pty) Limited of Johannesburg, South Africa. RSG calculated the in situ indicated diamond resources to be 12.3 million cubic meters at an average grade of 2.8 carats per hundred cubic meters (350,000 carats). Total diamond production from the Tirisano Diamond Mine up to the end of November 2005 was in excess of 23,000 carats.

The Tirisano Diamond Mine was initially operated by Etruscan Diamonds. In May 2004, Etruscan Diamonds entered into an agreement with Mvelaphanda Exploration to facilitate the expansion of the Tirisano Diamond Mine and Mvelaphanda Exploration became the operator of the Mine. In June 2005, Mvelaphanda Exploration earned a 50% interest in the Tirisano Diamond Mine by commissioning a plant with a design capacity of 300 cubic metric tons per hour throughput and a 50/50 joint venture between Etruscan Diamonds and Mvelaphanda Exploration was formed with Mvelaphanda Exploration continuing as operator. The plant consists of a screening and scrubbing circuit with a dense media separation plant. This plant, in its present configuration, can efficiently treat 50,000 cubic meters per month. During its period of operatorship, Mvelaphanda Exploration incurred capital and net operating expenditures of in excess of CDN\$13million.

Until the fall of 2005, the recovered grade from operations was consistently below the average forecast grade (2.8 carats per hundred cubic meters) because a large volume of uneconomic gravel was processed. In the fall of 2005 mining activities progressed into the deeper gravel packages. During the month of November 2005 the grade of diamonds averaged 2.95 carats per hundred cubic meters and the last 3,200 cubic meters of gravel processed averaged 5.4 carats per hundred cubic meters. However, as a result of the period over period operating losses and the low rand/dollar exchange rate the operation was placed on care and maintenance at the end of November 2005. During this period geological work was completed to better understand the geological model. This work resulted in the identification of three distinct gravel packages; the upper gravel package (“UGP”), the pebbly-clay package (“PCP”) and the lower gravel package (“LGP”). (See figure 2).

Past production results indicate that the PCP gravels are sub-economic and should be treated as waste. Production records during the final month of operation in November of 2005 showed a clear and significant increase in grade as the mining progressed into the lower gravel package (the final feed graded in excess of five carats per hundred cubic meters). The new geological model generated through bulk sampling and drilling during this period demonstrated that a large volume of the PCP gravels were sub-

economic and should have been classified as waste. In the last 10 months of operation, in excess of 80% of the throughput consisted of the sub-economic PCP gravels. With the benefit of the new geological model and recognition of ore versus waste in the gravel packages, grade control can now be managed in the pits.

Past mining operations at the Tirisano Diamond Mine provided consistent and reliable data with respect to the value of the diamonds. Diamond sales averaged US\$489 per carat over the period 2003 to 2005 and during the last year of operation averaged US\$566 per carat. The high value of the diamonds is attributable to the average stone size and the high quality of the stones.

It is anticipated that mining operations at Tirisano will recommence in early 2008 after the completion of the bulk sampling of the Hartbeestlaagte gravels. The plant facility has remained in good condition and minimal capital expenditures are expected in order to recommence operations. The pits have continued to be dewatered for purposes of facilitating a subsequent restart of operations. As a result of the prior mining, it is expected that limited additional stripping will be required and better recovered grades are forecast as a result of the exposure of the higher-grade diamondiferous LGP gravel package at the lower levels. (See figure 2).

Hartbeestlaagte Property

The Hartbeestlaagte property is adjacent to the Nooitgedacht property where the Tirisano Mine is located. An independent National Instrument 43-101 resource estimate for the Hartbeestlaagte property completed by Dr. Marshall in January, 2007 estimated the inferred diamond resources to be 16.2 million cubic meters of gravels at an average grade of 3.18 carats per hundred cubic meters (approximately 500,000 carats) at an average sales value of USD\$400 per carat of actual sales of recovered diamonds. The National Instrument 43-101 report confirms that, in addition to the inferred resource, a large area of exploration potential exists including an indefinable volume of material that is located below the present drilling level in the large sink holes existing on the property. Drilling to date has been limited to a vertical depth of 117 meters in these areas. Geophysical modeling is unable to identify the base of the bedrock in these structures with any accuracy nor has the drill program penetrated these thick gravels. As a result, it has not been possible to estimate what volume of gravel might exist, though it is expected to be substantial.

In accordance with the recommendations in the National Instrument 43-101 report, Etruscan Diamonds is undertaking additional drilling and sampling to upgrade the currently identified inferred resources to the indicated category. Further drilling and bulk sampling is also being undertaken to identify additional inferred resources and further exploration potential. Concurrently with the indicated resource study, a preliminary feasibility study is being completed to convert the indicated resources into probable reserves.

Etruscan Diamonds has commissioned the construction and delivery of a new 50,000 cubic meter per month bulk sampling plant to assist with the pre-feasibility study work. The plant consists of four 16 foot pans, two 2.5 x 6 meter scrubbers and two X-ray units. The pans will do the primary concentration and the pan concentrate will be conveyed to a DMS feed surge bin. The pan concentrate will then be pumped from the bin to the existing Bateman DMS located at the Tirisano Diamond Mine for secondary concentration. The DMS concentrate will be sent to the final recovery units for final sorting in a glove box. This configuration will upgrade the capacity of the plant to handle more volume as compared to a conventional washing and screening/DMS set up.

Acquisition Agreement Terms

Mvelaphanda Exploration has agreed to transfer its 50% interest in the Tirisano Diamond Mine Joint Venture to Etruscan Diamonds in consideration for the payment of R25 million (approximately CDN\$ 3.7 million) and the delivery to Mvelaphanda Exploration of R25 million worth of shares of Etruscan Resources Inc., the exact number to be determined based on the 20 day volume weighted average trading price of the shares of Etruscan on the Toronto Stock Exchange immediately prior to closing. The acquisition is expected to close in early October.

BEE Partner

Etruscan Diamonds has also reached an agreement in principle with Mogopa Minerals (Pty) Ltd. (“Mogopa”) to transfer a 26% interest in the Tirisano Diamond Mine to Mogopa in consideration for the payment of R26 million. Mogopa will replace Mvelaphanda Exploration as the entity providing the black economic empowerment for the project as required by South African mineral legislation. Mogopa is also Etruscan Diamonds’ Black Economic Empowerment partner on the Hartbeestlaagte and Zwartrand properties. Mogopa has accepted an indicative term sheet from the Industrial Development Corporation of South Africa Limited (“IDC”) to finance Mogopa’s acquisition of the 26% interest in the Tirisano Mine Joint Venture. Etruscan Diamonds has also accepted an indicative term sheet from the IDC to provide an additional R25 million to fund additional working capital requirements to reactivate the Tirisano Mine. These financings are subject to approval by the IDC’s credit committee. It is anticipated that the Mvelaphanda Exploration acquisition and Mogopa sale will be cash neutral to Etruscan Diamonds.

Diamond Asset Restructuring

Earlier this year Etruscan Resources and Mountain Lake completed the formation of a new company named Etruscan Diamonds Limited (“EDL”) to hold their respective interests in their diamond assets in South Africa. Each of Etruscan and Mountain Lake, together with other third parties, transferred all of their interests (both debt and equity) in Etruscan Diamonds for shares of EDL.

In March of this year EDL successfully completed a CDN\$11 million private placement financing. The proceeds of the private placement are being used primarily to continue the exploration program and undertake the pre-feasibility study on the Hartbeestlaagte property.

Ventersdorp Diamond District

The Ventersdorp Diamond District covers approximately 5,000 km² and mining of alluvial diamonds has been carried out in the district since 1904. Total reported production from the Ventersdorp District during the period 1926 to 1984 is estimated at 667,000 carats. Etruscan Diamonds holds the dominant land position in the Ventersdorp District with two mining permits and 17 prospecting permits with applications for 5 additional prospecting permits pending. Etruscan Diamond’s efforts to prioritize its land holdings in the Ventersdorp District have been assisted by the results of an airborne gravity survey conducted over an area of approximately 4,000 km². The survey was conducted by Bell Geospace Ltd. of Aberdeen, Scotland and identified a number of prospective sinkhole features. Large sinkhole features in the Ventersdorp District are known to be associated with diamondiferous gravels.

Robert Harris P. Eng and Vice President of Operations of Etruscan Resources Inc. is the Qualified Person overseeing the diamond projects in South Africa.

About the Mogopa Community

The Mogopa community, through their trust, created the company Mogopa Minerals (Pty) Ltd. to oversee all mining related interests for the community. The community has about 350 families and is located in

the vicinity of the mining area indicated in figure 1. Etruscan Diamonds and the Mogopa community have shared a long positive working relationship. This relationship made it possible for the creation of the current sustainable farming projects on community land.

About Mountain Lake Resources Inc.

Mountain Lake Resources Inc. (TSX-V: MOA) is a diversified junior mining and exploration company whose corporate strategy is to build shareholder value through the exploration and development of economically viable mineral properties. Current projects include: a 100% interest in the Bobby's Pond Base Metal Project; the Valentine Lake Gold Project, in which Richmond Mines Inc. is earning a 70% interest; and a 17.2% stake in Etruscan Diamonds Limited, a producing diamond miner in South Africa. For more information visit: www.mountain-lake.com

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ON BEHALF OF THE BOARD OF DIRECTORS

s/“Gary Woods”

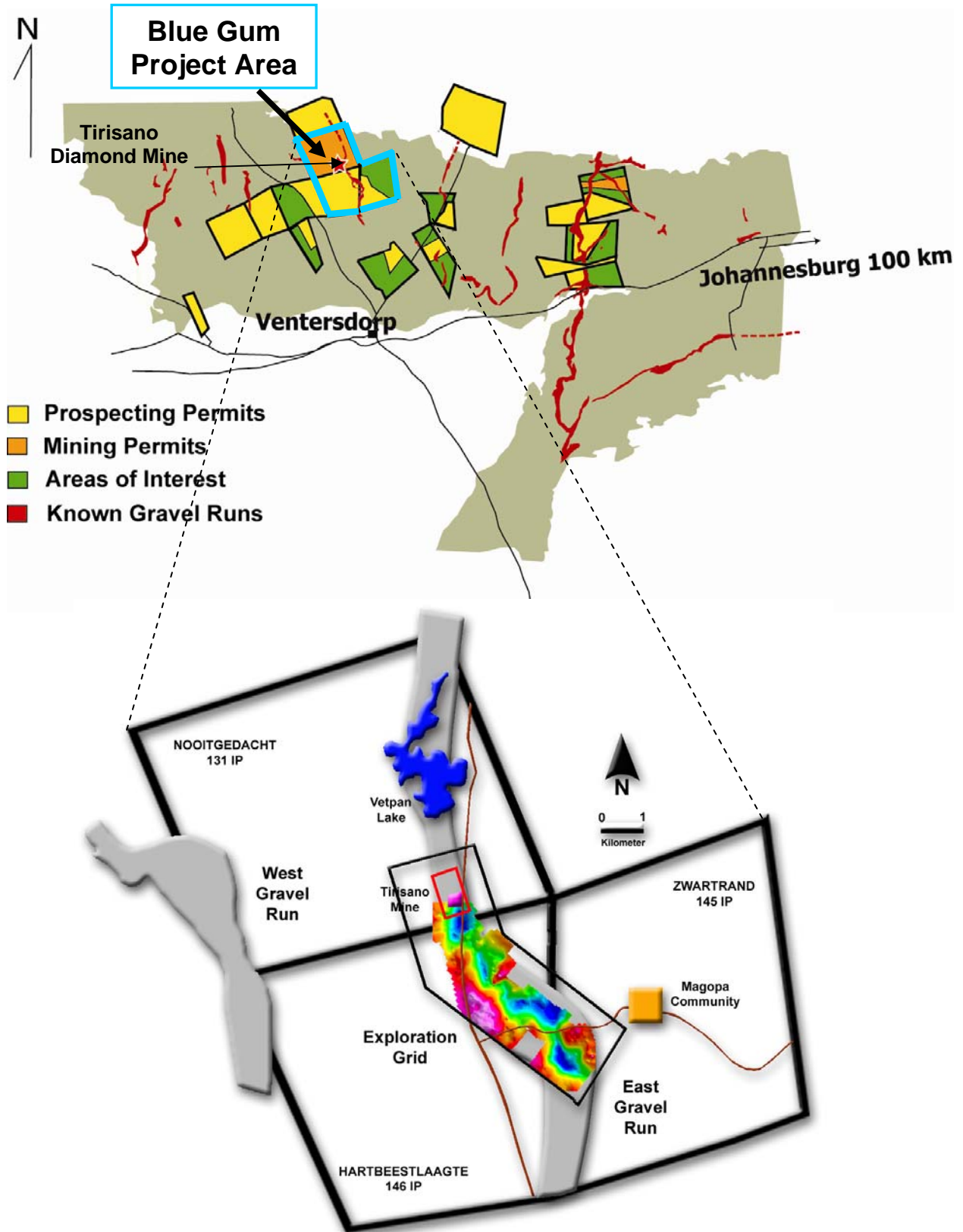
President & CEO

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THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE CONTENT OF THIS NEWS RELEASE.

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Figure 1
September 19, 2007
Blue Gum Project



ETRUSCAN RESOURCES INC.
Figure 2
September 19, 2007
Gravel Stratigraphy at Tirisano Pit
Highest Grades Have been Established in
“LGP” Gravel Package

