



Mountain Lake Resources Inc.
Purdy's Wharf, Tower 1
1700-1959 Upper Water Street
Halifax, NS, B3J 3N2
Tel.: 604.839.6946

News Release

Mountain Lake Signs Letter of Intent to Sell Bobby's Pond Base Metal Deposit in Central Newfoundland

Transaction will see Bobby's Pond and other significant base metals assets in the Buchans Area consolidated into one publicly traded company

Halifax, Nova Scotia, December 13, 2011 – Mountain Lake Resources Inc. (TSX-V: MOA) ("Mountain Lake" or the "Company") is pleased to report it has entered into a letter of intent (the "MOA LOI") with SG Spirit Gold Inc. (TSX-V: SG) ("SG") to sell its 100% interest in its Bobby's Pond base metals project ("Bobby's Pond") in exchange for common shares of SG, a cash payment of \$100,000 and a 0.5% Net Smelter Royalty, pursuant to the terms and conditions outlined below (the "MOA Transaction"). Bobby's Pond is located in the Buchans area of central Newfoundland.

Concurrent with the MOA Transaction, SG has entered a letter of intent (the "BMC LOI") with Buchans Minerals Corporation (TSX-V: BMC) ("Buchans") to acquire 100% of the Buchans property, inclusive of the Lundberg deposit, the Daniels Pond deposit, and the 49% interest in Tulks Hill deposit, all of which are located near Buchans, Newfoundland (collectively, the "Buchans Property") in exchange for 50% of the issued and outstanding common shares of SG and pursuant to the terms outlined below (the "Buchans Transaction").

SG Spirit Gold is a TSX Venture Exchange listed company led by the Exploration Group (EGM), a Vancouver based mining services company established by Mark Morabito who commented, "We have often considered the Buchans/Victoria Lake VMS belts as ripe for consolidation and we believe our partnership with Buchans Minerals provides us with the cornerstone assets to achieve this. Consolidating the PEA stage Lundberg project, as a centralized anchor asset, together with the high grade Daniels Pond and Bobby's Pond deposits as well as other surrounding satellite deposits, is a step towards developing a future base metals mining complex in Buchans, Newfoundland."

"We have long believed that area consolidation was the logical way to develop Bobby's Pond and the other known VMS deposits in the Buchans Camp," said Mountain Lake President & CEO Gary Woods. "This transaction gives us the opportunity to monetize value from a non-core asset while retaining an interest in the future potential of the consolidated company."

The following outlines the terms and conditions of the MOA LOI:

- In consideration for the transfer of 100% of Bobby's Pond to SG, upon closing, Mountain Lake shall receive:

- The number of common shares of SG representing 3.65% of the issued and outstanding common shares of SG following completion of the Financing;
 - A 0.5% Net Smelter Royalty on production from Bobby's Pond; and
 - A one-time cash payment of \$100,000.
- Certain conditions precedent to the closing of the transaction include:
- Satisfactory completion of customary due diligence within 21 days of execution of the MOA LOI.
 - SG to raise gross proceeds of at least \$12.5 million pursuant to a subscription receipt financing.
 - All necessary shareholder and regulatory approvals, including the approval of the TSX Venture Exchange, being received.
 - Entering into of Definitive Agreements between Buchans and SG and Mountain Lake and SG, respectively.

The following outlines the terms and conditions of the BMC LOI:

- In consideration for the sale of 100% of the Buchans Property to SG, upon closing, Buchans will receive:
- The number of common shares of SG representing 50% of the issued and outstanding common shares of SG following completion of the Financing (the "Payment Shares");
 - The number of share purchase warrants (the "Warrants") representing 1/5th of the Payment Shares. Each warrant will entitle Buchans to acquire one common share of SG at an exercise price that is at 33% discount to the issue price of common shares issued pursuant to the Financing for 36 months from the date of issuance;
 - A one-time cash payment of \$2.0 million (the "Upfront Payment"); and
 - The right to nominate up to 50% of the Board of Directors of SG, subject to certain conditions.

In addition, SG will be required to incur cumulative expenditures of at least \$7.5 million in connection with the development of the Buchans Property within a period of 24 months from the date of the definitive agreement to be entered by the parties upon completion of satisfactory due diligence pursuant to the BMC LOI.

NCP Northland Capital Partners Inc. ("NCP") will be paid by Buchans a success fee of 5% of the Upfront Payment. In addition, NCP will be entitled to receive from SG an amount of common shares of SG equal to 5% of the Payment Shares and an amount of Warrants equal to 5% of the Warrants issued to Buchans, subject to the approval of the TSX-V.

Full details of the Transaction will be included in the Definitive Agreement and Management Information Circular to be filed with the regulatory authorities and mailed to SG and Buchans' shareholders in accordance with applicable securities laws. It is anticipated that a special meeting of shareholders of each of SG and Buchans to approve the Transaction will be held in February 2012. The Transaction is being conducted entirely at arm's length.

Following completion of the Transaction, SG will be a fully financed, development stage Newfoundland focused base metal company with multiple VMS deposits with National Instrument 43-101 (“NI 43-101”) defined resources and several advanced stage exploration projects, including the development stage Lundberg Project and exploration stage Daniels Pond, Tulks Hill and Bobby's Pond deposits. The primary objective of SG will be the consolidation and advancement of a Buchans centered base metal complex. SG intends to undergo a name change in connection with the Transaction to reflect its new focus.

About the collective properties:

The following are highlights from a Preliminary Economic Assessment (“PEA”) conducted on the Lundberg deposit only; without including contributions from the higher grade satellite deposits that will be evaluated as SG moves toward completing a pre-feasibility study on the Buchans centered base metals complex:

- Development stage Lundberg Project with a positive Preliminary Economic Assessment completed by Wardrop Engineering, a Tetra Tech Company (“Wardrop”) (see Buchans Minerals press release dated June 29, 2011 for full details), a summary of which includes:
 - Pre-tax IRR of 43.94% and an NPV at a 6% discount rate of \$217.8 million on total life of mine (“LOM”) cash-flow of \$471.5 million.
 - Average operating costs for the first five years of the project are \$24.53 per tonne on net revenue of \$61.76 per tonne. This translates to a revenue to cost ratio of 2.5:1. For the 10 year LOM the average operating costs are \$23.79 per tonne on net revenue of \$52.95 per tonne for a revenue to cost ratio of 2.2:1.
 - Payback for the project is estimated at 1.5 years on initial capital of \$119.6 million and sustaining capital of \$32.4 million for total capital expenditures of \$152.0 million. Capital estimates includes \$10.2 million indirect costs, \$3.8 million owners costs and \$19.1 million contingency.
 - Average throughput of 5,000 tonnes per day, with a stripping ratio of 3.06 to 1, producing separate zinc, copper and lead concentrates with silver credits in both the lead concentrate and to a lesser degree the copper concentrate.
 - Average annual production of metal in the concentrate is estimated to be 27.1 million pounds of zinc (Zn), 5.5 million pounds of copper (Cu), 16.3 million pounds of lead (Pb) and 164.1 thousand ounces of silver (Ag).
 - The PEA is based on Inferred Mineral Resources, which are not Mineral Reserves and do not have demonstrated economic viability. Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is therefore no certainty that the conclusions of the PEA will be realized.

NI 43-101 defined resources on the Lundberg, Daniels Pond, Tulks Hill JV and Bobby's Pond deposits:

¹Lundberg & Engine House (NI 43-101 Compliant Resource) 1.0% Zn-Pb-Cu Cut-Off						
	Tonnes	% Zn	% Pb	% Cu	Ag g/t	Au g/t
Inferred	22,210,000	1.62	0.69	0.38	5.81	-
²Daniels Pond (NI 43-101 Compliant Resource) 2.0% Zn Cut-Off						
	Tonnes	% Zn	% Pb	% Cu	Ag g/t	Au g/t
Indicated	929,000	5.13	2.50	0.34	101.40	0.63
Inferred	332,000	4.61	2.13	0.30	85.86	0.53
³Tulks Hill (NI 43-101 Compliant Resource) 1.1% Cu Eq. Cut-Off						
	Tonnes	% Zn	% Pb	% Cu	Ag g/t	Au g/t
Indicated	431,000	3.97	1.61	0.89	35.09	1.17
⁴Bobby's Pond (NI 43-101 Resource) 2.0% Zn Cut-Off						
	Tonnes	% Zn	% Pb	% Cu	Ag g/t	Au g/t
Indicated	1,095,000	4.61	0.44	0.86	16.6	0.2
Inferred	1,177,000	3.75	0.27	0.95	10.95	0.06

¹ Lundberg Deposit Mineral Resource Estimate. Preliminary Economic Assessment on the Lundberg and Engine House Deposits, Newfoundland, Canada. Prepared for Buchans Minerals Corporation by Daniel Coley, P.Eng., Daniel Gagnon, P.Eng., Mike McLaughlin, P.Eng., Peter Webster, P.Geo., Doug Ramsey, R.P. Bio. (BC), Tetra Tech Wardrop. Effective Date: August 11, 2011. Resource Estimate modified from an Inferred Mineral Resource Estimate disclosed in: Technical Report on the Mineral Resource Estimate for the Lundberg and Engine House deposits Buchans Area, Newfoundland, Canada. Prepared for Buchans Minerals Corporation by Peter C. Webster, B.Sc., P.Geo., P. James F. Barr, B.Sc., Mercator Geological Services Limited. Effective Date: November 3, 2008.

² Daniels Pond Deposit Mineral Resource Estimate. Technical Report on the Daniels Pond Deposit and Property Holdings of Royal Roads Corp. Red Indian Lake Area, Newfoundland, Canada. Prepared for Royal Roads Corp. by Peter C. Webster, B.Sc., P.Geo., P. James F. Barr, B.Sc., and Raphael Cavalcanti de Albuquerque, B.Sc., Mercator Geological Services Limited. Effective Date: April 29th, 2008.

³ Tulks Hill Deposit Mineral Resource Estimate. Technical Report on the Tulks Hill Cu-Zn Project, Newfoundland Canada. Prepared for the Tulks Hill Joint Venture between Prominex Resources Corp (Operator) and Buchans River Limited, by Hrayr Agnerian, M.Sc. (Applied), P.Geo., Scott Wilson Roscoe Postle Associates Inc. Effective Date: July 22, 2008. Resource estimate uses a minimum 2 metre horizontal thickness of mineralization and is a sum of mineral resources within the T3 Lens of the Tulks Hill Deposit located above and below an existing adit.

⁴ Bobby's Pond Deposit Mineral Resource Estimate. Technical Report on the Bobby's Pond Cu-Zn Deposit, Newfoundland and Labrador, Canada. Prepared for Mountain Lake Resources Inc., by Hrayr Agnerian, M.Sc. (Applied), P.Geo., Scott Wilson Roscoe Postle Associates Inc. Effective Date: July 31, 2008.

Gary Woods, P. Geo, President & CEO of Mountain Lake is a Qualified Person as defined by NI 43-101 and has reviewed and verified the technical information contained in this news release.

About SG Spirit Gold Inc.:

SG Spirit Gold (TSX-V: SG) is a Vancouver based resource company in the business of acquiring and advancing Canadian mineral properties prospective for precious metals and base metals. The Company's management team and Board have extensive experience and success in the resource industry.

About the Exploration Group

The Exploration Group (EGM) is a Canadian company that provides administrative, management, geological, regulatory, tax, corporate development and investor relations services to mining companies throughout North America. EGM specializes in identifying, funding, developing and managing resource-based opportunities, with a special interest on the junior mining sector. With an office that is fully Sarbanes-Oxley compliant, EGM is vertically integrated with in-house geology, legal and corporate finance departments. EGM is focused on enhancing value to its growing portfolio of noteworthy public mining companies including SG Spirit Gold Inc., Alderon Iron Ore Corp., Crosshair Energy Corporation, Excelsior Mining Corp, Logan Resources Ltd. and Ridgemont Iron Ore Corp.

About Mountain Lake Resources Inc.

Mountain Lake Resources Inc. (TSX-V: MOA) is a diversified junior exploration company, whose corporate strategy is to build shareholder value through the exploration and development of economically viable mineral properties all located on the pro-mining island of Newfoundland. Mountain Lake's current projects include: a 50% interest in the Valentine Lake gold property under the joint venture with Marathon Gold Corp.; a 100% interest in the Glover Island gold exploration property (drilling in progress); an option to earn a 100% interest in the Little River gold-antimony exploration property; a 100% interest in the Bobby's Pond base metals property. For more information visit: www.mountain-lake.com

For corporate, media, or investor inquiries, please contact:

Greg Lytle, Communications Manager
 Mountain Lake Resources
 N. America toll-free: (866) 285-5817
 Int'l. & Vancouver: (604) 839-6946
 Email: info@mountain-lake.com

ON BEHALF OF THE BOARD OF DIRECTORS

s/“Gary Woods”

President & CEO

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