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**PRO-SPECT-OR SIGNS A LETTER OF AGREEMENT REGARDING THE ACQUISITION OF
100% INTEREST IN TWO URANIUM EXPLORATION PROPERTIES IN NORTHERN
QUEBEC AND WILL PROCEED WITH A PRIVATE PLACEMENT**

Pro-Spect-Or Resources Inc. (the "Corporation"), is pleased to announce that it has signed a letter of agreement regarding the acquisition of 100% interest in two uranium exploration target sites. The first site, known as the "**Kauschiskach Lake concession**" is composed of 151 claims, while the second site known as the "**Uskawanis Lake concession**" is composed of 248 claims. The two concessions are situated north-east and south-east of the town of Radisson, in the James Bay region of Northern Quebec.

Material terms of the agreement are as follows (all amounts are expressed in Canadian dollars).

In order to acquire the 100% interest in the two concessions, the Corporation shall make the following payment to the sellers:

- a binding cash payment of \$80,000 at the signature of the letter of agreement;
- an additional cash payment of \$320,000, no later than two days after: 1) having obtained, shareholders' approval for the transaction, if required; 2) the closing of a private placement for a minimum of \$1,000,000 at \$0.10 per unit; and 3) all the required regulatory approvals; and
- the issuance of 9,000,000 common shares of the Corporation to be divided between the seller and the group of investors who financed the staking of the claims by the seller. While all the shares to be issued will be subject to a 4 month hold period, the shares to be issued to the main sellers will be subject to a voluntary 24 month hold period. The shares to be issued to the other investors will become free trading gradually after four months, with 10% of these shares being free trading after 4 months and 4% of the issued shares becoming free every month thereafter.

The concessions will also be subject to the following Net Smelter Royalties ("NSR") to the seller:

- A two percent NSR on all metals except for uranium;
- A scaling NSR on the sale of uranium, whereby the seller will be entitled to a two percent NSR if the price of uranium is at \$40.00 a pound and the royalty will increase by one tenth of a percent for each dollar a pound over \$40.00 the price of uranium moves. The royalty will be payable monthly, based on the price of uranium the month prior.

The Corporation also agreed to pay a fee of \$112,500 to Services Conseils Sugarhill Capital Inc., payable through the issuance of 1,125,000 common shares of the Corporation, for services rendered with regard to the acquisition.

The transaction is made with parties that are non-related to the Corporation.

The letter of agreement is conditional and subject to approval by regulatory authorities. Further to the acquisition and its approval, the parties will proceed with the signature of a formal agreement and the titles of the claims will be transferred to the Corporation.

The Uskawanis Lake concession:

The following geological information has been extracted from a geological compilation report done by Mr. Marc Beaumier geol., in January 2007, concerning exclusively the title property.

The property is located in the northern part of the province of Quebec, more precisely in the James Bay area, some 180 kilometers south east of the town of Radisson, near Uskawanis Lake on the south shore of the Opinaca reservoir. The town of Radisson is the main infrastructure in the area and the closest road is 32 kilometers south west of the property.

The property is mainly located on 33C/08 NTS sheet, in the La Grande sub province, but overlays 33B/5 NTS sheets. The block is located 1 kilometer south of Kakukameskach Bay on Opinaca Reservoir. It is composed of one block containing 248 cells. It has 163 cells on 33C/8 and 85 cells on 33B/5 for a total of 132,6 square kilometres (13,260 hectares) and a perimeter of 81.3 kilometres.

Previous work done in the area:

Between 1973 and 1978, the *Société de développement de la Baie James* (SDBJ) conducted large-scale geochemical surveys (lake bottom survey) in the area under the supervision of C. Gleeson (geochemist). The property area falls between two different sampling years, 1974 and 1976.

Uranium in lake bottom sediments is an effective prospective tool, since uranium usually produces good contrast between the background and the anomalies. The surveys carried out in the James Bay area did just that, and numerous uranium showings were found. The price decline of uranium at the end of the 70's, brought an end to the exploration activities by SDBJ.

The sample density was of 1 sample per 9 square kilometres. The samples were gathered with a Hornbrook type lake bottom sampler. The samples were sieved so as to get the 177 micron fraction of the samples. They were sent to Metriclab Inc. near Montreal and analyzed. Sampling went on for numerous years under the supervision of M. Otis, M. Goyer and Y. Pelletier.

Geology of the concession:

The property area is just north of the Ruppert-Eastmain volcanic belt in the La Grande sub province (Simard,1998). Geological mapping of the area was conducted by Moukhsil (2000) on 33C/8 whereas the 33B/5 sheet was map by Simard and Gosselin (1998) at a scale of 1:250,000. No other mapping was carried out.

Lithology in the property area consists of the Uskawasis Pluton. The pluton is formed of three distinct geological units.

- Unit #1 is composed of a hornblend and magnetite bearing tonalite intrusions and pegmatite that does not show any deformation.

- Unit #2 is composed of porphyritic granodiorite with potassic feldspar phenocrysts. This unit is locally magnetic. It is also crosscutted by numerous families of pegmatitic to aplitic dykes.
- Unit#3 is composed of equigranular biotite bearing monzogranite with partially corroded plagioclase locally showing antiperitic texture. "This pluton is clearly a late stage with respect to the encompassing granodiorite and tonalite." (Simard, 1998)

The Kanipiskach fault re-cuts the area along a north easterly trend.

High uranium concentration in the lake sediments have been found on the Uskawanis property. The relative importance of the anomalous values observed in the lake sediments can be better explained by the following.

The average uranium concentration found in the lakes sediments samples was 24.2 ppm, while the overall background uranium concentration on the area was 3.2 ppm. Also of interest, the highest value observed on the property was 1,842.2 ppm.

These uranium concentrations are some two orders of magnitude greater than the general background in the area. Although there are similar rocks elsewhere there is a definite concentration of uranium in this area (Beaumier, 2007).

Rocks in the area are essentially granodiorites and pegmatites and may be the host of uranium bearing minerals which may not be of economical interest. Uranium concentrations exceeding the 120 ppm in the lake sediments could be observed in 6 different samples.

Anticipated work program:

Follow up work should include a radiometric survey accompanied by geological mapping should be carried out, whereby a hand scintillometer should always be available and operating.

This report is available for consultation at the offices of the Corporation.

The Kauschiskach Lake concession:

The following geological information has been extracted from a geological compilation report done by Mr. Marc Beaumier geol., in January 2007, concerning exclusively the title property.

The Property is located in the northern part of the province of Quebec, more precisely in the James Bay area, some 100 kilometres north east of the town of Radisson, near Lake Kauschiskach on the eastern shore of the LG-2 reservoir. The town of Radisson is the main infrastructure in the area with its airport, hospital, school, etc. Roads connecting Radisson to Kuujuarapik should eventually place property within 60 km of the town. The closest airport is less than 32 kilometers due south, just by the east-west portion of the Trans Taiga road in the town of Sakami (LG3).

The property is mainly located on 33K/01 NTS sheet, in the Bienville sub province. It is composed of 152 cells of which 119 cells are on 33K/01 sheet and 33 cells on the adjacent 33J/04. The property has a perimeter of 49 kilometers and a surface area of 76 square kilometers.

Previous work done in the area:

Between 1973 and 1978, the Société de développement de la Baie James (SDBJ) conducted large scale geochemical surveys (lake bottom survey) in the area under the supervision of C. Gleeson (geochemist). The property area samples were gathered in 1974.

Uranium in lake bottom sediments is an effective prospective tool, since uranium usually produces good contrast between the background and the anomalies. The surveys carried out in the James Bay area did just that, and numerous uranium showing were found. The price decline of uranium at the end of the 70's, brought an end to the exploration activities by SDBJ's.

The sample density was of 1 sample per 9 square kilometers. The samples were gathered with a Hornbrook type lake bottom sampler. The samples were sieved so as to get the 177 micron fraction of the samples. They were sent to Metriclab Inc. near Montreal and analyzed. Sampling went on for numerous years under the supervision of M. Otis and M. Goyer and Y. Pelletier.

Geology of the concession:

The property area is just north of the La Grande volcanic belt. It is in the Bienville sub province and consists of Archean rocks. Geological mapping of the area was conducted by Eade (1966) at a scale of 1:1,000,000. No other mapping was carried out. Lithology in the property area consists of felsic intrusions including granite, granodiorite, quartzitic, monzodiorite, quartzitic diorites and gneissic granites. Anomalous uranium concentrations were found in lake sediments from this area.

The Kauschiskach property is showing high uranium concentration in the lake sediments. These uranium concentrations are some two orders of magnitude greater than the general background in the area. Although there are similar rocks elsewhere there is a definite concentration of uranium in this area. Rocks in the area are essentially granitoids and may be the host of uranium bearing minerals which may not be of economical interest. Concentrations exceeding the 150 ppm could be observed in 5 different samples. What seem to be the type of mineralization which may be present is a vein type uranium mineralization associated with shear zones in the present case associated with granitoid rocks (see Ruzicka, V.; 1996). These mineralization usually found along long structural zones of high permeability, show either sodic alteration, feldspathization, chloritization, hematization or carbonatization. (M. Beaumier, 2007)

Anticipated work program:

Follow up work should include a radiometric survey accompanied by geological mapping should be carried out, whereby a hand scintillometer should always be available and operating.

This report is available for consultation at the offices of the Corporation.

The Corporation will mandate an independent Qualified Person who will prepare a Technical Report on the concessions as defined in National Instrument 43-101 in order to ensure that the Corporation's acquisition is in compliance with National Instrument 43-101.

Mr. Gilles Provost (Geologist), a director of the Corporation as review and approved the technical information contain in this press release.

In order to fulfill its obligation under the terms of the letter of agreement, the Corporation will proceed with a private placement for a minimum amount of \$1,000,000 and a maximum of \$1,250,000. The private placement will also have an over allocation allotment equal to 25% of the minimum amount to be raised under this private placement. The private placement will comprise of a minimum 10,000,000 units priced at \$0.10 per unit, 12,500,000 units if the maximum amount is raised and 15,000,000 units if the full over allocation is exercised. Each unit consists of one common share and one warrant. Each warrant will entitle the holder to purchase one share at \$0.18 during the first six months after the date of the closing, and at \$0.25 after that until twelve months after the date of the closing of the placement. Furthermore the warrants will be subject to an automatic conversion into common shares if the share price of the Corporation closes above \$0.30 for ten days, at any time during the twelve month period following the closing of the private placement. The common shares and warrants comprising the units are subject to a hold period of 4 months following the closing date.

Funds from the private placement will be used to finance exploration projects of the Corporation and general corporate purposes.

This press release contains certain "forward-looking statements," as identified in the Corporation's periodic filings with Canadian Securities Regulators that involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of the information presented in this release.

Source:

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