



Thursday, January 17, 2008
Prize to Resume Processing of Bulk Sample in Early 2008
Yellowjacket Zone, Atlin Gold Property, BC

Prize Mining Corporation ("Prize") (TSXV: PRZ) is pleased to provide an update on the progress of the plant development for gold extraction from the 10,000 tonne bulk sample (trial mining) program underway on its Atlin Gold Property, located in northwestern British Columbia (see news releases dated May 23, 2007 and August 30, 2007).



**Prize Mining Gravity Plant Supplied by
Knelson Gravity Solutions**

Processing of the stockpiled bulk sample piles (40 piles weighing 250 tonnes each) was temporarily suspended in October 2007 due to the early onset of winter and inefficiencies in crushing the talc-clay rich bedrock host. The processing was not suspended due to milling, metallurgical, mineralogical or grade control issues.

The initial test work to mitigate the talc-clay issue has now been completed and additional crushing tests are underway. These tests are anticipated to be complete by the end of January. Test work includes

running stockpiled gold-bearing rock through a scrubber and semi-autogenous (SAG) mill prior to implementing the standard crushing and milling procedures utilized in the past season by Prize Mining. The purpose of these additional tests is to allow a more efficient and faster process rate through the mill. Further news will be released once the test results have been received.

"I am very pleased to date with the tests that have been carried out over the winter season", stated Harry McGucken, President of Prize Mining. "We have not had any issues due to milling, metallurgical, mineralogical or grade control issues and, with the improvements to the inefficiencies to crushing the talc-clay rich bedrock, we will be able complete the program as originally planned when processing resumes in early spring."

Upon completion of the test work at SGS, a scrubber or SAG mill will be procured and processing of the remainder of the 10,000 tonne stockpile will be resumed. The 250 tonne blocks of bedrock test material are being processed through a well designed, state-of-the-art Knelson gravity processing plant. This plant utilizes three circuits of Knelson concentrators of different diameters to produce a high-grade gold concentrate

The current bulk sample program is designed to test the economic feasibility of the Yellowjacket Zone. During extraction of the 10,000 tonne bedrock bulk sample, Prize Mining took a series of two metre channel samples collected from the bedrock pit. This additional step is intended to mitigate the coarse grained and "nuggety" high grade gold concentration found, in an attempt to also provide the company with a preliminary NI 43-101 compliant resource estimate. The two metre long samples from the pit area range in gold grades from trace to 329.83 g/t (see News Release dated July 23, 2007). The nuggety nature of the high grade gold mineralization can be seen, not only by the grade variability (heterogeneity) but also by the large amount of gold found in the coarse (+150 mesh) fraction by metallics screening prior to assaying.

Past diamond drilling by Prize Mining on the Yellowjacket Zone has returned high grade gold assays. The extremely high-grade gold values underlie one of the richest placer gold channels in the Atlin region, and it is likely that the up dip projection of these gold intercepts in the bedrock are responsible for a portion of the spectacular gold nuggets mined nearby. Highlights of a diamond drill program in 2006 included intersections returning assay values of 853.29 grams per tonne gold over 2.62 metres and 11.49 grams per tonne gold over 21.45 metres (see News Releases dated February 3, 2005 and June 6, 2006).

The expected grades and net extraction of gold from the 10,000 tonne bulk sample (trial mining) program remains the same.

Ms. Linda Dandy, P.Geo., the project supervisor of Prize's trial mining program on the Yellowjacket Zone, is the corporations nominated "Qualified Person" for the purpose of National Instrument 43-101, responsible for monitoring the supervision and quality control of the programs completed within the Atlin Gold Properties. Ms. Dandy has reviewed and verified the technical information contained in this news release.

ON BEHALF OF THE BOARD OF
PRIZE MINING CORPORATION
"Harry McGucken"
Harry McGucken
President and CEO

Prize Mining Corporation is a Tier One Company listed on the TSX Venture Exchange (symbol: PRZ-V). The Company is exploring for Gold in the Atlin area of British Columbia, Canada and its Nickel-Copper-Palladium and Platinum project on the Muskox Layered Intrusion in Nunavut, Arctic Canada.

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