

ASX RELEASE

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KYLYLAHTI MINING LICENCE GRANTED

Vulcan Resources Limited ("Vulcan") (ASX: VCN, FSE: VUA, OTC: VCNR) is pleased to announce that it has been advised by the Ministry of Trade and Industry that the Mining Concession Application which covers the Kylylahti Mine area in Karelia, Finland has been granted.

Vulcan's Managing Director, Dr Alistair Cowden, said, "The old Mining Concession at Kylylahti that Vulcan inherited was too small in area for a modern mining operation. In 2006 Vulcan applied to extend the licence area to accommodate the facilities required for the expected long life of the Kylylahti Mine.

The grant of the Mining Concession marks a major milestone for the development of the project", said Dr Cowden.

The Kylylahti Definitive Feasibility Study is near complete and Vulcan expects that the results should be available next month.

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About Vulcan

Vulcan Resources Limited is a base and precious metals development and exploration company in Finland.

The Company's primary focus is the completion of a definitive feasibility study on its 100% owned Kylylahti copper-cobalt project located in eastern Finland which has a Resource of 7.85 million tonnes grading 1.17% copper, 0.24% cobalt, 0.22% nickel, 0.49% zinc and 0.70 g/t gold

A Definitive Feasibility study managed by SNC-Lavalin Australia is examining the construction of a 13 year underground mine, concentrator and Ni-Co concentrate processing plant.

The Kuhmo Nickel Project is 95% owned by Vulcan and has a Resource containing 38,000 tonnes of nickel metal and over 80,000 ounces of platinum and palladium.

Vulcan also has extensive iron-vanadium-titanium and nickel-copper projects in northern Finland.