

## News Release

# **APELLA DRILLS 93.66 METRES (307.28 FEET) 43.87 Fe<sub>2</sub>O<sub>3</sub>, 7.90% TiO<sub>2</sub>, 0.41 V<sub>2</sub>O<sub>5</sub> at IRON-T VANADIUM-IRON-TITANIUM PROJECT**

Vancouver, BC – Tuesday December 15<sup>th</sup> 2009, 12:45 p.m. PDT

Apella Resources Inc. (TSX.V Symbol – “APA”); (Frankfurt Symbol – “NWN”), and its Board of Directors are pleased to report that drilling from Apella’s Iron-T project in north-central Quebec has delivered positive findings. Core sample assays have now been reviewed and Apella has intersected significant disseminated, semi massive and massive vanadiferous mineralization on its Iron-T Vanadium-Iron-Titanium Project.

Patrick D. O’Brien, ICD.D, Chairman states that; “Our initial expectations have certainly been exceeded. These mineralized drill intersects are suggestive of a significantly enriched Vanadium-Iron-Titanium system. Since these intersects are over a single 1000 metre long target area, and considering the overall project strike length of 10.3 kms, Apella’s management is now quite confident that the 10.3 km long Iron-t project has the ability to substantially exceed the potential and known mineralization of the non 43-101 compliant 102MT Lac Dore deposit located at Chibougamau, Quebec; which Apella also has a substantial interest in. We look forward to the next phase of diamond drilling at Iron-T with great anticipation.”

Highlights of the semi-massive to massive intersects, from the new results include:

- MA-09-13 – **49.39 metres (162.04 feet)** 42.93% Fe<sub>2</sub>O<sub>3</sub>, 7.54% TiO<sub>2</sub>, and 0.39% V<sub>2</sub>O<sub>5</sub> ; including 5.00 metres (16.40 feet) 62.74% Fe<sub>2</sub>O<sub>3</sub>, 12.85% TiO<sub>2</sub>, and 0.52% V<sub>2</sub>O<sub>5</sub>, and 6.19 metres (20.31 feet) 54.81% Fe<sub>2</sub>O<sub>3</sub>, 10.69% TiO<sub>2</sub>, and 0.51% V<sub>2</sub>O<sub>5</sub>
- MA-09-12 – **46.00 metres (150.92 feet)** 34.35% Fe<sub>2</sub>O<sub>3</sub>, 4.31% TiO<sub>2</sub>, and 0.25% V<sub>2</sub>O<sub>5</sub> ; including 30.75 metres (100.89 feet) 39.13% Fe<sub>2</sub>O<sub>3</sub>, 4.86% TiO<sub>2</sub>, and 0.26% V<sub>2</sub>O<sub>5</sub>, which includes 6.50 metres (21.33 feet) 49.16% Fe<sub>2</sub>O<sub>3</sub>, 6.63% TiO<sub>2</sub>, and 0.40% V<sub>2</sub>O<sub>5</sub>
- MA-09-11 – **34.08 metres (111.81 feet)** 35.33% Fe<sub>2</sub>O<sub>3</sub>, 5.69% TiO<sub>2</sub>, and 0.38% V<sub>2</sub>O<sub>5</sub> ; including 28.10 metres (92.19 feet) 36.81% Fe<sub>2</sub>O<sub>3</sub>, 6.13% TiO<sub>2</sub>, and 0.41% V<sub>2</sub>O<sub>5</sub>
- MA-09-11 – **36.48 metres (119.69 feet)** 32.99% Fe<sub>2</sub>O<sub>3</sub>, 4.96% TiO<sub>2</sub>, and 0.33% V<sub>2</sub>O<sub>5</sub> ; including 14.82 metres (48.62 feet) 39.94% Fe<sub>2</sub>O<sub>3</sub>, 6.15% TiO<sub>2</sub>, and 0.41% V<sub>2</sub>O<sub>5</sub>, and 7.6 metres (24.93 feet) 41.52% Fe<sub>2</sub>O<sub>3</sub>, 6.61% TiO<sub>2</sub>, and 0.41% V<sub>2</sub>O<sub>5</sub>
- MA-09-10 – **59.74 metres (196.00 feet)** 40.41% Fe<sub>2</sub>O<sub>3</sub>, 6.51% TiO<sub>2</sub>, and 0.41% V<sub>2</sub>O<sub>5</sub>; including 15.89 metres (52.13 feet) 59.33% Fe<sub>2</sub>O<sub>3</sub>, 10.68% TiO<sub>2</sub>, and 0.66% V<sub>2</sub>O<sub>5</sub>
- MA-09-10 – **41.00 metres (134.51 feet)** 27.67% Fe<sub>2</sub>O<sub>3</sub>, 4.13% TiO<sub>2</sub>, and 0.29% V<sub>2</sub>O<sub>5</sub> ; including 9.50 metres (31.17 feet) 36.45% Fe<sub>2</sub>O<sub>3</sub>, 5.61% TiO<sub>2</sub>, and 0.40% V<sub>2</sub>O<sub>5</sub>
- MA-09-09 – **33.67 metres (110.47 feet)** 35.55% Fe<sub>2</sub>O<sub>3</sub>, 5.48% TiO<sub>2</sub>, and 0.31% V<sub>2</sub>O<sub>5</sub> ; including 9.13 metres (29.95 feet) 39.32% Fe<sub>2</sub>O<sub>3</sub>, 6.91% TiO<sub>2</sub>, and 0.41% V<sub>2</sub>O<sub>5</sub>, and 20.12 metres (66.01 feet) 39.18% Fe<sub>2</sub>O<sub>3</sub>, 5.82% TiO<sub>2</sub>, and 0.31% V<sub>2</sub>O<sub>5</sub>

- MA-09-08 – **90.93 metres (298.33 feet)** 42.70% Fe<sub>2</sub>O<sub>3</sub>, 7.24% TiO<sub>2</sub>, and 0.38% V<sub>2</sub>O<sub>5</sub>; including 32.03 metres (105.09 feet) 40.28% Fe<sub>2</sub>O<sub>3</sub>, 6.96% TiO<sub>2</sub>, and 0.40% V<sub>2</sub>O<sub>5</sub>; and 52.53 metres (172.34 feet) 47.70% Fe<sub>2</sub>O<sub>3</sub>, 8.10% TiO<sub>2</sub>, and 0.40% V<sub>2</sub>O<sub>5</sub>
- MA-09-07 – **93.66 metres (307.28 feet)** 43.87% Fe<sub>2</sub>O<sub>3</sub>, 7.90% TiO<sub>2</sub>, and 0.41% V<sub>2</sub>O<sub>5</sub>; including 76.61 metres (251.35 feet) 49.72% Fe<sub>2</sub>O<sub>3</sub>, 9.13% TiO<sub>2</sub>, and 0.44% V<sub>2</sub>O<sub>5</sub>, which includes 51.66 metres (169.49 feet) 53.25% Fe<sub>2</sub>O<sub>3</sub>, 10.26% TiO<sub>2</sub>, and 0.51% V<sub>2</sub>O<sub>5</sub> and which includes 38.66 metres (126.84 feet) 58.59% Fe<sub>2</sub>O<sub>3</sub>, 11.74% TiO<sub>2</sub>, 0.56% V<sub>2</sub>O<sub>5</sub>
- MA-09-07 – **32.47 metres (106.53 feet)** 24.50% Fe<sub>2</sub>O<sub>3</sub>, 3.74% TiO<sub>2</sub>, and 0.25% V<sub>2</sub>O<sub>5</sub>; including 14.82 metres (48.62 feet) 37.68% Fe<sub>2</sub>O<sub>3</sub>, 6.31% TiO<sub>2</sub>, and 0.41% V<sub>2</sub>O<sub>5</sub>
- MA-09-06 – **13.00 metres (42.65 feet)** 24.05% Fe<sub>2</sub>O<sub>3</sub>, 3.66% TiO<sub>2</sub>, and 0.24% V<sub>2</sub>O<sub>5</sub>
- MA-09-06 – **25.35 metres (83.17 feet)** 22.07% Fe<sub>2</sub>O<sub>3</sub>, 3.02% TiO<sub>2</sub>, and 0.21% V<sub>2</sub>O<sub>5</sub>
- MA-09-05 – **12.15 metres (39.86 feet)** 26.35% Fe<sub>2</sub>O<sub>3</sub>, 3.67% TiO<sub>2</sub>, and 0.25% V<sub>2</sub>O<sub>5</sub>; including 3.60 metres (11.81 feet) 41.34% Fe<sub>2</sub>O<sub>3</sub>, 6.24% TiO<sub>2</sub>, and 0.45% V<sub>2</sub>O<sub>5</sub>
- MA-09-05 – **20.92 metres (68.64 feet)** 42.48% Fe<sub>2</sub>O<sub>3</sub>, 7.70% TiO<sub>2</sub>, and 0.44% V<sub>2</sub>O<sub>5</sub>; including 5.09 metres (16.70 feet) 57.80% Fe<sub>2</sub>O<sub>3</sub>, 11.19% TiO<sub>2</sub>, and 0.63% V<sub>2</sub>O<sub>5</sub>, and 8.28 metres (27.17 feet) 52.26% Fe<sub>2</sub>O<sub>3</sub>, 9.83% TiO<sub>2</sub>, and 0.54% V<sub>2</sub>O<sub>5</sub>
- MA-09-05 – **20.10 metres (65.94 feet)** 29.13% Fe<sub>2</sub>O<sub>3</sub>, 4.38% TiO<sub>2</sub>, and 0.33% V<sub>2</sub>O<sub>5</sub>; including 6.30 metres (20.67 feet) 35.83% Fe<sub>2</sub>O<sub>3</sub>, 5.82% TiO<sub>2</sub>, and 0.43% V<sub>2</sub>O<sub>5</sub>
- MA-09-04 – **32.84 metres (107.74 feet)** 32.53% Fe<sub>2</sub>O<sub>3</sub>, 5.01% TiO<sub>2</sub>, and 0.31% V<sub>2</sub>O<sub>5</sub>; including 10.5 metres (34.45 feet) 47.75% Fe<sub>2</sub>O<sub>3</sub>, 6.76% TiO<sub>2</sub>, and 0.44% V<sub>2</sub>O<sub>5</sub>; and 4.69 metres (15.39 feet) 62.21% Fe<sub>2</sub>O<sub>3</sub>, 12.60% TiO<sub>2</sub>, and 0.74% V<sub>2</sub>O<sub>5</sub>
- MA-09-04 – **30.0 metres (98.43 feet)** 54.46% Fe<sub>2</sub>O<sub>3</sub>, 11.04% TiO<sub>2</sub>, and 0.59% V<sub>2</sub>O<sub>5</sub>; including 26.0 metres (85.30 feet) 59.68% Fe<sub>2</sub>O<sub>3</sub>, 12.33% TiO<sub>2</sub>, and 0.65% V<sub>2</sub>O<sub>5</sub>
- MA-09-01 – **35.70 metres (117.3 feet)** 26.29% Fe<sub>2</sub>O<sub>3</sub>, 3.33% TiO<sub>2</sub>, and 0.32% V<sub>2</sub>O<sub>5</sub>; including 8.07 metres (26.48 feet) 42.87% Fe<sub>2</sub>O<sub>3</sub>, 5.57% TiO<sub>2</sub>, and 0.54% V<sub>2</sub>O<sub>5</sub>, and also including 3.28 metres (10.76 feet) 45.50% Fe<sub>2</sub>O<sub>3</sub>, 7.58% TiO<sub>2</sub>, and 0.73% V<sub>2</sub>O<sub>5</sub>

Please see the attached chart outlining all significant intersects and grades for the 13 holes of drilling, as prepared by Mr. Roger Moar, P. Geo, Consulting Geologist.

The above drill intersects are compiled from approximately 737 samples that were submitted to ALS Chemex for assaying. Samples are being sent into the lab to assess the density of the mineralization so that calculations of tonnage can be made.

Due to the significance of this discovery Apella's management has decided to post additional charts regarding the results on its website for reference. This data will include some 418 of the individual assays and a full chart of the true width drill intersects, hole by hole. Of the 418 individual assays selected to be displayed on the website there are Fe<sub>2</sub>O<sub>3</sub> assays ranging up to 75.95% Fe<sub>2</sub>O<sub>3</sub>, 37% of which grade higher than 50% Fe<sub>2</sub>O<sub>3</sub> and 67% grade above 40% Fe<sub>2</sub>O<sub>3</sub>. The TiO<sub>2</sub> assays to be included ranged as high as 16.80% TiO<sub>2</sub> with 22% of the assays above 10% TiO<sub>2</sub> and 85% of the samples grading in excess of 5% TiO<sub>2</sub>. The V<sub>2</sub>O<sub>5</sub> assays to be displayed range up to 1.34% V<sub>2</sub>O<sub>5</sub>, of which 35% assayed 0.50% V<sub>2</sub>O<sub>5</sub> or higher and 87% of these samples assayed at 0.30% V<sub>2</sub>O<sub>5</sub> or above. There will also be a series of photos of the core and the site for viewing.

The 13 hole, 1738.2 metre drill program tested only about 900 metres along strike, at 50 and 100-metre centres, of the 10 km long strike of the mineral enriched Bell River structure that Apella controls at its Iron-T project. The drill holes were

drilled NQ sized drill bits at a dip of -45 degrees with an average drill-hole length of 134 metres. The magnetic anomaly that was chosen for this phase of drilling is just over 1000 metres long at surface and extends at depth along strike, east and west. It represents only a small footprint on the overall structure on Apella's 100% owned Iron-T which contains many similar anomalies. Each of Apella's 13 drill holes intersected several disseminated to massive iron oxide layers. The mineralized zones are open along strike east and west, as well at depth.

The Bell River Complex which hosts the Iron-t may be compared to the Lac Dore layered igneous complex (in part owned by Apella) in the Chibougamau district of Quebec, some 250 kms east, and to the Bushveld layered complex of South Africa, the world's most significant source of Vanadium. At the Iron-T the Vanadium rich horizons are well defined on the ground and aeromagnetic surveys by their highly magnetic susceptibilities.

### **Assay Method and Quality Control**

A total of 737 drill core samples were collected and sawn in half for sampling. One half was sent for assay and the other half retained for future reference. All samples were properly tagged, sealed in the field, and stored in Apella's core shack facilities at Matagami. All samples were sent to ALS-Chemex, Val d'Or, Quebec, a commercial laboratory with ISO 9001:2000 certification. The QA/QC program included blanks insert for each batch of samples.

All samples were assayed for major elements including total iron and titanium dioxide by lithium borate fusion to dissolve resistive minerals followed by X-Ray fluorescence spectrometry (ME-XRF06 package). Vanadium content was also determined by X-ray fluorescence using ore grade procedures (V-XRF10)

Mr. Roger Moar, P. Geo, Consulting Geologist, is the Qualified Person responsible for the scientific and technical work for the program as defined under National Instrument 43-101 and has reviewed this press release.

**Apella invites the public to visit its website at <http://www.Apellaresources.com> or e-mail us at [apella@apellaresources.com](mailto:apella@apellaresources.com) to be added to the Company's e-mail list for press releases and updates.**

### **ON BEHALF OF THE BOARD OF DIRECTORS OF APELLA RESOURCES INC.**

**"Patrick D. O'Brien"**

**Patrick D. O'Brien – Chairman**

**S.E.C. Exemption 12(g) 3-2(b) File No. 82-3822, Standard & Poors Listed, Dun & Bradstreet Listed.**

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