Valterra Confirms Large-Scale Graphite Targets on Bobcaygeon Project

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Dec 5, 2013) - **Valterra Resource Corp.** ("Valterra" or "the Company") (TSX VENTURE:VQA)(FRANKFURT:3VA) reported today channel sample results of up to 1.7 metres grading 5.7% Cg from recent regional prospecting and mapping on the 190 square kilometre Bobcaygeon Project, southern Ontario. Sampling continues to return high-grade graphite on the property including in a target area, partially defined by historic drill records and mapping, of up to **2000 metres x 1000 metres** at the newly identified **Salerno zone**.

The channel sampling follows-up earlier chip sampling in the **Salerno** and **Crystal** zones located 24 kilometres and 10 kilometres respectively northeast of the **Discovery Trench** (as reported in NR-11-13, June 5, 2013). Additional sampling was also completed in the **4South** and **Corridor** zones. Twenty-two channel samples ranging from 0.5 metres to 5.1 metres in length were collected from outcrop. Host-rock lithology was identified and compared to previously sampled and mapped exposures. Twelve of the 22 samples returned values >1% Cg.

The Company also reported that recent road construction on the property has uncovered new exposure of graphite-bearing stratigraphy approximately **700 metres** along strike from the Discovery Trench where previous sampling returned grab samples of up to **69.1% Cg** and high-grade near surface drill results **(6.36% Cg over 3.38m; including 31.90% Cg over 0.53m in hole BOB13-004,** see NR-08-13**)**. A small trench was completed over the site and samples collected. Assays are pending.

Table 1: Select Highlights of Surface Channel Samples

Township	*Zone*	*Sample#*	*Type*	*Width*	*Description*	*Cg%*
Cavendish	*Salerno*	*960709*	*Channel*	*1.7m*	*Graphite Rich Calcitic Marble*	*5.71*
		960710	*Channel*	*0.5m*	*Calcitic Marble*	*2.24*
		960711	*Channel*	*0.4m*	*Calcitic Marble*	*3.77*
Galway	*4South*	*960701*	*Channel*	*1.15m*	*Sulphide/Graphite Bearing Amphibolite Gneiss*	*2.42*
		960702	*Channel*	*1.0m*	*Sulphide Rich Amphibolite Gneiss*	*2.06*
		960703	*Channel*	*1.2m*	*Graphitic Amphibolite Gneiss*	*2.36*
Galway	*Corridor*	*960706*	*Channel*	*0.6m*	*Sulphide Amphibolite Gneiss*	*1.44*
		960708	*Channel*	*1.5m*	*Graphite Rich Calcitic Marble*	*1.25*
Galway	*Crystal*	*960713*	*Channel*	*2m*	*Graphitic Amphibolite Gneiss*	*1.35*
		960715	*Channel*	*2m*	*Gneiss + Marble*	*1.82*
		960716	*Channel*	*5.1m*	*Amphibolite Gneiss + Arenaceous Sediments*	*1.1*
		960719	*Channel*	*3m*	*Rusty Amphibolite Gneiss (hematite)*	*1.09*

To view Figure 1, please visit the following link: http://media3.marketwire.com/docs/915966i.pdf

Salerno Zone

The Salerno Zone is located 24 kilometres northeast of the Discovery Trench and is hosted in rusty marble. Sampling along a road exposure returned channel samples ranging from 0.4 metres grading 3.77% Cg to 1.7 metres grading 5.71% Cg. Previously reported chip samples from the area returned higher grade values of 1.2 metres grading 7.17% Cg and 0.1 metres grading 28.1% Cg (see NR-11-13 - June 5, 2013).

The sampling is located adjacent to five historic core holes which together with historic mapping outline a target area of over **2000 metres x 1000 metres**. The holes which originally targeted base-metal mineralization to shallow depths of <30 metres, reported accessory graphite (up to 4% in visual estimates) with some semi-massive and massive seams. *Note that this information was sourced from historic government records and has not been independently verified by the Company and therefore should not be relied upon as such*.

Both the strike-length and thickness of the graphite-bearing stratigraphy make this a high priority target with the potential to develop both bulk tonnage and high-grade mineralization. Further work is required to fully delineate this target area.

Crystal Zone

The Crystal Zone is located approximately 10.5km north-east of the Discovery Trench. Sampling was conducted over an **800 metre** strike length on the northern shores of Loom Lake and returned four of ten channel samples with values >1% Cg including: 5.1 metres grading 1.1% Cg and 2 metres grading 1.82% Cg. All the remaining samples contained anomalous graphite mineralization. Preliminary mapping in the area by Valterra has shown that the graphitic horizon is associated with a biotite/amphibolite gneiss and occurs in a unit ranging from 65 metres to 250 metres wide.

Further work is required in this area to delineate high-grade lenses within the broader graphitic horizon.

The **Salerno** and **Crystal** zones are associated with the Salerno Creek Deformation Zone (SCDZ) that forms a major tectonic boundary between the Bancroft Terrane and Harvey-Cardiff Arch. The terrane contact hosts the majority of past-producing graphite mines and significant graphite occurrences in the belt; mostly within major regional- scaled fault complexes.

4South Zone

Sampling within the 4south zone, located approximately 450m northwest of the discovery trench, has identified >1% Cg over a 25 metre strike including channel samples of 1.2 metres grading 2.36% Cg and 1.15 metres grading 2.42% Cg from the current program. The graphite is hosted in amphibolite gneiss and occurs on the edge of an EM (Electromagnetic) anomaly within the Discovery zone geophysical grid.

More work remains to fully outline this zone including further delineation of the higher grade graphite relative to the EM anomaly.

Corridor Zone (Bass Lake North)

Recent sampling and mapping in the Corridor zone, located 1 kilometre to the north of the Discovery trench confirms two trends of graphitic stratigraphy which may represent parallel target horizons extending the full 1.75 kilometre trend of the currently delineated zone. Four recent channel returned assays of up to 0.6m of 2.01% Cg.

Project Milestones

Since the identification of high-grade graphite on the property in late 2012, Valterra has continued to advance the project through the early exploration stage and metallurgical evaluation. Completed work includes reconnaissance mapping and prospecting resulting in the identification of four new discoveries including the **1.75km-long Corridor zone**, located 1 km to the north of the original graphite discovery and the **Crystal** and **Salerno Occurrences** referred to in the preceding text.

Surface IP geophysics covering the initial graphite discovery has identified an 800 metre x 400 metre chargeability anomaly which remains a priority drill target. Several shallow drill holes which were completed in the area of the discovery trench suggest that the target graphite horizon may be flat-lying or gently undulating; or that multiple target horizons exist in this area. Valterra is planning to conduct additional drilling, geophysics and prospecting in the area near the Discovery Zone and regionally within the district-scaled property.

Metallurgical Testing Summary

Several stages of Metallurgical testing were conducted on a +20kg sample from the Discovery Zone area in order to help evaluate the marketability of potential graphite products from the Bobcaygeon property and resulted in the identification of an ultra-high-purity, fine-flake graphite concentrate grading **99.97% C** and medium to jumbo flake concentrates grading **+94% Cg**. The fine-flake flotation concentrate was subjected to a two-stage leach process followed by LOI analyses on the leach residue (see summary in NR-13-13, October 1, 2013).

These Preliminary flotation and leaching test results demonstrate the potential to produce marketable, very high-margin natural graphite products utilizing industry-standard processing techniques from the entire concentrate, including the ultra-high-purity fine-flake fraction. **Only flake graphite with purity of 99.9% is suitable for Li- ion battery manufacturing which is currently dominated by high-cost synthetic graphite**. Current synthetic prices range from US$7,000-20,000 per tonne and Valterra is targeting this market with natural graphite products that may provide a distinct cost advantage.

Future Exploration at Bobcaygeon

Year-one successes from prospecting, trenching, metallurgy, geophysics and diamond drilling have defined numerous targets property-wide that merit exploration in 2013/14. Valterra has budgeted C$500,000 to $750,000 and is planning to conduct additional exploration in the Discovery Zone area and regionally within the district- scaled property. Preliminary plans are highlighted by diamond drilling of between 2,000 to 2,500m.

Recent metallurgical reports, ground-geophysical data, updated corporate presentations and photographs are available on Valterra's website at www.valterraresource.com.

About Graphite

Graphite is a naturally occurring form of carbon with wide-ranging and unique physical properties. Graphene is derived from graphite and is one of the strongest known substances with a tensile strength 200 times the strength of steel and is poised to become a major industrial material in the development of electronic components such as silicon semi-conductors. There are three natural primary graphite occurrences - vein, flake, and amorphous where the highest quality product can command prices in excess of $2,000 per tonne with the large flake (>.178mm) products commanding the highest prices in markets. Recent pricing and demand increases have accelerated numerous exploration and investment opportunities in the graphite market.

The Province of Ontario is an excellent locale to explore owing to superior geology, geoscience knowledge, infrastructure, political stability and tax incentives. Several projects are advancing in the graphite field including Northern Graphite Corp., Zenyatta Ventures Inc. and Ontario Graphite Ltd.

The Bobcaygeon property is hosted in rocks of the Grenville geological province which hosts most of the known significant graphite deposits in Canada.

About Valterra Resource Corporation

Valterra is a **Manex Resource Group Company**. The group provides expertise in exploration, administration, and corporate development services for Valterra's mineral properties located in British Columbia and Ontario. Valterra is focussed on early stage properties with the potential to host large deposits, in regions with excellent infrastructure. Over the last several years, Valterra has acquired and is exploring several key projects including "Star-Toughnut", "Swift Katie" and "Bobcaygeon" which are located near roads, rail, power, and resource communities in Canada.

Robert Macdonald, MSc., P.Geo., is the *Qualified Person* responsible for the preparation of the technical information presented in this release.

On behalf of the Board of Directors,

Lawrence Page, QC, Chairman, Valterra Resource Corp.

For further information, please visit Valterra's website at www.valterraresource.com.

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Corporation's projects, and the availability of financing for Valterra Resource Corp.'s development projects on reasonable terms. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, the timing and receipt of government and regulatory approvals, and continued availability of capital and financing and general economic, market or business conditions. Valterra Resource Corp. does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law.

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