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Uranium Project Update: Beartooth Island Prospect, Athabasca Basin, Saskatchewan

Val-d'Or, Québec – June 6, 2006 – Golden Valley Mines Ltd. (TSX-V symbol: GZZ) reports the closing of the option/joint venture agreement announced January 20, 2006 with **Ditem Explorations Inc. (TSX-V symbol: DIT)** and provides an update on the exploration planned for this project during the 2006 field season.

Terms of the Option/Joint Venture Agreement: Ditem may earn an initial 50% property interest by incurring expenditures of \$1,000,000 over three years. In the 4th year of the agreement, Ditem may elect to increase its interest by an additional 10% (60% aggregate) by incurring a further \$2,000,000 in exploration expenditures. Finally, Ditem may then increase its interest by an additional 6% (66% aggregate) by completing a Bankable Feasibility Study within 10-years of signing. Following the final vesting, Golden Valley will retain an aggregate interest of 34%. Golden Valley holds 1,000,000 shares of and 1,000,000 warrants of Ditem. Each warrant entitles Golden Valley to acquire one additional share for a price of \$0.10/share, for 2-years from the date of signing. Golden Valley is the operator of the program.

Phase I - 2006 Exploration Program: The Beartooth Island Prospect is comprised of 4 claims covering an area of 23,760 hectares (58,712 acres) located along the northwest margin of the Athabasca Basin of Saskatchewan. The property is located approximately 72-km southwest of Uranium City, Saskatchewan. Bid contract tenders have been received and are currently under review for a property-scale, high-resolution, deep-penetrating airborne magnetic and electromagnetic survey using state-of-the-art designed geophysical systems. The objective of the survey will be to prioritize areas for detailed ground geophysical survey follow-up and, if warranted, drill testing of potentially defined targets. Selection of contractors is expected to be confirmed over the next week allowing work to begin by month-end.

Previous Exploration History at Beartooth Island Prospect: In the 1970's, exploration on the property followed the discovery of over 200 radioactive glacial erratics located on Beartooth Island with an average scintillometer reading of 1000 counts per second ("cps") and isolated readings exceeding 15,000 cps (74N04-NE-0001). Two radioactive sources were identified in the area as described in Saskatchewan Mineral Deposits Index – Mineral Property #: 2072: the first consisting of a low-grade fracture zone with a topographic low within 300 meters of the up-glacier advance direction; the second source consisting of a larger, higher-grade zone 1 to 3 kilometres long located northeast from the island at 60°. The initial claims were staked in the fall of 1976. Follow-up exploration programs from 1978 to 1980 included soil sampling and ground scintillometer surveys, an airborne EM and magnetic survey, surficial geological survey, radioactive boulder fan study, limited diamond drilling (five drill holes totalling 1007 meters), ground geophysical surveys as well as marine seismic and radiometric surveys.

Athabasca Basin Background: There are currently three uranium mining operations in the province; Rabbit Lake, McClean Lake and McArthur River (Key Lake Mill). Saskatchewan is the world's largest producer (accounting for approximately 30% of global supply) of uranium and accounts for 100% of Canada's annual production. In 2004, production at 13,676 tonnes of uranium oxide concentrate (11,597 tonnes U), was about 30% of total world production. Its value was approximately C\$800 million. Mines in 2004 supplied some 47,400 tonnes of uranium oxide concentrate (U₃O₈) containing

40,000 tonnes U, estimated to be far less than power utilities' annual requirements. The balance is made up from secondary sources or stockpiled uranium held by utilities, but those stockpiles are now largely depleted, contributing to a steady increase in the spot price of uranium from \$10.10/pound in March 2003 to over US \$43/pound at present (source: World Nuclear Association and Ux Consulting Company, LLC).

The Athabasca Basin uranium mines produce from deposits that occur at an erosional unconformity marking the contact of sediments with underlying basement crystalline rocks. At the **Beartooth Island** property, this erosional unconformity is found at a depth of less than 600 meters. The sedimentary rocks of the Athabasca Basin are gently dipping, and consist essentially of orthoquartzite with numerous thin beds of siltstone, mudstone and occasional sub-arkose.

About Golden Valley Mines Ltd.: Golden Valley Mines is well funded for continuance of its current exploration programs. Further updates from the Abitibi Greenstone Belt and James Bay programs will be provided as geotechnical survey and drilling results are received. Additional company exploration activities can be expected for the Otish and Mistassini regions of Northern Québec, Nunavik (Ungava), Labrador and the Athabasca Basin (Beartooth Island Prospect), Saskatchewan for the summer 2006 field season.

The company typically tests initial targets while owning 100% interest and then seeks out partners to continue with further exploration while it continues its systematic exploration efforts at other grassroots projects or generating new properties of merit. As of May 18, 2006, the company holds majority property interests in 134 projects consisting of 3,746 mining titles (201,300) hectares) in Saskatchewan, Ontario and Québec.

Refer to the Quebec & Ontario prospects location map: www.goldenvalleymines.com/abitibi and the specific property maps at: www.goldenvalleymines.com on the Golden Valley Mines website.

Michael P. Rosatelli, P. Geo., is the designated Qualified Person responsible for the preparation of this release.

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The *TSX Venture Exchange* has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.