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**PRESS RELEASE
FOR IMMEDIATE RELEASE**

CUERVO RESOURCES INC. RECEIVES ENVIRONMENTAL APPROVAL

October 7, 2008 – Toronto, ON

Cuervo Resources Inc. (CNQ:FE, FWB:CRR, “Cuervo” or the “Company”) is pleased to announce that the expansion of the Company’s existing Category “C” Environmental Assessment has been accepted by the Ministerio de Energía y Minas del Perú. This Assessment now covers areas of proposed exploration work on the Aurora zones of mineralization on the Cerro Ccopane iron ore prospect, located 65 km south of Cuzco, Perú. The Aurora and Aurora “B” zones will be the third and fourth geological/geophysical targets to be explored by diamond drilling.

The Company continues diamond drilling on its second zone (“Huillque”) and will now coordinate preparations for an expanded program of diamond drilling on these other zones of iron mineralization. The first zone that was drilled commencing in July, 2007 (“Orcopura”) currently reports a Mineral Resource Estimate of 60.5 million tonnes “inferred”, grading 51.5% Fe. The Orcopura zone is now the object of a secondary study, by Micon International Limited, commissioned by the Company. Cuervo is in the process of completing additional laboratory and compilation work that are expected to provide the data to increase and upgrade the initial Mineral Resource Estimate.

Cuervo is focused on the exploration for iron ore in Perú and currently holds a 100% interest in over 25,000 ha of prospective mineral exploration lands in that country through its wholly owned subsidiary, Minera Cuervo S.A.C.

The Company has 30,179,750 shares outstanding (41,856,000 fully diluted).

For further information, please contact Mr. John Siriunas, a director and President of Cuervo, at 416-203-3957 x701 or Mr. Tom Berner, Investor Relations, at 416-203-3957 x202. Additional information about Cuervo can be found at the Company’s website at www.cuervoresources.com.

The Canadian Trading and Quotation System Inc. has neither approved nor disapproved of the contents of this press release.