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**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

**CUERVO REPORTS ON FINDINGS OF PRELIMINARY TRANSPORTATION STUDY  
FOR IRON ORE PROJECT IN PERÚ**

February 27, 2008 – Toronto, ON

Cuervo Resources Inc. (CNQ-IRON; FWB-CRR; “Cuervo” or the “Company”) is pleased to report that the findings of a preliminary transportation study provide support to the future of any potential development at its Cerro Ccopane iron ore project in Perú. The mandate of the study was to assess, on a preliminary basis, the adequacy of existing port, road and rail transportation infrastructure relevant to the site and to identify probable needs for upgrading, expansion and new construction. Underlying the study was a prospective annual production volume of 5 million tonnes of iron ore.

The study, entitled “Cerro Ccopane Mine Transportation Study: A Conceptual Study of Transportation Alternatives Associated with a Potential Development of The Cerro Ccopane Mine near Cusco Perú” was prepared by Frank Hansen Consulting of Kila, Montana under commission by Cuervo Resources Inc. The study was initiated in response to early and continuing success of an ongoing drilling program on the Cerro Ccopane property which is located 65 km south of Cuzco, Perú and approximately 320 km north of the Pacific tidewater port at Matarani.

The principal findings and recommendations for the Hansen preliminary report may be summarized as follows:

- Truck transport is favoured over upgraded roadway from the prospective mine site to the railhead near Cusipata, a distance of approximately 105 km. The alternative of a direct rail connection was considered, as was a slurry pipeline, but each was deemed less attractive, principally due to capital cost considerations;
- Overland rail carriage from Cusipata to the Pacific tidewater port at Matarani, a distance of approximately 712 km, could be handled by with some slight modifications to the track and roadbed. Ferrocarril Transandino S.A. (PeruRail) is the current leasor of the tracks and right-of-way;

- The port at Matarani is an efficient and ISPS Code-compliant facility and is capable of handling Handy Class and smaller Panamax Class vessels. With some modifications the ship loading system could be used to load iron ore into SuperHandimax vessels.
- PeruRail has indicated its interest in developing an entire overland transport system to facilitate the movement of iron ore to Matarani; and
- TISUR (Operator of the port) has indicated an interest, if warranted, in developing Cape Class ship loading facilities at Matarani.

Commenting on the Hansen study, Cuervo President, John Siriunas said “While we are very early in our exploration program at Cerro Ccopane, the availability of cost effective transportation facilities is integral to the economics of developing iron ore properties. We are encouraged by the preliminary findings which give us confidence in the potential to advance our project”.

The Company has 26,543,750 shares outstanding (33,566,000 fully diluted).

For further information, please contact Mr. 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](http://www.cuervoresources.com).

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