



For Immediate Release  
August 25, 2008  
Toronto, Ontario

TSX: AQA  
Frankfurt Exchange: JM4A  
Shares Outstanding: 70,109,478

## **AQUILA MOVES FORWARD WITH A PRELIMINARY ECONOMIC ASSESSMENT OF THE BACK FORTY PROJECT**

**AQUILA RESOURCES INC. (TSX:AQA – Frankfurt:JM4A) (“Aquila” or the “Company”)** is pleased to announce plans for completion of a National Instrument 43-101 compliant Preliminary Economic Assessment (PEA) of its Back Forty Project in the Upper Peninsula of Michigan, USA. The study has been contracted with SRK Consultants Inc. of Toronto, Canada, and will involve a scoping level evaluation of mine and associated infrastructure design and layout, capital and operating costs, and economic potential of the Back Forty Project.

The study, which is targeted for completion in early to mid 2009, will incorporate information from the updated 43-101 resource calculation currently in progress by SRK Consultants, Inc., expected to be completed later this fall. The PEA will also incorporate results from recently completed metallurgical studies of Back Forty ores, and will also consider environmental constraints and permitting requirements, as well as geotechnical, hydrological, and cultural considerations.

A variety of specialists will assist SRK in the study, including Environmental Resource Management (currently involved with baseline environmental work at the project), Foth Infrastructure and Environment LLC, and Golder Associates Ltd.

“This preliminary assessment will be an important milestone for the Company,” stated Tom Quigley, Aquila’s President. “We are looking forward to putting the new Back Forty mineral resource into an economic context, with the goal of putting together an environmentally protective, sustainable development plan to make the project a win-win situation for Aquila and all stakeholders.”

More information about Aquila is available at the Company’s website at [www.aquilaresources.com](http://www.aquilaresources.com). Tom Quigley, P. Geo. and President of Aquila is the Qualified Person as described in National Instrument 43-101 for the Back Forty Project and is responsible for the content of this press release.

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