



TSX Symbol: CZQ

For Immediate Release

CONTINENTAL PRECIOUS MINERALS PROVIDES UPDATE ON PRELIMINARY ECONOMIC ASSESSMENT

Toronto, Ontario -- August 25, 2010 – Continental Precious Minerals Inc. (the “Company” or “Continental”) today provided an update on the Preliminary Economic Assessment (“PEA”) on its MMS Viken Licence and surrounding licences.

In a news release dated April 8, 2010, the Company outlined planned metallurgical activities to support the PEA (also called a scoping study). The planned work program is now substantially complete and the results are being evaluated.

The metallurgical program demonstrated that acceptable recoveries of the three primary metals of interest (uranium, molybdenum and vanadium) can be obtained. Recovering the targeted metals will require the application of hydrometallurgical techniques and the integration of many unit operations to produce marketable products and environmentally acceptable residues. Although the PEA will be based on this preliminary metallurgical process, the Company will continue to refine the process after the release of the document.

Open pit mining design parameters, capital cost and operating cost components and cash flow modeling for use in the PEA are presently being investigated to support mining of a higher grade portion of the resource capable of delivering sufficient revenue for favourable project economics. EHA Engineering Ltd. and P&E Mining Consultants Inc. are undertaking the PEA and expect to announce the results in mid September with a NI 43-101 technical report to be filed within 45 days thereafter.

About Continental Precious Minerals

Continental Precious Minerals Inc. is a multi-mineral exploration company with multiple interests and exploration licences in Sweden. Since March 2005, Continental's primary goal has been to advance its Swedish assets. The Company is also evaluating other opportunities as they emerge in current market conditions.

Cautionary Statement Regarding Forward-Looking Statements

This news release contains forward-looking statements regarding a preliminary economic assessment of the MMS Viken Licence and surrounding licences in Sweden. While the Company believes that it will be able to publish the results of the PEA on the MMS Viken Licence and surrounding MMS Licences in mid September, the Company is dependent on third parties. The PEA is preliminary in nature and there is no assurance that the Company will be successful in extracting metals from the Company's mineral exploration licences in Sweden on a commercial scale owing to a number of factors. These include, without limitation, permitting,

environmental, social and political factors, as well as metal prices and unanticipated technical difficulties. The forward-looking statements contained in this news release represent the Company's views and expectations as of the date of this release and should not be relied upon as representing its views and expectations at any subsequent date.

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