



CONTINENTAL PRECIOUS MINERALS INC.

For Immediate Release

CONTINENTAL PRECIOUS MINERALS PROVIDES CORPORATE UPDATE

Launches Rebranded Website

December 18, 2008 – Toronto, ON - Continental Precious Minerals Inc. (TSX-CZQ) (Continental) today provided an update of corporate activities in 2008 and outlined its strategic priorities for 2009 in a letter to shareholders released today. The full-text of the letter is attached to this release. The company also announced it launched a rebranded corporate website. Investors are encouraged to visit www.cpminerals.com to learn more about Continental.

“We continued to make tremendous progress toward achieving our primary goal of advancing our Swedish assets in 2008,” said Ed Godin, President and Chief Executive Officer. “In 2009, we will continue to focus on delineating the resource at the Viken licence with the confidence that our strong cash position enables our drill program and other plans to be fully-funded.”

Since April 2008, Continental has drilled an additional 73 holes at the Viken licence and surrounding licences for a total of 14,770 metres. An updated resource estimate which takes into account this additional drilling is expected to be announced by the end of January 2009.

Continental is focused on four key objectives in the coming year. First, the company will continue to conserve its capital. Second, the company will continue delineating the resource at the Viken licence and surrounding licences through its ongoing drill program on a cost-effective basis. Third, the company will continue its metallurgical and environmental studies and finally, the company has begun preparing a preliminary economic assessment on the Viken licence, the results of which are expected in the second half of 2009.

The company’s strong cash position ensures all of its plans in the coming year are fully-funded and it also places the company in a position to be able to evaluate expansion and diversification opportunities as they emerge in current market conditions.

About Continental Precious Minerals Inc.

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.

For further information please contact:

Ed Godin
President
T: (416) 805-3036
F: (905) 276-4862
godine@rogers.com

Daniel Weirnerman
Investor Relations Consultant
T: (416) 367-5000
F: (416) 367-5390
dweirnerman@barnesmcinerney.com



CONTINENTAL PRECIOUS MINERALS INC.

December 18, 2008

Fellow Shareholders,

The year 2008 will be remembered as one of the most volatile in the history of capital markets. Like many TSX-listed exploration companies, Continental was not immune from the ills affecting stock valuations. Current economic conditions notwithstanding, the world is industrializing at a rapid pace and demand for commodities will rebound and grow accordingly. Continental is well positioned to benefit from this growth.

Continental's business plan remains solid and we are on a clear path toward achieving our primary goal of advancing our Swedish assets. Our company currently has 68 mineral exploration licences in Sweden and we are focused on continuing to define the resource at the Viken licence, one of the most desirable multi-mineral projects in Sweden.

In just three years, we defined one of the world's largest mineral resources. The Viken project has an inferred resource estimate of 1.166 billion tonnes containing 437 million pounds of uranium oxide (0.33 lbs/ton), 797 million pounds of nickel (0.62 lbs/ton), 7 billion pounds of vanadium pentoxide (5.57 lbs/ton) and 900 million pounds of molybdenum trioxide (0.71 lbs/ton). The resource estimate also includes an indicated resource of 13 million tonnes containing 6 million pounds of uranium oxide (0.38 lbs/ton), 9 million pounds of nickel (0.59 lbs/ton), 12 million pounds of molybdenum trioxide (0.8 lbs/ton) and 92 million pounds of vanadium oxide pentoxide (6.10 lbs/ton). This resource estimate is based on 62 holes for a total of 11,828 metres at the project.

Since this estimate was reported in April 2008, we have drilled an additional 73 holes for a total of 14,770 metres at the project. An updated resource estimate which takes into account this additional drilling is expected to be announced by the end of January 2009.

In 2009, our focus will be on four key objectives. First, we will continue to conserve our capital. Second, we will continue delineating the resource at the Viken licence and surrounding licences through our ongoing drill program on a cost-effective basis. Third, we will focus on completing our ongoing metallurgical and environmental studies. And finally, we have begun preparing a preliminary economic assessment on the Viken licence, and expect to be in a position to publish the results in the second half of 2009.

In addition to defining a resource at the Viken licence, we have made great strides towards building a strong and experienced technical team, which we strengthened this past year.

Michael Bromley-Challenor was recently appointed Executive Vice-President and Director of Exploration and Development and Gustav Åkerblom was named Executive Vice-President and Director of Environmental Management. Both Michael and Gustav have been Swedish-based consultants for our company and their appointments as officers signify their important contributions to our primary goal of advancing our Swedish assets.

Our large and promising portfolio of multi-mineral assets is our major asset, but what truly sets us apart from other exploration companies is our strong cash position. With over \$27.0 million in cash on hand at the end of the first quarter ended August 31, 2008, we are fully-funded to advance our strategic plan and goals at the Viken licence. We are also well positioned to evaluate expansion and external growth opportunities as they emerge in current economic conditions.

While the Continental team has delineated a world class mineral resource and is capable of advancing our assets to the next stage of development, our long-term aim is to partner with an established mining company to develop a world-class mine. Partnering with an established mining company will enable us to preserve our strong cash position, while maximizing shareholder value.

In closing, I thank our Board of Directors for their continued guidance and counsel and welcome our newest board member Herb Dhaliwal. I also extend appreciation to our technical team. In particular, I would like to thank our shareholders for their ongoing confidence and support.

We are very excited about further defining the resource at the Viken licence and look forward to providing an update of our progress to our shareholders.

Sincerely,

Ed Godin