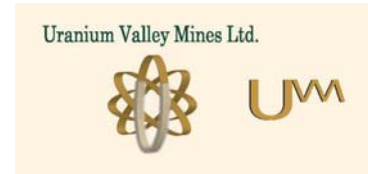
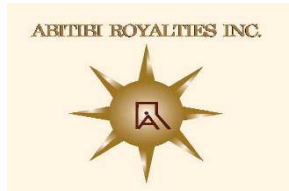




GOLDEN VALLEY MINES LTD.

2864 chemin Sullivan
Val-d'Or, Québec J9P 0B9
819.824.2808 (main)
819.824.3379 (fax)
info@goldenvalleymines.com



Golden Valley Mines Effects Arrangement and Completes Reorganization

Val-d'Or, Québec – July 19, 2011: Further to its prior news releases on July 5, 8 and 14, 2011, **Golden Valley Mines Ltd.** (“Golden Valley” or the “Company”) (TSX-V: GZZ), together with each of **Abitibi Royalties Inc.** (TSX-V:RZZ), **Nunavik Nickel Mines Ltd.** (TSX-V:KZZ) and **Uranium Valley Mines Ltd.** (TSX-V:VZZ) (together, the “New Issuers”) are pleased to announce that Golden Valley today effected the plan of arrangement (the “Arrangement”) pursuant to the *Canada Business Corporations Act*, as a result of which the New Issuers have become reporting issuers in Alberta, British Columbia, Ontario and Québec, and each is a “venture issuer” as such term is defined by applicable securities legislation.

As a result of the Arrangement, each Golden Valley shareholder will receive one common share in the capital of each of the New Issuers for every 25 shares of Golden Valley held by that shareholder on July 19, 2011 and a capital taxable dividend will be deemed to be paid to each of the Golden Valley shareholders having received such New Issuers’ shares equal to the value of the New Issuers’ shares distributed to such Golden Valley shareholders, being \$0.16 per common share of Abitibi Royalties Inc., \$0.30 per common share of Nunavik Nickel Mines Ltd. and \$0.235 per common share of Uranium Valley Mines Ltd.

Certificates, or a non-transferable written acknowledgment of the shareholder’s right to obtain such a share certificate, representing shares of each of the New Issuers to be issued to Golden Valley shareholders pursuant to the Arrangement will be issued on or about Friday, July 22, 2011. No fractional shares of the New Issuers will be distributed to Golden Valley shareholders. The residual New Issuers’ shares not distributed to Golden Valley registered shareholders as a result of the treatment of fractional interests will be surrendered by Golden Valley for cancellation and returned to the treasury of the respective New Issuer.

The shares of the New Issuers to be issued to shareholders of Golden Valley who are non-residents of Canada will generally be subject to Canadian withholding tax at the rate of 25% of the gross amount of such shares, subject to reduction under the provisions of an applicable income tax treaty or convention between Canada and the country in which the non-resident

shareholder is resident. Registered shareholders of Golden Valley who are non-residents of Canada will not receive their entire allocation of shares of the New Issuers. To provide for the non-resident registered shareholders' obligation to pay tax on the dividend, a percentage of the shares of each of the New Issuers that each non-resident registered shareholder is otherwise entitled to receive will be purchased by Golden Valley and Golden Valley will, on behalf of the non-resident registered shareholder, remit to the Canada Revenue Agency to the account of the non-resident registered shareholder's Canadian tax obligation. Non-registered shareholders of Golden Valley who hold their securities beneficially through a CDS Participant, and those CDS Participants, are reminded of their withholding tax obligations. Further detail in this regard is summarized in Golden Valley's Management Information Circular dated May 26, 2011, which has been electronically filed by Golden Valley with regulators and is available for viewing through the Internet at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com under the Golden Valley's SEDAR Issuer Profile. ***Golden Valley shareholders should consult their own tax advisors for advice with respect to the Canadian income tax consequences to them of the Arrangement.***

Additional information with respect to each of the New Issuers is available at the SEDAR web site (www.sedar.com) under the respective New Issuer's SEDAR Issuer Profile.

About Golden Valley Mines Ltd.: The Company typically tests initial grassroots targets while owning a 100% interest therein and then seeks partners to continue exploration funding. This allows the Company to carry on its generative programs and systematic exploration efforts at other majority-owned grassroots projects. The Company (together with its various subsidiaries) holds majority property interests in projects in Canada (Saskatchewan, Ontario and Québec) and in the Republic of Sierra Leone in West Africa through the Company's wholly owned Canadian subsidiary Calone Mining Ltd., the parent of Calone Mining Company (S.L.) Ltd. The Company holds an approximate 66.3% interest in Abitibi Royalties Inc., an approximate 70.4% interest in Nunavik Nickel Mining Ltd. and an approximate 37.6% interest in Uranium Valley Mines Ltd.

About Abitibi Royalties Inc.: Abitibi Royalties Inc. holds title to interests in the Luc Bourdon and Bourdon West Prospects (also known as the McFaulds Lake Property) and the Malartic CHL Property, plus a 2% net smelter royalty interest in one claim held by Osisko Mining Corporation, which were previously held by Golden Valley, and may acquire and generate other royalty interests.

About Nunavik Nickel Mines Ltd.: Nunavik Nickel Mines Ltd. holds title to the Fortin Property, the Marymac Prospect, the Shoot Out Prospect (East and West combined) and the Donnybrook and Overtime Claims, which were previously held by Golden Valley, and may acquire and generate other nickel ventures in Canada and elsewhere.

About Uranium Valley Mines Ltd.: Uranium Valley Mines Ltd. holds title to interests previously held by Golden Valley in uranium properties, being the Mistassini-Otish Property (previously under joint venture with Lexam VG Gold Inc.) and a joint venture uranium property in Saskatchewan (the Beartooth Island Property), and may acquire and generate other uranium ventures in Canada and elsewhere

For additional information, please contact:

Glenn J. Mullan

Chairman, President, and CEO

2864 chemin Sullivan

Val-d'Or, Québec J9P 0B9

Toll Free: 877.879.1688

Email : glenn.mullan@goldenvalleymines.com

Forward Looking Statements:

This news release contains certain statements that may be deemed “forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Although Golden Valley believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or realities may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of Golden Valley’s management on the date the statements are made. Except as required by law, Golden Valley undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

THIS PRESS RELEASE, REQUIRED BY APPLICABLE CANADIAN LAWS, IS NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR FOR DISSEMINATION IN THE UNITED STATES, AND DOES NOT CONSTITUTE AN OFFER OF THE SECURITIES DESCRIBED HEREIN. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS REGISTERED OR EXEMPT THEREFROM.