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**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**CUERVO REPORTS FIRST RESULTS FROM IRON ORE DRILLING PROJECT IN
PERÚ INCLUDING 57.31% Fe OVER 131.25 m**

October 22, 2007 – Toronto, ON

Cuervo Resources Inc. (CNQ-IRON; FWB-CRR; “Cuervo” or the “Company”) wishes to announce the initial results from the Company’s ongoing program of diamond drilling on its Cerro Ccopane iron ore project in Perú. The Cerro Ccopane property is located 65 km to the south of Cuzco in southern Perú. Intersections of up to 57.31% Fe over 131.25 m are reported herein.

The program of diamond drilling by the Company’s wholly owned subsidiary Minera Cuervo S.A.C. (“Minera Cuervo”) is currently being focussed on the Orcopura (also known as Wiychaucassa or Posada 2) zone of mineralization. The Company is targeting near surface, relatively flat-lying iron mineralization (magnetite \pm hematite). The following list describes the general locations of the first eight (8) diamond drill holes being reported on:

ODH – 01, ODH – 02 and ODH – 03 were drilled from the same location (platform), ODH – 01 being a vertical drill hole, ODH – 02 being drilled toward grid north at an inclination of 45° and ODH – 03 toward grid south at 60°. The site was selected as being central to the known surface expression of iron-bearing mineralization within the Orcopura zone. Elevation of the location is 3805 m AMSL;

ODH – 04, ODH – 05 and ODH - 06 were drilled from a second platform at a point 100 m to the (grid) east of ODH – 01 etc. ODH – 04 was a vertical drill hole, ODH – 05 was drilled toward grid north at an inclination of 45° and ODH – 06 toward grid south at 45°. Elevation of the location is 3755 m;

ODH – 07 and ODH – 08 were drilled from another platform 110 m to the (grid) south of ODH – 01 etc. (*i.e.* on the same section as ODH – 01 etc.). ODH – 07 was a vertical drill hole and ODH – 08 was drilled toward grid south at an inclination of 60°. Elevation of the location is 3750 m.

Locations of the collars of the drill holes are tied to the Company’s orthophoto-topographic basemap by GPS surveying.

The following table presents a list of the intersections that were sampled during the recent work program:

DRILL HOLE	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
ODH – 01	0 - 131.25	131.25	131	57.31	2.18	0.03	0.05	0.12
Includes	15.00 - 49.50	34.50		58.01	0.30	0.04	0.04	0.10
	60.00 - 87.00	27.00		59.98	3.39	0.03	0.03	0.16
	92.00 - 131.25	39.25		60.30	3.72	0.03	0.05	0.16
ODH – 02	1.40 - 47.05	45.65	32	52.75	0.05	0.06	0.19	0.06
Includes	20.05 - 45.55	25.50		58.31	0.05	0.05	0.19	0.06
ODH – 03	0 - 149.00	149.00	129	53.92	1.35	0.05	0.07	0.11
Includes	27.50 - 48.50	21.00		56.27	0.92	0.05	0.06	0.14
	53.20 - 132.00	78.80		59.48	1.47	0.04	0.06	0.12
ODH – 04	4.50 - 78.50	74.00	74	60.29	0.79	0.04	0.08	0.10
Includes	15.50 - 78.50	63.00		62.61	0.92	0.03	0.08	0.12
ODH – 05	3.00 - 108.00	105.00	74	60.40	1.36	0.04	0.04	0.09
Includes	34.50 - 108.00	73.50		62.94	1.90	0.02	0.04	0.10
ODH – 06	1.70 - 92.70	89.50	63	56.57	0.71	0.05	0.04	0.07
Includes	15.50 - 62.00	46.50		63.50	0.13	0.04	0.02	0.04
	70.20 - 88.20	18.00		60.80	2.14	0.03	0.06	0.06
ODH – 07	0 - 71.00	71.00	71	53.94	0.83	0.08	0.07	0.11
Includes	0 - 37.50	37.50		61.55	0.25	0.10	0.06	0.16
	46.00 - 68.00	22.00		55.23	1.49	0.04	0.09	0.07
Other	75.50 - 81.50	6.00		54.66	3.87	0.03	0.12	0.11
	138.50 - 152.35	13.85		59.42	4.05	0.06	0.07	0.12
ODH – 08	5.30 - 106.64	99.84	86	46.79	1.42	0.05	0.08	0.11
Includes	5.30 - 43.70	38.40		53.41	0.09	0.04	0.05	0.12
	56.60 - 67.20	10.60		59.07	0.42	0.07	0.07	0.10
	79.64 - 93.14	13.50		55.94	3.46	0.06	0.08	0.12

* TVD – approximate total vertical depth from top to bottom of intersection

All drill holes were logged and sampled at the project campsite on the property under the direction of Minera Cuervo's senior geologist, ing. Abraham Castillo Ll. A nominal sampling interval of 1.5 m is currently being used within sections of typical iron mineralization. Analyses

were performed by SGS Minerals Services at their laboratory facilities in Lima (Callao), Perú. Iron (Fe) analyses reported were performed by titration methods, sulphur (S) were carried out with a LECO furnace and all other analyses reported herein, being phosphorus (P), manganese (Mn) and copper (Cu), were by performed ICP-AES after a multi-acid (“total”) digestion. Laboratory check analyses were performed on approximately 10% of the samples submitted while field duplicate samples are submitted on a rate of approximately 5% of the total samples sent to the laboratory. The Company is satisfied with the reproducibility of analyses for the elements reported.

While the Company recognizes that certain elements, including sulphur, can have a debilitating effect on the quality of a potential iron ore product, at this stage the Company has no indications that this could be of consequence at this location. The sulphur is identified as being present as sulphide minerals, predominantly pyrite, in the Orcopura zone. The Company has selected samples for preliminary separate mineralogical and metallurgical (Davis Tube) studies to further assess the nature of the iron mineralization. The results of these studies should be available to the Company in approximately four to six week’s time.

A second diamond drill and crew from the Company’s contractor, MDH S.A.C. of Lima, Perú, have been mobilized to the project by the Company to accelerate the program of exploration on the Orcopura zone and to expand exploration to other known zones of mineralization on the Cerro Ccopane property.

Exploration work and content of this release has been carried out under the supervision of Mr. John M. Siriunas, P.Eng., the designated qualified person for Cuervo under the definition of NI43-101.

The Company has 21,686,000 shares outstanding (33,716,000 fully diluted).

For further information, please contact Mr. Siriunas, a director and President of Cuervo, at 416-203-3957 x4700 or Mr. Tom Berner, Investor Relations, at 416-324-8322 x202. Additional information about Cuervo can be found at the Company’s website at www.cuervoresources.com.

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