

News Release 06-25
December 1, 2006

Cumberland Completes Cdn\$23 Million Sale of Meliadine Gold Projects

CUMBERLAND RESOURCES LTD. (TSX: CLG; AMEX: CLG) (“the Company”) is pleased to announce that it has completed the previously arranged sale of its Meliadine gold property interests, including its 22% interest in the Meliadine West project and its 50% interest in the Meliadine East project, to Resource Capital Funds (“RCF”) for Cdn\$23 million. Cumberland will use the proceeds from the sale to partially finance development and construction activities at the Company’s 100% owned Meadowbank gold project located 70 kilometres north of the hamlet of Baker Lake, Nunavut.

As part of this transaction, RCF has agreed to a price adjustment of up to Cdn\$2 million if additional ounces are outlined as a combined result of the 2006 drill program and a subsequent independent 43-101 resource estimate for Meliadine West. RCF is a group of resource-focused private equity funds based in Denver, Colorado and Perth, Australia. The Meliadine projects are located 20 kilometres north of Rankin Inlet, Nunavut, Canada.

Advancing Cumberland’s Meadowbank Gold Project towards Mid-Tier Gold Production

Cumberland is advancing the Meadowbank project toward open pit production based on a bankable feasibility study and subsequent bank due diligence¹ completed in December 2005.

Meadowbank Gold Project Production Profile¹ (Dec. 2005)

(Assuming long term US\$400/oz. gold and US\$0.75 per Cdn\$1.00)

Mine Life		8.1 years
Average Annual Production Rate:	Years 1 to 4	400,000 ounces
	Life of Mine	330,000 ounces
Total Cash Cost per Oz.:	Years 1 to 4	US\$175
	Life of Mine	US\$201
Pre-production Capital Costs		US\$235 million Cdn\$313 million

A production decision was made by the Board of Directors of Cumberland in September 2006 following a positive development recommendation by the Nunavut Impact Review Board (“NIRB”). The Company has since secured at least Cdn\$254 million for its gold loan facility and has raised approximately Cdn\$100 million in equity financing to be used for development of Meadowbank.

The Federal Minister of Indian Affairs and Northern Development accepted the positive NIRB recommendation on November 20, 2006, and a Project Certificate is expected to be issued to Cumberland in the coming weeks. Upon issuance of the Project Certificate, the processing and issuance of all ancillary permits necessary for construction can commence. The Company has staged the necessary equipment and supplies at Baker Lake for the construction of a four season access road to Meadowbank. Subject to the timely receipt of all ancillary permits and requisite financing, production is expected to commence in late 2008 or early 2009.

Cumberland has a 100% interest in the Meadowbank gold project located 70 kilometres north of the hamlet of Baker Lake, Nunavut. The shares of Cumberland are traded on the Toronto Stock Exchange and American Stock Exchange under the symbol CLG.

CUMBERLAND RESOURCES LTD.

“Kerry M. Curtis, B.Sc., P.Geo.”
President and CEO

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¹ **Meadowbank Feasibility Study Due Diligence (December 2005)** – As a requirement of bank financing, bank-appointed independent engineers SRK Consulting (UK) (“SRK”) completed a due diligence audit of the Meadowbank feasibility study completed in early 2005 by AMEC Americas Ltd. (“AMEC”). The results from the feasibility study by AMEC are summarized in a Technical Report, dated March 31, 2005, prepared by AMEC in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101. Construction scheduling and capital cost estimation has been prepared by Merit International Consultants Inc. (“Merit”). Metallurgical and process test work was completed by SGS Lakefield Research Ltd. Process design was completed by International Metallurgical and Environmental Inc. and AMEC. Supporting geotechnical engineering, hydrogeological and geochemical studies were completed by Golder Associates Ltd. (“Golder”). Both the SRK and AMEC assumptions include a long term gold price of US\$400/oz. and an exchange rate of US\$0.75 per Cdn\$1.00.

Forward Looking Statements - This News Release contains “forward looking information” within the meaning of the Ontario Securities Act or “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934 of the United States, including statements concerning our plans at the Meadowbank Gold Project and other mineral properties, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with our expectations, metal recoveries, accidents, equipment breakdowns, title matters and surface access, labour disputes or other unanticipated difficulties with or interruptions in production, the potential for delays in exploration or development activities or the completion of new or updated feasibility studies, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations (including gold, fuel, steel and construction items), currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties, including those described in the Annual Information Form filed with the Securities Commissions of the Provinces of British Columbia, Ontario, Quebec and Nova Scotia in our 40F filed with the United States Securities and Exchange Commission (the “SEC”) and with the Toronto Stock Exchange. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of gold, that we will receive required permits and access to surface rights, that we can access financing, appropriate equipment and sufficient labour and that the political environment within Nunavut and Canada will continue to support the development of environmentally safe mining projects so that we will be able to commence the development of the Meadowbank Gold Project within the established timetable. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. The words “anticipate”, “believe”, “estimate” and “expect” and similar expressions, as they relate to us or our management, are intended to identify forward looking statements relating to the business and affairs of the Company. Except as required under applicable securities legislation, we undertake no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise.