



March 6, 2012

CED: TSX-V

**CEDAR MOUNTAIN EXPLORATION INC. CLOSES C\$6.4 MILLION PRIVATE
PLACEMENT OF UNITS**

March 6, 2012 Vancouver, British Columbia – Cedar Mountain Exploration Inc. (CED: TSX-V) ("Cedar Mountain" or the "Company") is pleased to announce that it has closed the private placement announced on February 20, 2012 and amended on February 23, 2012. The Company sold 32,000,000 units (the "**Units**") at a price of \$0.20 per Unit for total gross proceeds of C\$6.4 million (the "**Offering**"). The Offering consisted of both a brokered (the "**Brokered Offering**") and a non-brokered (the "**Non-brokered Offering**") component. Each Unit consists of one common share of the Company ("**Common Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant shall be exercisable into one common share of the Company for a period of 24 months from closing at an exercise price of C\$0.35 per share.

Canaccord Genuity Corp. (the "**Agent**") led the Brokered Offering, where the Company sold 21,000,000 Units at a price of \$0.20 per Unit for gross proceeds of \$4,200,000. In addition, the Agent received a cash fee on the sale of the securities equal to 6.5% of the aggregate gross proceeds raised in the Brokered Offering, 2,100,000 broker warrants (the "**Broker Warrants**"), which represent 10% of the securities issued pursuant to the Brokered Offering and a corporate finance fee of 350,000 Units. Each Broker Warrant shall be exercisable for one Common Share at a price of C\$0.20 at any time up to 24 months after closing.

Pursuant to the Non-brokered Offering, the Company sold 11,000,000 Units at a price of \$0.20 per Unit for gross proceeds of \$2,200,000 under the same terms as above. In connection with the Non-brokered Offering, the Corporation paid finder's fees to registered dealers by the issuance of: (a) a cash fee for an aggregate of C\$167,400 equal to 6.5% of the aggregate gross proceeds raised in the Non-brokered Offering, payable in cash; and (b) non-transferable share purchase warrants entitling such registered dealers to acquire in the aggregate, an additional 1,020,000 common shares on the same terms as the Warrants.

Securities issued under the Offering will be subject to a four month hold period which will expire on July 7, 2012.

The Company intends to use the gross proceeds of the Units issued for exploration and development of the Company's Graphite Creek project and for general working capital purposes.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Following closing of the Offering, the board of directors granted stock options pursuant to the Company's stock option plan to officers, directors and consultants of the Company to acquire an aggregate of 3,400,000 common shares of the Company, exercisable at a price of \$0.28 until March 6, 2017, of which stock options to acquire 2,550,000 common shares of the Company were granted to directors and officers of the Company.

About Graphite Creek

The Graphite Creek project is an approximately 3,108 hectare property on the Seward Peninsula of Alaska, 65 kilometres north of Nome. Mineralization at the Graphite Creek Property is characterized by immense scale, large-flake high-grade graphite-bearing garnet biotite quartz schist. Graphite mineralization is exposed at surface. The coarse crystalline flake graphite occurs as disseminations and high-grade segregations and lenses in the distinctive garnet-bearing schist. The host garnet-bearing schist interval is continuous over 5 kilometres of strike length, has an approximate thickness of 100 metres, and is exposed over dip lengths of 100 to 200 metres thus indicating the potential for 150 to 250 million tonnes of graphite-bearing rock. The estimate of potential deposit tonnage is based on the Company's geological mapping in 2011. Four 2011 samples of the garnet-bearing schist contain 9.1 to 21.8% graphite. Sampling of high grade lenses within the garnet-bearing schist contains up to 56.9% graphite. A historical composite chip sample across a 16 metre outcrop of garnet-bearing schist contained 8.36% graphite. Other schists in the area contain 2 to 6% graphite. The potential size and grade of the Graphite Creek deposit is conceptual in nature as there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in discovery of a mineral resource. The property is 3 kilometres away from intertidal waters at Windy Cove, approximately 20 kilometres away from road systems, and 3 kilometres from an airstrip to the east.

About Cedar Mountain Exploration Inc.

CEDAR MOUNTAIN EXPLORATION INC. (CED: TSX-V) is a mineral exploration company with a clear and distinct business strategy to identify, acquire, and explore high potential projects ready for rapid advancement. The Graphite Creek Property on the Seward Peninsula of Alaska fits with the Cedar Mountain business strategy offering significant potential for the discovery and development of a large-flake, high-grade graphite deposit exposed at surface. Cedar Mountain has an option to earn a 100% interest in the Graphite Creek project and plans to rapidly advance the Property to a NI 43-101 compliant resource.

The graphite market is only beginning to open up as green technology takes more precedence in the world today. Graphite is vital for lithium-ion batteries, pebble bed nuclear reactors, and fuel

cells amongst other uses. Graphite has been named a "supply critical mineral" and a "strategic mineral" by the USA and European Union as more demand is being created that surpasses the supply threshold. This has allowed for the price of graphite to rise, as over the past 7 years the price has nearly tripled. Graphite is the mineral of tomorrow and as such, cannot continue to be overlooked and undervalued.

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) "Charles Chebry"

For more information on Cedar Mountain Exploration Inc. please visit the Company's website: www.cedarmountainexp.com or contact:

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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 release.

This release includes certain statements that may be deemed to be forward-looking statements. All statements in this release, other than statements of historical facts that address access to capital, regulatory approvals, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. In particular, but without limiting the foregoing, this press release contains statements concerning the anticipated use of net proceeds of the Offering. Although the Company 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 developments may differ materially from those in the forward-looking statements. The intended use of the net proceeds of the Offering by the Company might change if the board of directors of the Company determines that it would be in the best interests of the Company to deploy the proceeds for some other purpose, such as an acquisition. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continuity of mineralization, uncertainties related to the ability to obtain necessary permits, licenses and title and delays due to third party opposition, changes in government policies regarding mining and natural resource exploration and exploitation, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed in this press release, and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

For more information on the Company, investors should review the Company's continuous disclosure filings that are available at www.sedar.com