

FOR IMMEDIATE RELEASE

Taranis Resources Inc.
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Taranis Negotiates Agreement To Sell Interest in Needles Property

Lakewood, Colorado, May 29, 2006 – Taranis Resources Inc. ("Taranis") [TSX.V: TRO], a Colorado-based resource company with a number of gold and silver projects in Nevada and Finland, announces that it has agreed to sell its 100% interest in its Needles Project located in Nye County, Nevada (the "Property") to DiscFactories Corporation ("DSK"), which is also listed on the TSX Venture Exchange. This transaction (the "Transaction"), which has been negotiated at arm's length, will constitute a change of business by DSK and is therefore subject to both DSK shareholder approval and regulatory acceptance.

Under the terms of the Transaction, DSK will pay Taranis C\$50,000 in cash and issue 2,000,000 common shares of DSK to Taranis. Taranis will also retain a 2% net smelter return royalty to be calculated and paid pursuant to provisions to be agreed between the parties in the definitive purchase agreement in respect of the Transaction. In the event DSK completes any other business deal on the Property, Taranis' 2% net smelter return royalty would not be affected and would remain in effect. In addition, DSK will assume all land payments to Nye County and the Bureau of Land Management to keep the Property in good standing, and will assume a bond for environmental reclamation currently filed with the Bureau of Land Management.

John Gardiner, President and CEO of Taranis states "We are firmly committed to continued involvement on the Needles Project, and feel that this project has potential to develop into a significant asset. Taranis will retain an interest in this exciting exploration project by maintaining an equity position in DSK and through a royalty should continued exploration be successful."

Completion of the Transaction is subject to DSK successfully completing approximately C\$600,000 in equity financing (the "Financing"). The proceeds from the Financing will be used by DSK to conduct a recommended C\$250,000 exploration program on the Property, and for working capital purposes.

About Taranis Resources Inc.

Taranis is a precious metal resource company with three active exploration projects owned 100% located in Nevada, and the advanced-stage Kettukuusikko Property located in Finland which is currently being explored by Taranis Resources Inc. and Royal Gold, Inc. of Denver. Taranis currently has 11,025,168 shares issued and outstanding (12,495,918 shares on a fully-diluted basis).

TARANIS RESOURCES INC.

Per: John J. Gardiner (P. Geol.),
President and CEO

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For Investor Relations, contact:

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