



July 15, 2009
Release: Series 10 Release 8

For immediate release
TSX Venture: TDC

TYHEE CLOSSES \$2.655 MILLION FINANCING

VANCOUVER, British Columbia (July 15, 2009)-- Tyhee Development Corp. (TSX Venture, TDC) today announced it has closed a \$2.655 million financing. The financing consists of 21,030,000 units at a price of \$0.10 per unit, and 4,416,000 common shares which are designated as flow through shares for the purposes of the *Income Tax Act* (Canada), at a price of \$0.125 per flow through share. Each unit consists of one common share and one common share purchase warrant exercisable to acquire an additional common share for a period of 24 months from closing, at a price of \$0.15 per share. Tyhee paid a total cash commission of \$129,825 to lead agent Loewen Ondaatje McCutcheon Limited and Fraser Mackenzie Limited (the "Agents") and a cash commission of \$17,500 to Puplava Securities Inc. ("Puplava") on securities sold to United States investors introduced by Puplava. In addition, Tyhee issued to the Agents common share purchase warrants entitling them to purchase a total of up to 631,000 common shares for a period of 15 months at a price of \$0.15 per share.

Closing of the financing is subject to final approval of the TSX Venture Exchange (the "Exchange"). All securities issued are subject to a hold period of four months in accordance with the rules and policies of the Exchange and applicable Canadian securities laws.

Further to Tyhee's news releases dated April 20, 2009 and July 14, 2009, market conditions dictated a reduction in the offering price to that announced previously and the Board of Directors determined to reduce the total funds raised to minimize dilution to existing shareholders while still enabling the company to advance the Yellowknife Gold Project. Proceeds of the financing will be used to complete the preliminary feasibility study and advance permitting for the Yellowknife Gold Project. Funds will also be allocated to exploration and general corporate purposes.

"We are excited to get started and will be mobilizing crews to Clan Lake immediately, to follow up on extensions to our Main Zone where diamond drilling last year intersected 10.39 gpt gold over 21.5 m (CL103) and 15.58 gpt gold over 11.9m (CL104). A number of new mineralized zones were identified within the 6.5 km long trend late last year have not been completely delineated" reports Dr. Dave Webb, President & CEO. "Work on our Preliminary Feasibility has started and will build on the Preliminary Assessment, completed in 2008, that demonstrated positive economics for the Yellowknife Gold Project. Permitting work will continue with the intent to complete our Developers Assessment Report".

Tyhee has engaged EBA Engineering Consultants Ltd. (www.eba.ca) to lead the Preliminary Feasibility study with contributions from Merit International Consultants Inc. (www.meritconsultants.net), Kaehne Consulting Ltd., Laurion Inc., Bruceling Engineering Consultants Inc., and Mintec Inc. (www.mintec.com) The Preliminary Feasibility study will expand on the Preliminary Assessment completed in August 2008 which focused on the Ormsby, and Nicholas Lake Main Zones. Additional resource contributions from the Goodwin Lake Vad and Clan Lake Main Zones will be considered, however these resources were discovered in 2008 and are not yet fully developed. Continued expansions of these resources are expected as exploration progresses. The Preliminary Feasibility study is due to be completed in early 2010.

Tyhee plans to conduct a more extensive prospecting, mapping and sampling program on Clan Lake. Much of the previous work has focused on the Main Zone where 254,000 ounces of gold were identified in the indicated category (see www.tyhee.com or www.sedar.com). Late in 2008 four new subparallel gold zones were identified but not fully delineated. The Company intends to more fully assess these zones and prioritize them for diamond drilling. Management believes there is very high probability additional zones will be discovered in 2009. Re-logging and sampling of archived diamond drillholes in early 2009 confirmed significant gold mineralization in the Pond Zone, which appears to be a continuation of the Main Zone.

Tyhee has received the Final Terms of Reference and Work Plan for its environmental assessment of its Yellowknife Gold Project (2008) as submitted. These documents will assist Tyhee in completing its Developer's Assessment Report which should be ready in early 2010.

Tyhee Development Corp. is a gold exploration and development company currently focused on the historic Yellowknife Gold Camp, NWT, Canada. It is the largest property holder in the historic camp, and has the largest exploration and development program underway in the region. Its principal asset is the Yellowknife Gold Project, centered on mining leases located 90 km (56 miles) north of Yellowknife, NWT, Canada. A Preliminary Assessment ("PA") published in August 2008 confirmed the economic viability of the project at that time and under specified conditions (NR S.9, R.11, July 17, 2008). Additional resources have been added subsequent to the PA. The Company submitted a Project Description Report (PDR) to the Mackenzie Valley Land and Water Board ("MVLWB") in July, 2008 which focused on the proposed mining of the Ormsby and Nicholas Lake Zones. The project was referred to an Environmental Assessment by the MVLWB in September 2008. The Project Description Report does not include any subsequent additions to the resources.

Tyhee's shares trade on the TSX Venture Exchange under the symbol "TDC". For additional information, please visit the Company's website, www.tyhee.com.

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This news release contains forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. The Company's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: the availability of funds; the timing and content of work programs; results of exploration activities and development of mineral properties, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimations, receipt and security of mineral property titles; project cost overruns or unanticipated costs and expenses, fluctuations in metal prices; currency fluctuations; and general market and industry conditions. Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

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.