

Exploration Highlights for August, 2007

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Claim Staking Update for Newfoundland and Labrador

4,049	Claims staked in August.
164,492	Claims in good standing at end of August.

Newfoundland

• *Central Newfoundland*

On August 6, **Rambler Metals and Mining plc** announced two significant drill hole intercepts from its ongoing surface drilling program at the Rambler Mine Property.

- a) RM07-19g returned 3.0 m of 5.15% copper with 1.5 g/T gold on the 1807 Zone
- b) RM07-08d returned multiple intersections of plus 2% copper on the Ming Footwall Zone including 11.3 m of 2.30% copper and 0.07 g/T gold

The dewatering of the old mine continues and at the time of this release some 40 million gallons of water have been pumped and processed by the water treatment plant.
www.ramblermines.com

On August 8, **Messina Minerals Inc.** reported drill results from an additional 5 holes on the Skidder Property. Messina has now intersected copper and zinc enriched massive sulphides with encouraging assay results in all 10 drill holes completed at Skidder. Highlights of the recent drilling include 13.0 m assaying 2.1% copper and 1.8% zinc in SZ07-09 and 6.54 m assaying 2.8% copper and 2.4% zinc in SZ07-07. Copper-zinc massive sulphides have now been intersected over a length of 190 m, and the zone remains open in both lateral directions. Section 6164E (holes SZ07-04 to -06) shows a dip length of approximately 100 vertical meters; all sections remain open up and down dip. The drilling program has been completed for now, to provide time to model the sulphide intersections and plan a next phase drill program.

Elsewhere, Messina has intersected zinc and copper enriched massive sulphides in five of six holes completed at the Long Lake Property located in central Newfoundland 18 km east of the Company's Boomerang/Domino massive sulphide resources.

Five holes tested within the Long Lake Main Zone historic resource area. The drill program is designed to evaluate the continuity and thickness of mineralization documented previously by Noranda in 1999. The most significant result was obtained from LL07-04 which intersected an 8.7 m interval assaying 11.2% zinc, 2.2% lead, 1.4% copper, 81 g/t silver, and 1.1 g/t gold.

<http://www.messinaminerals.com/>

On August 16, **Altius Resources Inc.** announced they have sold two properties in the Victoria River area to **Messina Minerals Inc.** The properties cover volcanic-hosted base metal targets and are located 20 km northwest of the Aur Resources Duck Pond copper-zinc mine.

www.messinaminerals.com

www.altiusminerals.com

On August 16, **Mountain Lake Resources Inc.** and **Richmont Mines Inc.** announced the start of a 2,700 m diamond drilling program, designed to evaluate the overall potential of the remainder of the large Valentine Lake property, which has unexplored, strong gold anomalies over 22 km. Five holes will be located on the Valentine Lake intrusion in favorable geological settings around previously identified resources, and the remaining six holes will be located further south in the Dunnage-Gander fault region, a major deformation zone anomalous in gold. Additional potential drill targets identified on the property, but not included in the initial drill plan, will be evaluated by a ground exploration crew over the next month.

<http://www.mountain-lake.com/>

<http://www.richmont-mines.com/>

On August 21, **Royal Roads Corp.** announced that a second drill has been mobilized to the Tulks North property to complete a 2,500 m drilling program designed to test priority targets located along strike of the Daniels Pond deposit. Drilling at the Parking Lot prospect, located approximately 1,500 m northeast of the Daniels Pond deposit, will consist of four drill holes totaling 1,000 m. The Parking Lot zone consists of copper sulphide stockwork mineralization that has returned historical channel sample assays from trenched bedrock exposures of up to 1.95% copper over 3 m, including grab samples assaying up to 20% copper. Limited previous drilling of the prospect returned anomalous sulphide mineralization in two zones, including a shallow zone assaying 4.5% zinc over 1.21 m as well as a deeper zone assaying 1.44% copper over 1.4 m. The program will test the zone along strike and at shallow depths beneath the bedrock exposure as well as test discrete gravity anomalies located approximately 400 m southwest, and 300 m northeast, potentially along strike of the prospect.

Upon completion of drilling at Parking Lot, the drill will move to the Daniels Pond Extension prospect to drill 1,500 m in up to six holes. This prospect consists of a poorly tested, 200 m long coincident VLF-EM geophysical conductor and base metal in soil geochemical anomaly. The geochemical anomaly is reported to be similar in magnitude to that observed over the Daniels Pond deposit. Previous drilling of this prospect by

Royal Roads in 2005 returned intersections assaying up to 0.57% zinc over a core length of 4.5 m. Gravity data recently processed by Royal Roads in 2007, has defined an 800 m long discrete gravity anomaly located less than 400 m southwest of the Daniels Pond Extension prospect which will also be tested.

Concurrently, the Daniels Pond deposit drill program, which consists of infill and exploratory drilling, will continue with the objective of upgrading the current National Instrument 43-101 Inferred resource to the Indicated category.

<http://www.royalroadscorp.ca/>

On August 23, **Paragon Minerals Corporation** announced that it has started a diamond drill program on the South Tally Pond base metal project located in the Victoria Lake Volcanic Belt in central Newfoundland. The property is under option from Altius Resources Inc. This initial 1,000m drill program is aimed at testing the Lemarchant prospect, a significant base metal occurrence in the Victoria Lake Volcanic Belt where previous drilling by Noranda intersected massive sulphides assaying 1.53% zinc, 59.8 g/t silver, 6.1 g/t gold over 3.8 m and 7.4% zinc, 6.3% lead, 0.6% copper, 11.4 g/t gold, 1,515 g/t silver over 0.6 m. The mineralization is interpreted to be open along strike and to depth where potential folding of the stratigraphy presents new untested targets. The Lemarchant prospect occurs within rocks that are the same age and have the same alteration characteristics as the Duck Pond Mine, located 15 km to the northeast. The proposed drill program is designed to test the mineralized horizon below the previously drilled depth of 160 vertical meters.

On the adjacent Lake Douglas VMS Project, the Company has completed geological mapping, prospecting and airborne EM surveys and is currently prioritizing drill targets. A 2,000 m diamond drill program is scheduled to begin at Lake Douglas on completion of the South Tally Pond drill program.

www.paragonminerals.com

On August 29, **Buchans River Ltd.** announced assay results from its recently completed 850 m drill program on its 100% owned Little Sandy copper prospect, located 14 km east of the former Buchans mine. Drill holes of particular note include LS-07-17 which intersected 9.30 m assaying 1.80% copper, including 3.9 m of 3.21% copper, and 0.50 m with 8.40% copper. Other highlights include drill hole LS-07-13 which intersected 17.96 m averaging 0.42% copper.

<http://www.buchansriver.ca/>

Altius Resources has acquired an option on the Chapel Island nickel-copper-cobalt-PGM property in north-central Newfoundland from local prospectors. The property covers a mineralized norite sill that has not been drill tested but where past sampling from shallow excavations returned up to 3.05% nickel, 1.5% copper and 0.2% cobalt plus anomalous gold and platinum group metals. Further field work is planned to evaluate drill targets.

www.altiusminerals.com

- ***Western Newfoundland***

On August 16, **Altius Resources** reported new results by joint venture partner **Northern Abitibi Mining Corp.** which is exploring the Taylor Brook nickel-copper-cobalt-PGM property located in western Newfoundland. New sulfide occurrences have been found as well as float that assayed 2.7% nickel, 1.1% copper and 0.06% cobalt. Northern Abitibi also reports that it is preparing to drill-test selected targets on the property.

www.altiusminerals.com

On August 21, **JNR Resources Inc.** and **Altius Minerals Corporation** reported on the results of the 2006 exploration program on the Rocky Brook uranium property in western Newfoundland. Exploration at Rocky Brook is focused on the discovery of bedrock sources for two discrete high-grade boulder clusters in glacial till, with reported historical assays ranging from 1% to more than 10% U₃O₈ as well as very high-grade silver contents. The 2006 diamond drilling program consisted of 65 holes totaling 2,881 m. Highlights include the best mineralization intersected to date on the property, in two holes located approximately 50 m east of the Wigwam Brook boulder field and within a broad 700-metre long drill-defined radioactive bedrock anomaly. The anomalous radioactivity appears to be stratigraphically controlled and occurs within a hematized sandstone unit bounded by interpreted reverse faults. RB-06-117 intersected a grade equivalent (downhole-probe result) of 0.54% U₃O₈ over 0.10 m within a 0.4 m interval that assayed 0.075% U₃O₈ and 4.4 ppm silver. Fifty metres to the south, RB-06-127 intersected a 0.5 m interval of 0.080% U₃O₈, 1030 ppm copper and 2.2 ppm silver.

The 2006 airborne geophysical program was completed in July 2006 and consisted of approximately 1,200 line km of radiometric, magnetic and electromagnetic surveying over the Rocky Brook claims. The program identified several prominent magnetic and radiometric anomalies in the areas of the historic Wigwam Brook, Birchy Hill Brook and Goose prospects, as well as a number of anomalous zones elsewhere.

The planned 2007 exploration program includes 3,000 m of diamond drilling and a nominal amount of trenching. The drilling program will focus on the Wigwam Brook area where the results to date indicate a complex stratigraphic/structural control to the mineralization and geochemical enrichment, and the Birchy Hill Brook area. An environmentally low-impact trenching program will be conducted in the Wigwam Brook area.

www.altiusminerals.com

www.jnrresources.com

On August 24, **Marathon PGM Corporation** announced it has acquired the Steel Mountain PGM-Ni-Cu property in western Newfoundland, approximately 8 km east of Stephenville. Historical grab samples have returned values as high as 2.97 g/t PGM, 1.10% nickel and 0.62% copper in pods of massive sulphide. Marathon was drawn to the area by sulphide showings containing platinum, palladium, nickel and copper values.

The Steel Mountain property comprises 14 licenses (910 claims). Three of the licenses were acquired from prospectors and the remainder of the licenses was staked for Marathon PGM. The Steel Mountain complex is predominantly anorthositic gabbro and has known magmatic nickel, copper and PGM mineralization as well as gold and silver mineralization in late stage veins related to the Cabot Fault. The Cabot Fault runs through Newfoundland and is known to have gold mineralization associated with the Fault and with splays off of the Fault. Despite the physical size of the complex and obvious potential as shown by the occurrences of nickel, copper and PGM and gold, surprisingly little is known about the geology, making this a prime target for systematic exploration by Marathon. Marathon is carrying out detailed prospecting and regional soil and sediment sampling as part of its initial exploration campaign. Subsequent phases of exploration on the property will depend on results of this initial work. Mineralization at Steel Mountain is hosted in massive sulphide lenses with discrete PGM hosted in deformed anorthosites and pyroxenites. Two mineralized showings discovered by prospectors hosted in anorthosites yielded grab samples with up to 1.48g/t platinum, 1.08g/t palladium, 1.17% nickel and 0.10% cobalt; and 1.78g/t platinum, 1.19g/t palladium, 1.10% nickel, 0.11% cobalt and 0.62% copper. The Steel Mountain property is on strike from and encompasses the North Range Resources property which contains anorthosite-hosted gold-bearing quartz veins which yield up to 162.7g/t gold and 7.10 oz/t silver in grab samples and 16.2g/t gold and 14.2 oz/t silver over 80 cm (Government of Newfoundland and Labrador assessment file).

<http://www.marathonpgm.com/>

On August 28, **Kermode Resources Ltd.** reported results from the company's ongoing drill program in their wholly-owned Jackson's Arm gold property, Newfoundland. Past results on this project have included wide intersections of very good grade from multiple areas of the large property. The latest results include 45.0 m grading 0.72 g/t gold, and 23.0 m grading 0.80 g/t gold including 0.7 m with 4.49 g/t gold. The company has completed this phase of drilling on the Road Zone and has moved to a one km-long untested high-priority area of the property between the Road Zone and the Apsy Zone.

<http://www.kermode.com>

- ***Southern Newfoundland***

On August 31, **Tenajon Resources Corp** announced that it has optioned two properties near its Ajax Property in northwestern British Columbia and purchased one adjacent to its Moly Brook Property in south central Newfoundland. All three properties are considered prospective for hosting economic deposits of molybdenum. Preliminary evaluations have been proposed for all three properties.

The Grey River West Property is located immediately to the west of Tenajon's Moly Brook Property. The Moly Brook Property hosts a 450 m x 1150 m zone of molybdenum mineralization in bedrock. Limited drilling has returned encouraging values including sections of 44 m and 46 m respectively averaging 0.111 and 0.082% Mo. The Grey River West Property is underlain by rocks similar to those at Moly Brook. Presently, Tenajon is completing an extensive exploration program consisting of geochemical and geophysical

surveying. A follow-up drill program totaling approximately 3,000 m of core drilling is to commence shortly.

<http://www.tenajon.com/>

Labrador

- ***Central Mineral Belt (CMB)***

On August 2, **Bayswater Uranium Corp.** reported progress on prospecting, geophysical and soil sampling surveys over selected uranium targets, and drilling. To date a total of 19 drill holes, each averaging about 200 m in length, have been completed on the Stipec River and Anna Lake targets. New uranium prospects, currently being evaluated, have been located within the Company's landholdings, and about half of the drill holes completed to date have encountered anomalous radioactivity. Assay results are pending. The company has also started a new magnetic/radiometric survey over areas of the property acquired since their 2006 survey.

In early August, the company announced it has expanded its land holdings in the CMB through two agreements. 1) Bayswater has been granted an option to acquire a 50% interest in 34 mineral claims which are currently held 50% by **Silver Spruce Resources Inc.** and 50% by **Universal Uranium Ltd.** The property covers part of a conductive zone coincident with the Stipec River trend of uranium prospects. 2) Bayswater has formed a joint venture with **Ucore Uranium Inc.** in respect of their mutual uranium properties (now referred to as the Makkovik Project), comprising a combined total of 829 claims, located in previously exempted land for exploration along the northeastern extension of the CMB.

www.bayswateruranium.com.

On August 20, **Aurora Energy Resources Inc.** announced that it has advanced its 100% owned Michelin Project in Labrador to the pre-feasibility stage. Aurora anticipates formally registering the Michelin Project with the Canadian Environmental Assessment Agency by the end of the year. Pending completion of the necessary regulatory approvals and a positive feasibility study, Aurora estimates it could begin mine construction as soon as 2010 and commence production in 2013.

On August 22, Aurora announced the first set of drill results at Michelin. The new holes are part of an ongoing drilling program focused on Aurora's assets in the CMB. The current exploration program will be followed by a winter campaign of extensive in-fill and delineation drilling with a minimum target of 75,000 m.

Aurora has confirmed and expanded a new zone, the Eastern Shoot, 250 m east of the high grade Main Zone. The Eastern Shoot occurs within the same mineralized horizon as the Main Zone and displays similar characteristics and geometry. The Eastern Shoot has now been traced over a strike length of 200 m, and to a vertical depth of 610 m, starting at surface, and remains open in all directions. Uranium mineralization in the Eastern Shoot was intersected in two holes in 2006 and has now been intersected and expanded in six additional holes in 2007, demonstrating important continuity and predictable

geometry. To date, assay results have been received for only one of these six new drill holes, as follows, with results from the balance of the holes pending: Drill hole M07-58 intersected 0.11% U3O8 over 9.8 m including 0.15% U3O8 over 6.0 m.

Deeper exploration on the Main Zone is also in full swing and four new holes have been completed, piercing the deposit more than 200 m down-plunge from the current resource limits. Results have been returned from two of these four holes, all of which intersected the flanks of the Main Zone. Results to date are as follows: Drill hole M06-59 intersected 0.11% U3O8 over 15.0 m. Drill hole M07-51 intersected 0.12% U3O8 over 7.5 m. The Main Zone has now been extended to a vertical depth of almost 800 m and remains open at depth. Two additional diamond core rigs have been mobilized to the property with the capacity to drill to depths of 1000 m and carry out controlled directional drilling. A third additional rig will be arriving in two weeks time.

On August 29, Aurora reported results from eight new drill holes at the Company's 100%-owned Jacques Lake Deposit. These holes all intersected uranium mineralization, expanding the size of the deposit by at least 100 m to the southwest. Mineralization at Jacques Lake starts at surface and has been traced to a depth of 235 m. The deposit has a drilled strike length of over 600 m and remains open for further expansion to the southwest and at depth. New drilling highlights include 0.11% U3O8 over 25.00 m in JL07-062, and 0.16% U3O8 over 15.02 m in JL07-061. The remainder of the 2007 drill program at Jacques Lake will focus on expanding the deposit at depth and along strike.
<http://www.aurora-energy.ca/>

On August 23, **Crosshair Exploration & Mining Corp.** reported initial drill results from the ongoing drill program at the C Zone located on its Central Mineral Belt (CMB) Uranium Project. Hole ML-87, a step-out hole, has intersected the thickest and highest grade zones of mineralization drilled on the property to date, and extends the C Zone to the northeast beyond the existing resource base. Hole ML 87 intersected 0.10% U3O8 over 45.7 m as part of a much wider interval that assayed 0.07% U3O8 over 71.3 m.

Crosshair currently has three drill rigs operating on the CMB Uranium Project, two of which are focused on expanding and upgrading the uranium resource at the C-Zone. A third drill rig is being used to test other target areas. Additional assay results will be released over the coming weeks.
www.crosshairexploration.com

On August 30, **Silver Spruce Resources Inc.** and **Universal Uranium Ltd.** reported further results from third phase drilling at the Two Time Zone and prospecting and Radon Gas (RadonEx) surveys from the CMBNW claim block in central Labrador. Results for holes CMB-07-15 to 20 are reported. The new holes continue to expand and define the mineralization, along strike and to depth. Highlights include 192 m assaying 0.022% U3O8 (including 9 m at 0.127 U3O8) from hole CMB-07-16, and 17 m at 0.109% U3O8 from hole CMB-07-18. The drilling was targeted to test the Two Time zone at depth to the south. The zone has been traced over a strike length of approximately 425 m and remains open. The host for the mineralization is an altered, brecciated and fractured

intrusive, monzodiorite to diorite, with extensive chlorite, carbonate and hematite alteration. The orientation of mineralization in the Two Time Zone appears to be near vertical to steeply dipping. An estimate of true widths cannot be established at this time.

RadonEx radon gas surveys have been utilized to trace uranium mineralization on the CMBNW and Snegamook properties as a guide for exploration. The survey has been successful in defining a trend of radon anomalies, thought to represent uranium mineralization, along the Two Time area and these anomalies are being tested by drilling. The surveys have also shown a number of other mineralized structural trends, particularly an east-northeast trending zone, to the south of the Two Time on the Snegamook property, which remain to be tested. In prospecting surveys, 76 rock samples were taken from float and outcrop with scintillometer readings from a few hundred to greater than 10,000 cps. Of these, five gave values greater than 0.5% U₃O₈ and 31 gave values greater than 0.1% U₃O₈. The uranium values are hosted in hematite-bearing breccia zones close to the trace of the structure and in pegmatitic zones to the north of it. Another area, trending ENE and giving values up to 0.93% U₃O₈ in float boulders and 0.4% U₃O₈ in outcrop is located in the southeastern portion of the group. These samples are generally hematite breccias and are related to alteration (carbonatization, chloritization) in the host units. The Near Miss Showing, located in the southwestern portion of the Snegamook property, gives values from 78 to 5000 ppm (0.008% to 0.5%) U₃O₈ in rock samples from outcrop and also shows good coincidence with RadonEx radon gas anomalies. It has not yet been drilled. Other rock samples have been taken and submitted to the laboratory.

<http://www.silverspruceresources.com>

<http://www.universaluranium.com>

- ***Western Labrador***

On August 31, **Consolidated Thompson Iron Mines Ltd. (CLM)** announced that it will not proceed with the previously announced purchase of a majority interest in the Wabush Mines Joint Venture. Dofasco Inc., a subsidiary of Mittal Steel Company N.V., has notified CLM that it will exercise its option to purchase the interests of Stelco and Cleveland Cliffs in the Wabush Mines Joint Venture. CLM is continuing its development of the Bloom Lake project at a rate of 7.0 million tonnes per year of high quality iron ore concentrate.

<http://www.consolidatedthompson.com/>

- ***Southern Labrador***

Altius Minerals has optioned the Alexis River uranium Property in southeast Labrador to Monroe Minerals Inc. The Alexis River project is located in the Grenville geological province and covers the highest lake sediment uranium value from government surveys in Labrador. A helicopter-borne magnetometer and radiometric survey has recently been completed and a field assessment of anomalies is being planned.

www.monroeminerals.com

www.altiusminerals.com

On August 23, **Silver Spruce Resources Inc.** reported on results of lake sediment and prospecting surveys carried out on the Straits Property, located north of the Straits of Belle Isle.

A total of 219 lake sediment samples were acquired covering the entire claim group. Three anomalous areas are defined. The strongest, with values from 42 to 266 ppm uranium, is located in the central portion of the claim group. A total of 16 rock samples were taken from this area with nine giving values > 100 ppm uranium. Two of the samples had values > 0.1% U₃O₈ and a high value of 0.16% U₃O₈. The WD showing is located within this anomaly (see news release dated July 5, 2007).

A northeast trending zone in the northeastern part of the group gives values from 15.5 to 639 ppm uranium. This area includes the Henley Harbour area.

In the western portion of the group, a linear, north-south trending zone gives values from 10.6 to 125 ppm uranium. The LP showing, a large, irregular, pegmatite dike system, is located in the northern portion of this area.

Prospecting (78 rock samples) was carried out on the original 896 claim block in follow-up of the airborne survey carried out in 2006 on 21 airborne radiometric targets. Three areas of mineralization were defined giving 36 values greater than 100 ppm (0.01% U₃O₈), including nine values > 0.05% and four values > 0.1%, with a high value of 0.26% U₃O₈.

www.silverspruceresources.com

• *Central Labrador*

Golden Cross Resources (GCR) has signed an agreement with Altius Resources whereby GCR may earn a 50 percent interest in two separate uranium projects (Notakwanon and Nuiklavik) in central Labrador. The Notakwanon Project is located 60 km south of Voisey's Bay and has potential for volcanic-hosted/associated uranium mineralization. Uranium occurrences were discovered in this area during geological mapping by government geologists in 1982, who reported grab samples with up to 1.81% U₃O₈. The Nuiklavik Project is located approximately 100 km southeast of Voisey's Bay and 20 km from the coast and the exploration target is also volcanic-hosted uranium. The project incorporates a middle Proterozoic peralkaline caldera complex within the Nain geological province. Radioactivity is associated with numerous pyrite occurrences yielding elevated base metals, molybdenum, fluorine and rare earth elements within the 13 km-diameter caldera. A 5,800 line-kilometer helicopter-borne magnetometer and radiometric survey is underway on both projects. Field work is planned for late August and September to evaluate geophysical anomalies.

www.goldencross.com

www.altiusminerals.com

• *Northern Labrador*

On August 16, **Celtic Minerals Ltd.**, reported the discovery of nickel-copper-cobalt-palladium-bearing massive sulphides in outcrop, coincident with a prominent gravity anomaly, on its 100% owned Kingurutik property, located approximately 85 km northwest of the Inco-CVRD Voisey's Bay mine in Labrador. In light of this discovery, Celtic has increased its Kingurutik land position from an initial 90 claims to 2,056 claims (514 sq km), constructed an exploration camp, commenced further detailed geophysical surveys and is mobilizing two drill rigs on to the site for a minimum 5,000 meter drill program. Two initial grab samples from blocks of frost heaved massive sulphide outcrop have returned the following results: 0.343 g/t Pd, 0.15% Co, 0.20% Cu and 1.09% Ni and 0.433g/t Pd, 0.17% Co, 0.59% Cu and 0.9% Ni. An additional 26 grab samples have subsequently been sent for rush assaying from various heaved blocks and bedrock samples. Numerous large gossanous massive sulphide blocks up to a meter across are found partially obscured and embedded in the overburden. The overall size of the new prospect cannot be accurately determined until further stripping is completed because of overburden cover. The samples consist of very weakly magnetic, coarsely intergrown magmatic sulphide crystals. A sample of massive sulphide has been submitted for petrographic analysis with results pending. The massive sulphides are found adjacent to an olivine rich ultramafic layer or dyke which is sub parallel to the underlying enderbritic gneiss. The ultramafic layer/dyke is interpreted to be a massive to gneissic olivine norite to troctolite. The enderbritic gneiss is in contact to the west with Tasisuak paragneiss, a relationship which is similar to the geological situation at the Voisey's Bay mine site. Significantly, the massive sulphides and ultramafic layer/dyke are found within a 2.5 km by 3.5 km, 3 milligal gravity (density) anomaly, the center of which is located 1.75 km to the south of the new prospect. Modeling of the gravity anomaly, infers a 300 m thick troctolite body, synformal in shape, at about 150 m to 250 m depth of burial.

On August 22, Celtic reported that drilling has commenced on its Kingurutik property. A minimum drill program of 5,000 m is planned for the initial phase of exploration. Celtic recently announced the discovery of a mineralized outcrop on the property, which has now been dubbed the Toll Prospect. To provide sufficient time for collection and interpretation of detailed ground geophysical data over the Toll Prospect, diamond drilling will begin on separate geophysical targets located elsewhere on the Kingurutik property. The first drill holes will be located approximately 3 km northwest and 8 km south of the Toll Prospect. These initial holes will be peripheral to the observed ultramafic layer/dyke which has been mapped on surface for about 12.5 km, and also trends through the area of the Toll Prospect. The northern hole targets a combined airborne Electromagnetic (EM), magnetic and gravity anomaly and is proximal to a gossan zone. The south hole will test an airborne EM and magnetic anomaly adjacent to another gossan. It is anticipated that drilling will commence on the Toll Prospect within the next two to three weeks. Celtic has received the results of the recently completed airborne Full Tensor Gravity Gradiometry survey over the Kingurutik River and Tasisuak Lake properties. The data is being interpreted and early results confirm a significant gravity anomaly over the area of the Toll nickel prospect.

Elsewhere in Labrador, Celtic and Merrex Gold Inc. have completed the first two holes of a drill program on their 451 claim (112.75 sq km) West Voisey's Bay property. The first two holes reached depths of 568 m and 925 m, and are awaiting downhole geophysics. On the Garland Lake JV, under an earn in option agreement with Cornerstone Capital Resources Inc., the first drill hole of a planned two hole program is now underway.

<http://www.celticminerals.com/>