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### NEW LABRADOR NICKEL DISCOVERY

Celtic Minerals Ltd., (CME:TSX-VEN) is pleased to announce that follow-up prospecting and mapping on its 100% owned Kingurutik property, has resulted in the discovery of nickel-copper-cobalt-palladium massive sulphides in outcrop, coincident with a prominent gravity anomaly. The new massive sulphide prospect is 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 were sent for rush assaying and have returned the following results:

<u>Pd g/t</u>	<u>Co %</u>	<u>Cu %</u>	<u>Ni %</u>
0.343	0.15	0.20	1.09
0.433	0.17	0.59	0.91

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 enderbitic gneiss. The ultramafic layer/dyke is interpreted to be a massive to gneissic olivine norite to troctolite. The enderbitic gneiss is in contact to the west with Tasiuyak 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 2.5km by 3.5km, 3 milligal gravity (density) anomaly, the center of which is located 1.75 km to the south of the new prospect. Modelling of the gravity anomaly, infers a 300m thick troctolite body, synformal in shape, at about 150m to 250m depth of burial.

Celtic has an aggressive exploration program underway, including gridding over the entire gravity anomaly. A detailed surface UTEM geophysical survey is scheduled to begin on the grid next week. The property has recently been covered by an airborne Full Tensor Gravity Gradiometry (FTG) survey along with an FTG survey over Celtic's 100% owned Tasisuak Lake property. Two diamond drills are being mobilized to the property on barge and will arrive within a week to begin drill testing various identified targets.

Celtic's land position on the Kingurutik River block has been increased by staking from an initial 90 claims to 2,056 claims (514 sq km). The cumulative land position including the Kingurutik River, Tasisuak Lake, West Voisey's Bay and Garland Lake blocks now cover 3355 claims (838.75 sq km). Celtic is the most active junior exploration company in the Voisey's Bay nickel district and has one of the largest land positions.

Barry Greene, Celtic's Vice President of Exploration, stated "We consider these results to be very significant. Early work near the Reid Brook deposit at Voisey's Bay returned similar assays and is a geologically similar environment. The mineralized surface showing, coupled with the geophysical anomaly has made this a high priority project for Celtic."

All samples are being analyzed at Accurassay Laboratories in Thunder Bay, Ontario. Accurassay is accredited by the standards council of Canada to ISO/IEC 17025 guidelines for gold analysis, as well as accredited for Platinum, Palladium and other Base Metal analysis. Precious metals are analyzed using a 30 g lead collection fire assay procedure with AA finish. A standard 30 element ICP package is used on all samples. Ore grade assays are determined by Aqua Regia digest with AA finish. In addition to the laboratory's quality control, Celtic also has a QA/QC program using standards and blanks.

Paul Delaney, P.Geo., project geologist for Celtic Minerals Ltd. is the qualified person who has reviewed the content of this news release.

Celtic encourages the public to visit its website at [www.celticminerals.com](http://www.celticminerals.com) for additional information on the various projects or to email us at [info@celticminerals.com](mailto:info@celticminerals.com) to be added to the Company's e-mail list for press releases and updates.

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

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