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CELTIC RECEIVES GEOLOGICAL REPORT ON KOITI GOLD ZONE

Calgary, October 2, 2003, Celtic Minerals Ltd. (CME:TSXV) is pleased to announce that it has received a technical report from Dr. Greg Corbett recommending an expanded exploration program covering the newly discovered Koiti gold zone on the Malaumanda property in Papua New Guinea. Dr. Corbett is recognized as an epithermal gold expert, having published many papers and reports on the subject.

Dr. Corbett's recent site visit to the property included analysis of several mineralized zones throughout the concession. Some of the more pertinent observations and conclusions reached by Dr. Corbett are as follows:

“Malaumanda represents a low sulphidation intrusion-related (deeper) epithermal, *quartz-sulphide Au ± Cu* style of Cu-Au mineralisation, which is locally overprinted by *carbonate-base metal Au* mineralisation. Consequently, much of the project is strongly anomalous in Cu and Au, while Ag is locally also present, in a setting where multiple phases of intrusion emplacement and mineralisation are conducive to ore formation.”

“The Milikap North Structure (Koiti Zone) represents the highest priority target for structurally controlled Au, Cu, Ag mineralisation most similar to Bilimoia (Irumafimpa) near Kainantu, PNG. A major regional structure tentatively interpreted as a reactivated thrust fault hosts mineralisation and so may provide potential for considerable lateral and vertical continuity. Other similar quartz-sulphide deposits include Hamata at Wau (Corbett and Leach, 1998 p. 153-154), or Mineral Hill in Eastern Australia.”

“Deposits of this style commonly display higher gold grades within ore shoots hosted within dilational structural settings. Consequently, continued geological mapping should attempt to define the kinematics of the ore controls so as to evaluate any ore shoots. Milikap North should therefore be evaluated by trenching to define the extent and continuity of the lode followed by drill testing. The reported sample 2 km along strike should be investigated as a high priority in order to determine any possible strike continuity.”

“Quartz-sulphide Au + Cu mineralisation at Malaumanda is characterised by coarse grained chalcopyrite and pyrite, with lesser brown sphalerite, within fault fill quartz breccia, loosely described as lodes. The Milikap North Structure contains several lodes within the overall structural package. In deposits such as Malaumanda, free Au of a high fineness generally occurs on fractures and grain boundaries in the coarse grained chalcopyrite and pyrite, and so favourable metallurgical characteristics might be expected (e.g., Hamata: Bilimoia-Arakompa;

Corbett et al., 1994). Finer grained ores formed by the rapid quenching of an ore fluid commonly host encapsulated Au within arsenian pyrite and so display more difficult metallurgy (e.g., Lihir; Corbett et al., 2001). The Malaumanda lodes in which chalcopyrite > pyrite represent a relatively deep style of Cu-rich quartz-sulphide deposit.”

“Quartz-sulphide veins commonly occur marginal to porphyry intrusions and display associations with D veins described in the porphyry Cu literature. However, quartz-sulphide veins which exploit pre-existing structures may display considerable lateral continuity and so represent attractive exploration targets, especially where if higher gold grades are present. For instance at Bilimoia in Papua New Guinea, a resource of 400,000 oz (890,000 t @ 28 g/t Au) is estimated for the limited portion of the Irumafimpa structure which has been drilled out to date...”

Diamond drilling is continuing on the Koiti Zone with the drill currently situated on hole KZ-03-03 and located 180m southwest of KZ-03-01. The previous borehole, KZ-03-02 was located 270m southwest of KZ-03-01 and was drilled to a depth of 84.5m. The next borehole KZ-03-04 will be a deeper undercut of the current hole off of the same drill pad and will test the mineralized zone at depth. Meanwhile, trenching is continuing on the northeast end of the Koiti Zone, where the zone appears to have undergone a flexure and is orientated in more of an east-west orientation. Future drill holes are planned to test the zone in the area of the flexure.

New Guinea is the site of several major mines including some of the largest copper and gold mines and ore deposits in the world, such as Grasberg-Ertsberg with 52M oz and 12.5Mt contained gold and copper respectively, Lihir with 40M plus oz contained gold, Panguna with 16M oz and 5Mt contained gold and copper respectively, OK-Tedi with 10M oz and 3 Mt contained gold and copper respectively, Freida River with 9M oz and 5.3Mt contained gold and copper respectively and Porgera with 22M oz contained gold. The massive Porgera gold mine is 60 km southwest of the project. Mineralization at Malaumanda appears to be concentrated along NNE transfer structures, one of these structures is believed to be the strike extension of the transfer structure localizing Porgera.

Celtic encourages the public to visit its website at www.celticminerals.com for updated information on our property in Papua New Guinea or to email us at 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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