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Kodiak cuts more Hercules high-grade

Vancouver - Drilling by **Kodiak Exploration** (KXL-V, KXLAF-O) on its Hercules gold project in the Beardmore-Geraldton greenstone belt of northwestern Ontario has tapped into more high-grade mineralization.

Further drill testing of its Golden Mile zone returned an intercept of 3.6 metres (from 29 metres downhole depth) in hole HR07-51 averaging 358.6 grams gold per tonne - including a 0.3-metre high-grade section running 3,876 grams gold.

Other holes include HR07-44 that cut 2.9 metres (from 64 metres depth) of 45.3 grams gold with a 1.1-metre section of 116 grams gold.

A half dozen other holes returned narrow quartz vein intercepts (from 0.3-1 metre) with gold grades of 1-2.6 grams.

Kodiak reports assays are pending for several of its holes testing the quartz vein at depth and notes visibly mineralized sections over widths up to 4.6 metres. Drilling has intersected gold mineralization in the Golden Mile quartz vein system up to a vertical depth of 130 metres with the vein remaining open to depth.

The company plans 60,000 metres of drilling to test the extent of the vein system and compile data for an initial resource estimate.

The Golden Mile vein system has been trench exposed along 2 km of strike with grab and channel sampling indicating good gold mineralization continuity. Geophysics indicates the vein may continue more than an additional 2 km – providing a surface exploration target for Kodiak next summer.

Additional gold mineralized veins had been identified on the Hercules property.

The company recently closed a \$54-million bought deal financing, selling just under 2.5-million flow-through shares at \$4.80 apiece and over 11-million non-flow-through shares at \$3.80 each. Besides for ongoing work at Hercules, the company plans to allocate some of the funds to new acquisitions.

Kodiak shares traded at the \$3.60-level prior to being halted for the high-grade gold intercepts news release.