

NEWS RELEASE

NR#11-12

Fjordland Planning Three Drilling Programs in the Kimberley Gold and Iron Range Trends, Southeastern BC

Vancouver, BC, June 27, 2011 – Fjordland Exploration Inc. (TSX-V: FEX) reports it is planning drilling programs on at least three properties prospective for gold and base metals located in the coincident Kimberley Gold and Iron Range Trends in southeastern British Columbia. The properties – Red Lobster, Big Kahuna and GCP – all have drill targets identified through Fjordland’s recent exploration data compilation for the areas, and defined previously by Kootenay Gold Inc. (TSX-V: KTN) who optioned the properties to Fjordland late last year. Drilling is scheduled for early September; permits are in place. In the meantime, Fjordland will conduct further surveys on these properties, as well as other properties in southeast BC to identify additional drill targets. Current drill targets follow:

Red Lobster Property

- 25 km southwest of the former giant Sullivan mine that produced zinc, lead and silver for almost 100 years. Target is a SEDEX-type deposit.
- Three known zones of mineralization, hosted in Sullivan-age rocks.
- Shado Zone: highly anomalous lead and zinc soil anomaly with values each in excess of 500 ppm; highs of 1750 ppm lead and 2760 ppm zinc reported within an open-ended 1500 m by 500 m zone, in part covering known bedrock mineralization.
- Cominco Zone: soil anomaly greater than 800 ppm lead and zinc values greater than 2000 ppm outlined over an open-ended 1000 m by 1000 m zone, in part covering SEDEX-type bedrock mineralization.
- South Zone: 700-m long soil anomaly with lead and zinc values greater than 1000 ppm each and open to the south.

Big Kahuna Property

- 40 km southwest of Sullivan mine. Fault-controlled gold mineralization in Sullivan-age rocks.
- Previous work by Cominco and Kootenay Gold resulted in the identification of seven potential targets.
- Three drill targets from zones identified by grab samples with multi-gram gold values with associated silver, lead, zinc and copper.
- Soil geochemical surveys have highlighted three northeasterly-trending gold anomalies with values in excess of 250 ppb gold.
- Coincident lead and zinc soil anomalies with values greater than 1000 ppm each identified.
- Soil anomalies occur over breccias and vein network in, and adjacent to, shear zones measuring 10’s to 100’s of metres in width.

GCP Property

- 10 km southeast of Sullivan mine.
- Gold shear-hosted target with intensely altered Aldridge Formation rocks (Sullivan host), situated on the edge of a very large magnetic anomaly.
- Large crackle fault breccias and explosive diatremes with anomalous precious and base metals in drilling and trenching.

- Drilling in the 1970s and 1980s by Imperial Oil and Chevron intersected “mega breccias” with anomalous base metals but gold was not analyzed for.
- Surface grab samples of quartz veins and breccias yielded assays up to 10 g/t gold and 3 g/t gold, respectively.
- A number of soil geochemical and ground geophysical survey anomalies remain to be tested.

Coincident lead-zinc soil anomalies have also been outlined on the Moly Pritchard, St. Mary, Big Smoke, MS Peg, Bootleg and Mahon properties; follow-up work is planned. The mineralogy and geological setting at the Slocanny Granny Property is consistent with a Tombstone-type gold porphyry system (e.g. Fort Knox, Alaska). In addition, polymetallic targets with coincident molybdenum-tungsten soil anomalies have been identified on the Slocanny Granny property.

Fjordland has one of the largest land positions in the Iron Range and Kimberley Gold Trends, with interests in fifteen properties totaling approximately 81,000 hectares. Eight of the properties comprising 60,047 hectares are owned 100% by Fjordland; seven properties covering 21,222 hectares are optioned from Kootenay Gold whereby the Company can earn a 60% interest (December 22, 2010 news release).

To date, the biggest discovery in the region has been the giant Sullivan deposit that was mined for nearly 100 years, until the turn of the century, by Cominco, now Teck Resources Ltd. (TSX: TCK.B). Sullivan produced 298 million ounces of silver, 8 million tonnes of zinc and 8.4 million tonnes of lead from approximately 150 million tonnes of ore. At today’s metal prices, the value of this ore is over \$30 billion. The Kimberley Gold and Iron Range Trends are highly prospective for discovery of additional Sullivan-type, SEDEX zinc, lead, silver deposits.

In recent years, the area’s gold potential has been better recognized and two gold deposit models established: structurally-controlled, bulk tonnage gold deposits with similarities to Nevada’s large Carlin gold deposits, and intrusion-related IOCG (iron-oxide-copper-gold) deposits similar to those in the Tintina Gold Belt in the Yukon and Alaska.

In December, 2010, Eagle Plains Resources Ltd. (TSX-V: EPL) and Providence Capital Corp. (TSX-V: PV) announced the discovery (Talon Zone, Iron Range prospect), through drilling, of potentially significant SEDEX-style base metal and structurally-controlled gold mineralization, approximately 12 km northeast of Creston. Drilling on the zone was completed in April, 2011 to allow for data compilation. In mid-May, Eagle Plains resumed exploration at its Iron Range project, including induced polarization surveys targeting the area of the gold-bearing massive sulphide mineralization intersected to date in the Talon Zone.

Fjordland plans to complete a private placement financing in July to fund the planned and permitted drilling programs for Red Lobster, Big Kahuna and GCP, as well as for exploration on Fjordland’s other properties within the Kimberley Gold and Iron Range Trends. An airborne helicopter Versatile Time-Domain Electromagnetic (VTEM) geophysical survey, jointly planned by Eagle Plains, Fjordland and an international major mining company, is scheduled for various properties in July. Further information is available at www.fjordlandex.com/ironrange_property.html.

Tom Schroeter, P.Eng./P.Geo., who is a qualified person within the context of National Instrument 43-101, has read and takes responsibility for this news release.

About Fjordland Exploration Inc.

Fjordland Exploration is a mineral exploration company focused on the discovery of gold, copper and molybdenum deposits in British Columbia. Of the 28 properties Fjordland owns, the Woodjam North and Woodjam South properties (totaling 56,150 ha) are part of the Woodjam Joint Venture between Fjordland (60%) and Cariboo Rose Resources Ltd (40%); both properties are under separate option agreements to Gold Fields Horsefly Exploration Corporation. Fjordland also has a 100% interest in 7 properties known

as “Tak” totaling 52,342 ha in the Woodjam area. Fjordland has a 100% interest in the 2,192 ha “Milligan” project, adjoining Thompson Creek Metals Company Inc.’s (NYSE: TC and TSX: TCM) Mt. Milligan copper-gold deposits on the west. The Tak-Milligan properties have been optioned to Capstone Mining Corp. (TSX: CS). Fjordland and Serengeti Resources Inc. (TSX-V: SIR) are 38%/62% partners exploring 10 properties (QUEST Project) totaling 56,670 ha in the Quesnel terrane north of Woodjam for precious and base metals. Fjordland has a 100% interest in 8 properties totaling 60,047 ha in the Iron Range area and has an option agreement on 7 properties totaling 21,222 ha with Kootenay Gold Inc. in southeastern BC. Fjordland’s shares trade on the TSX Venture Exchange under the symbol “FEX”. For more information visit Fjordland’s website at www.fjordlandex.com.

About Kootenay Gold Inc.

Kootenay Gold is actively developing mineral projects in the Sierra Madre Region of Mexico and in British Columbia, Canada. The Company’s flagship property is the former producing Promontorio Silver mine in Sonora State, Mexico. The Company’s objective is to develop near term discoveries and long term sustainable growth. Kootenay’s management and technical team are proven professionals with extensive international experience in all aspects of mineral exploration, operations and venture capital markets. Multiple, ongoing J/V partnerships in Mexico and Canada maximize potential for additional, new discoveries while maintaining minimal share dilution. Shares of Kootenay trade on the TSX Venture Exchange under the symbol “KTN”. Further information is available www.kootenaygold.ca.

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