

CELTIC MINERALS LTD.

#1000, 407 – 2nd Street SW
Calgary, Alberta T2P 2Y3
Telephone: (403) 261-2890
Fax: (403) 264-0793
E-mail: info@celticminerals.com
Web Site: www.celticminerals.com

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CRATER MOUNTAIN INITIAL DRILL RESULTS

Celtic Minerals Ltd. (CME:TSXV) along with New Guinea Gold Corp (NGG) has been informed that joint venture partner Triple Plate Junction Plc (TPJ) has received results from its first diamond drill hole at the Crater Mountain project in Papua New Guinea.

The hole intersected a width of 158 metres averaging 1.4 grams/tonne (g/t) gold from 220 metres to 378 metres hole depth, with hydrothermal brecciation, disseminated, fracture-filled and vein sulphide mineralization encountered throughout the hole length of 450 metres. The results confirm historical drill results in the same area of 115 metres of 1.8 g/t gold reported by BHP in 1997, and appear to significantly increase the intersected width of mineralization.

Gold grades within the 158-metre interval averaging 1.4 g/t gold appear to be increasing with hole depth, as evidenced by intercepts of:

12 metres at 1.11 g/t gold from 220-232 metres
14 metres at 1.18 g/t gold from 236-250 metres
12 metres at 1.64 g/t gold from 262-274 metres
58 metres at 1.89 g/t gold from 284-342 metres
20 metres at 2.33 g/t gold from 358-378 metres

At this early stage of exploration, the extent of mineralization is unknown. Drilling is continuing to better understand structural-lithological controls and geometry of the mineralization. The borehole, known as Nev-8, was drilled into the side of large ENE dipping hill at an azimuth of 245 degrees and declination of –60 degrees. The core was sampled on 2 metre intervals and split with a core saw, with half the core retained on site. The other half is dispatched in sealed bags to ALS Chemex in Brisbane, Australia where gold was analysed by fire assay and 34 elements by the ICP method.

Prior to commencing the current drilling program, the JV partners compiled all existing data at Crater Mountain including the re-processing and re-interpretation of airborne and ground magnetic data, geochemical data, and landsat structural and lithological data. This work together with new geological mapping and sampling has identified four highly prospective targets within the Nevera prospect area.

In the 1990's, seven historical diamond drill holes were completed on the Nevera prospect by BHP and Macmin (PNG) Ltd., with the best results from hole 2 which returned 115m at 1.83 g/t gold with the hole terminated while still in gold mineralization and hole 5 which returned 24m at 6.55 g/t gold also ending while still in gold mineralization. In December 2003, trenching by NGG, approximately 500m west of hole 2 and Nev- 8 returned an extremely encouraging interval of 48m @ 9.97 g/t gold (including 4m of 50.4 g/t gold and 4m of 41.6 g/t gold) in one trench and 20m of 1.23 g/t gold in a further trench.

The Nevera prospect is one of five areas of interest identified in the Crater Mountain structural corridor. Regionally, the drilling and trenching is contained within a 5km by 2km region of epithermal alteration containing sulphide and gold mineralization with intense silica, argillic and carbonate alteration. Previous hand dug trenches by Macmin (PNG) Ltd. returned gold values of 35m at 3.1 g/t and 54m at 1.21 g/t, but trenching has been hampered by three to six metres of volcanic ash cover that blankets the area. Rich supergene gold is being won from small workings by local artisanal miners. The Crater Mountain joint venture project covers 713 sq.km of exploration licences

Crater Mountain is one of a number of Pliocene to Quaternary strata-volcanoes that lie in the tectonically active New Guinea Mobile Belt. The Mobile Belt hosts several world-class gold-copper deposits including Ok Tedi, Porgera, Hidden Valley and Wafi, and the underground vein gold deposits of Kainantu and Tolukuma.

Terms of Joint Venture

Under the terms of the Celtic-NGG JV, Celtic will earn a 51% interest in the concession by completing work programs totaling CDN \$2.0 million within a three year period ending March, 2007 and the right to acquire an additional 24% interest in the concession by incurring further expenditures of CND \$2.0 million within a five year period ending March, 2009. This time schedule can be accelerated. Should all terms of the agreement be executed Celtic would own a 75% interest in the concession at the end of term. TPJ has a separate agreement with Celtic whereby TPJ can earn 68% of Celtic's interest by funding an aggregate of CDN \$ 1.0 million of exploration expenditures by December 31, 2005. Should Celtic and TPJ attain a vested interest, the JV would be held by TPJ (51%), NGG (25%) and Celtic (24%).

The qualified person responsible for the sampling and field supervision is Matthew Farmer who is a member of the Australian Institute of Mining and Metallurgy (AUSIMM).

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

For further information, please contact:

Kevin Flaherty, Chairman and CEO

Celtic Minerals Ltd.

Phone: (403) 261-2890

Fax: (403) 264-0793

Email: kevin@celticminerals.com

Barry Greene, Vice President

Celtic Minerals Ltd.

Phone: (709) 489-6480

Fax: (709) 489-7092

E-mail: bgreene@celticminerals.nf.net