

CELTIC MINERALS LTD.

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Trading Symbol: CME:TSX-VEN
Shares Outstanding: 35,409,685

Press Release #08-04
Date: May 18, 2004

TERMINATION OF JOINT VENTURE

Celtic Minerals Ltd., (CME:TSX-VEN) reports that its previously announced Letter of Agreement with Tasgold Limited, an Australian listed company, on nine exploration license applications in Papua New Guinea, have been *terminated by mutual consent of all parties involved*. The conditional agreement with Triple Plate Junction (TPJ) listed on the AIM Exchange in England; *is separate from this agreement and is proceeding as announced*.

CELTIC & TPJ CONDITIONAL AGREEMENT

Celtic and TPJ have signed a Conditional Agreement to enter into a Joint Venture under which:

- TPJ intends to subscribe for a \$3,604,348 placement into Celtic at a price of 40 cents a share, which equals 9,010,870 shares representing approximately 19.9% of the share capital of Celtic post financing. Additionally TPJ will be granted 799,799 Celtic warrants at 60 cents a share.
- TPJ will appoint one director to the Board of Directors of Celtic.
- Celtic has an existing joint venture with NGG in terms of which Celtic is earning a 75% interest in NGG's Crater Mountain property. With the agreement of NGG, TPJ and Celtic have now agreed to vary the terms of the Joint Venture such that Celtic and TPJ will now each earn a 37.5% interest in Crater Mountain.
- TPJ will enter into a farm-in agreement with Celtic to earn a 50% interest in Celtic's Malaumanda Property in PNG by matching Celtic's full expenditures to date on the property.
- Celtic and TPJ will establish a joint management committee to manage these joint interests.
- The transaction is subject inter alia to formal documentation, due diligence and financing to be completed before July 3, 2004 and any required shareholder and regulatory approvals in the appropriate markets, including the approval of the TSX Venture Exchange.

EXPLORATION UPDATE

TPJ has now commenced a work program on the farm-in onto Celtic's *Malaumanda Project* and under the terms of the Joint Venture can earn a 42.5% direct interest in the project by expending the same amount on exploration, which Celtic *has expended to date which is approximately \$3M Cdn.* Once all exploration expenditures have been met both parties will participate on an equal basis going forward.

TPJ has also indicated that a work program on the *Crater Mountain Project* is anticipated to begin by the end of June 2004.

Celtic anticipates being able to release a more detailed exploration profile in the near future.

Celtic encourages the public to visit its website at www.celticminerals.com for updated information on its properties 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 had not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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