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LABRADOR EXPLORATION UPDATE

Celtic Minerals Ltd., (CME:TSX-VEN) is providing the following update on exploration at the West Voisey's Bay property and Garland Lake property in the Voisey's Bay nickel district, Labrador. Drilling has now concluded for the 2006 field season, due to weather constraints, and a decision has been made to leave the diamond drill and all camp facilities on standby to resume drilling as soon as practical in the 2007 field season.

CELTIC'S LAND POSITION

Celtic's existing West Voisey's Bay Project consists of 205 sq km, of which Celtic holds a 100% interest in 309 contiguous mineral claims (77.25 sq km), a 50% interest in 451 mineral claims (112.75 sq km) held under a joint venture with Merrex Gold Ltd; and, the right, along with Merrex, to earn a further 100% interest in the VB-2 property which consists of an additional 60 claims (15 sq km).

On October 31st, a parcel of land which had been exempt from staking since 1995 became open for competitive staking and Celtic was successful in staking an additional 52 claims (13 sq km). The new staking is located 9 km southeast of the VB-2 property.

In addition, Celtic has a joint venture with Cornerstone Capital Resources Inc. on the 53 sq km Garland Lake nickel project, 30 kilometres southeast of the Voisey's Bay mine and 20 kilometres southeast of the West Voisey's Bay Project. With its two active projects, Celtic is the most active junior exploration company operating within the Voisey's Bay district.

WEST VOISEY'S BAY

Previous exploration has identified four geophysical targets areas within the West Voisey's Bay property: Mak Lake, West Mak Lake, Red Dog Fault and Konrad Brook. The 2006 drill program was carried out with particular emphasis on the Mak Lake target area which contains several distinct geophysical drill targets within a four kilometer long by 1.5 km wide east-west

aligned corridor. The prospectivity of this area is enhanced by its proximity to Nickel, Copper, Cobalt mineralized troctolite at INCO's Ashley prospect and at the Luk gossan, located four kilometres and 2.5 km due north, respectively.

On the West Voisey's Bay property Celtic completed four diamond drill holes for a cumulative total of 2897.28m. The approach has been to systematically drill test geophysical targets beginning in the Mak Lake area, several of which remain to be tested, including UTEM conductors, gravity anomalies and MT anomalies. Additional drilling was planned for 2006 which would have included two drill holes, one in the West Mak Lake area and one in the Konrad Brook area. Due to the onset of winter, those two boreholes have been postponed until 2007 when further drill testing will be expanded geographically to include targets on the West Mak Lake grid and Konrad grid.

Drilling has helped explain the prominent gravity and Magnetotelluric (MT) anomalies in the Makhavinekh Lake (Mak Lake) area as gabbroic to noritic intrusions with a resistivity contrast between the overlying Makhavinekh Lake granite and the underlying mafic intrusions. The mafic intrusions host minor amounts of pyrrhotite-chalcopyrite sulphide along with disseminated magnetite. Two boreholes, WVB-06-02 and WVB-06-03 ended while still in the mafic intrusions which have an undetermined depth extent. The first borehole, WVB-06-01 ended in a zone of structural weakness prior to reaching the target MT anomaly. Subsequent wedging of that hole also saw drilling end in the zone of structural weakness prior to reaching the target. The fourth borehole, WVB-06-04 was collared in the Tasiuyak paragneiss and was testing a combined UTEM and MT anomaly. The hole encountered weakly graphitic paragneiss which explains the conductors.

In addition to diamond drilling, a variety of geophysical surveys have been completed in 2006 including 25.50 line km of ground gravity, 34.2 line km of MT, 54.75 line km of ground magnetics, 84 line km of UTEM and 675 line km of Full Tensor airborne gravity gradiometry (FTG).

The FTG survey was a collaborative survey operated by INCO under which Celtic paid its share of the survey costs, and also received a strip of INCO data in a data sharing arrangement. Data from the FTG survey was only received by Celtic late in the fall of 2006 and covers the entirety of Celtic landholdings in the West Voisey's Bay area. Celtic's geophysical consultant is currently incorporating the data into the extensive regional database and will be picking additional targets for follow-up.

Celtic Minerals acknowledges the financial assistance of \$150,000 for the West Voisey's Bay drill program and \$150,000 for the West Voisey's Bay geophysical surveys provided by the government of Newfoundland and Labrador's mineral incentive program.

GARLAND LAKE

During the 2006 season, Celtic also received FTG data from the Garland Lake area under the collaborative survey operated by INCO. The survey comprised 291 line km of data which

generated positive gravity targets. Two primary targets were selected for ground follow-up and 34.20 line km of MT were completed. Two drill targets have been recommended by the geophysical contractor and plans for diamond drilling are being made to be carried out early in the 2007 field season.

Paul Delaney, P.Geo., project geologist for Celtic Minerals, supervised the field exploration program and is the Qualified Person, as per NI 43-101, responsible for the information in this news release.

Celtic encourages the public to visit its website at www.celticminerals.com 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.

This press release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future exploration drilling, exploration activities and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions.

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