

CELTIC MINERALS LTD.

1870, 205 – 5th Avenue SW, Calgary, Alberta T2P 2V7
Telephone: (403) 261-2890
E-mail: info@celticminerals.com
Web Site: www.celticminerals.com
Fax: (403) 264-0793

Trading Symbol: CME.TSX
Shares Outstanding: 33,952,019

Press Release #16-03
Date: October 15, 2003

EXPLORATION UPDATE

Calgary, October 15, 2003, Celtic Minerals Ltd. (CME:TSXV) is pleased to announce that SRK Consulting has delivered its final integrated interpretation report covering the high resolution airborne radiometrics and magnetics survey on the Malaumanda property in Papua New Guinea.

The project started with a detailed examination of available data for the Malaumanda area, as well as a review of the geology and setting of known major Cu-Au deposits in the region. The geophysical data (1300 line km flown by GPX) was filtered and enhanced to produce a suite of images suitable for carrying out the detailed geological interpretation. SRK used advanced filtering techniques to extract the most useful information from magnetic and radiometric data. These techniques and filter parameters were applied to the Malaumanda survey and then fine-tuned to maximize the interpretability of the data. A detailed geological and structural interpretation of the data was carried out and integrated into a regional context. An understanding of the structural framework of the area was determined and related to the controls on the mineralization in the Malaumanda area. The targeting and interpretation was then incorporated into a GIS product and a report written outlining the structural and geological setting of the area.

Based on this, SRK has determined that the major targets for mineralization in the area are of three main types:

Porphyry – epithermal, related to the small, late porphyry stocks

Epithermal – skarn deposits, associated with magnetic aureoles around the intrusions

Structural - targets related to the anastomosing nature of the regional west northwest striking fault.

SRK has identified **nine principal target areas for follow-up**, which are ranked, based on known geology, geochemistry and geophysics. The *Koiti Zone*, which is the principal focus of Celtic's current exploration program falls partially within one of the SRK target areas.. The targeting was completed just prior to discovery of the Koiti zone mineralization and *it is now known that the Koiti zone extends for a considerable distance outside of the targeted area covered by the airborne survey.*

Crews have been mobilized and initial fieldwork is progressing on additional target areas identified by the airborne survey.

Celtic Minerals would also like to announce that results have now been received for boreholes CMK03-05 and CMK03-06. Hole CMK03-05 intersected a wide structural zone in chloritic granodiorite and returned 1.2m grading 3.49g/t gold, 14 g/t silver and 0.31% copper from 35.1m to 36.3m downhole. Hole CMK03-06 cut a contact between pyritic sediments and granodiorite and returned 0.64g/t gold, over 2.2m from 51.8 to 54.0 m. These holes were both drilled to test anomalies well off the known structure of mineralization and to get an initial understanding of potential mineralization in these previously untested areas. Additional work may be conducted in these areas at a later date.

The Koiti Zone, is located approximately 2.5 kilometres to the northeast of these holes where extensive trenching has identified a *continuous zone of mineralization that has been extended to 800 metres* and may extend for several kilometers. Drilling is currently proceeding on CKZ03-04 which is a deep undercut of hole CKZ03-03 and will test the mineralized zone at depth.

The sampling protocol is supervised by Bill Bond M.Sc, P.Geo., project geologist for Celtic Minerals and a qualified person as defined under the Canadian Securities Administrators' National Instrument 43-101. Mr. Bond has considerable country experience, having worked as Senior Manager from 1996-1999 on the nearby Mt. Kare epithermal gold project. Mr. Bond has over 30 years of exploration experience worldwide with major and junior mining companies.

All samples are being analyzed for gold by fire assay and 30 additional elements at Amdel Laboratories in Australia. All core samples were cut with diamond saw with one half submitted for analysis and the other half retained on site.

New Guinea is the site of several major mines including some of the largest copper and gold mines and ore deposits in the world, such as Grasberg-Ertsberg with 52M oz and 12.5Mt contained gold and copper respectively, Lihir with 40M plus oz contained gold, Panguna with 16M oz and 5Mt contained gold and copper respectively, OK-Tedi with 10M oz and 3 Mt contained gold and copper respectively, Freida River with 9M oz and 5.3Mt contained gold and copper respectively and Porgera with 22M oz contained gold. The massive Porgera gold mine is 60 km southwest of the project. Mineralization at Malaumanda appears to be concentrated along NNE transfer structures, one of these structures is believed to be the strike extension of the transfer structure localizing Porgera.

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

For further information, please contact:

Kevin Flaherty, President
Celtic Minerals Ltd.
Phone: (403) 261-2890
Fax: (403) 264-0793
Email: kevin@celticminerals.com

Thomas Hart, Corporate Development
Celtic Minerals Ltd.
Phone: (403) 261-2890
Fax: (403) 264-0793
Email: tom@celticminerals.com