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PRESS RELEASE

Celtic Minerals Provides Exploration Update on Crater Mountain Project

Date: August 25, 2011

Celtic Minerals Ltd. (“Celtic” or the “Corporation”) (CWE:CNSX), as disclosed in a press release dated July 14, 2011 has undertaken a review of its interests in the Crater Mountain gold project (“**Crater Mountain Project**”) located in Papua New Guinea (“**PNG**”). As determined during the course of the review, The Register of Mining Tenements of the Independent State of Papua New Guinea has confirmed that Celtic Minerals is currently registered as holding a 7.88% direct interest in the three mineral exploration licences (EL 1115, EL 1353, EL 1384) pertaining to the Crater Mountain Project.

About the Crater Mountain Project

The Crater Mountain project is an advanced exploration project located in the Papua New Guinea Highlands, approximately 50 km southwest of Goroka, the regional centre for the Eastern Highlands Province.

The project comprises three contiguous exploration licences, EL 1115, 1353 and 1384 which cover an area of approximately 307 square kilometres straddling the border between the Chimbu and Eastern Highland Provinces. This region is in the centre of the New Guinea Orogen, an extensive geological zone that makes up the mountainous spine of Papua New Guinea and is home to various world class gold deposits, including the Wafi-Golpu deposit located ~ 150 km to the northeast of Crater Mountain. The Wafi-Golpu copper gold project is considered by its joint venture partners, Newcrest Mining Limited and Harmony Gold Mining Company Limited, to be a world class discovery similar in tenor to other large deposits on the island. The reader is cautioned that the Crater Mountain mineralizing system is unique in most aspects and that reference to other mineralizing systems such as the Wafi-Golpu deposit may not reflect or be indicative of the mineralization on the Crater Mountain Property. Additionally, there can be no assurance, at this point time, that any mineral resource or reserve, in whole or in part, will ever be developed at the Crater Mountain project.

Crater Mountain has been actively explored for over 30 years, initially by Kennecott and CRA for copper porphyry mineralisation and in the 1980's by Esso, City Resources and Highlands Gold for epithermal

gold mineralisation. These efforts identified four prospect areas – **Nevera, Nimi, Masi and Awanita.** (<http://www.newguineagold.ca/projects/crater/CraterMtnTechReport.html>)

Although anomalous base and precious metals values have been discovered at all of the mentioned Crater Mountain prospects, **Nevera** is by far the most advanced prospect. The current mineralization model of the Nevera Prospect being used by Gold Anomaly (www.goldanomaly.com.au) is based on an intrusion related, low sulphidation epithermal mineralizing system which has been overprinted by carbonate–base metal sulphide gold mineralization. This model is analogous with that at the large Wafi-Golpu gold deposit located in the general region ([www.newcrest.com.au/ Aug 23, 2011](http://www.newcrest.com.au/Aug%2023,%202011)).

In the 1990's, Macmin Ltd. completed a soil sampling program over the Nevera prospect and outlined an area of anomalous gold mineralisation which is up to 1,500 m long and 600 m wide. Macmin signed a Joint Venture with BHP who drilled three holes at Nevera (Nev001 to Nev003) with one hole Nev002 intersecting a 115 m at 1.83 g/t Au and leading BHP to declare the prospect as having their highest prospectively rating, (Tier 1). For corporate reasons, BHP exited Papua New Guinea in 1997. Macmin drilled an additional four holes at Nevera with their best intercept being 24m @ 6.55 g/t Au (<http://www.newguineagold.ca/projects/crater/CraterMtnTechReport.html>). Celtic acquired its interest in the Crater Mountain Project pursuant to a joint venture option agreement with Macmin (PNG) Limited, a wholly owned subsidiary of New Guinea Gold Corporation (NGG:TSXV) in January 2004 on an area of 44 sq km. Subsequently, the area under exploration was expanded by the staking of an additional 751 sq km for a total of 795 sq km. Later Celtic brought in Triple Junction Plc (TPJ:LN) as part of a larger deal on a package of properties and an additional ten holes were drilled at Nevera. In total, 17 holes, totaling approximately 5,000 m, were drilled in the prospect prior to 2007, all of which showed signs of alteration and mineralization.

In August 2007, TPJ entered into a transaction with Anomaly Resources Ltd., a wholly subsidiary of Gold Anomaly Limited (GOA:ASX), who subsequently conducted a review of previous work followed by a remote sensing study, rehabilitation of access to the area by bulldozer, benching (trenching), mapping and sampling (www.goldanomaly.com.au).

As disclosed by Gold Anomaly (www.goldanomaly.com.au), bulldozer benching, totalling 6.0 km, was completed at the Nevera prospect with sampling and mapping of approximately 2.0 km of these benches. The bench sampling identified three distinct zones of gold mineralisation at Nevera which seem to be associated with structural corridors. The gold mineralisation also appears to have a strong association with elevated copper, lead, zinc and arsenic geochemistry.

Highlights from the bulldozer benching include:

20.0 m @ 11.6 g/t Au
26.5 m @ 6.27 g/t Au
35.0 m @ 3.10 g/t Au
10.0 m @ 1.70 g/t Au

Most recently (between December 2010 to May 2011), six diamond holes were completed at the Nevera prospect (Nev018 to Nev023) for a total of 2,624 m.

Nev018, 019 and 021, designed to test the Main Zone of gold mineralization, intersected extensive gold mineralization, consistent with previous drilling in the area. Highlights of these holes include:

Nev018: 284 m @ 0.82 g/t Au (including intervals of 16 m @ 1.92 g/t Au, 19 m @ 3.37 g/t Au, and 44 m @ 1.52 g/t Au).

Nev019: 215 m @ 1.46 g/t Au (including intervals of 26 m @ 4.60 g/t Au and 46 m @ 2.42 g/t Au).

Nev021: 244 m @ 0.52 g/t Au (including intervals of 36 m @ 0.76 g/t Au, 36 m @ 0.77 g/t Au, 8m @ 1.30 g/t Au and 10 m @ 0.86 g/t Au).

Nev020, designed to test the Northwest zone, encountered low grade gold mineralization (32 m @ 0.40 g/t Au) and notably higher silver content than in previous holes.

Nev022 and 023 were designed to test the artisanal mining zone, intersected high grade gold mineralization confirming previously interpreted epithermal quartz-pyrite-gold model.

Nev022: intersected two broad zones (46 m @ 5.90 g/t Au – including 2 m @ 98.0 g/t Au and 6 m @ 3.16 g/t Au), while

Nev023: had intercepts of 10 m @ 0.45 g/t Au, 12 m @ 0.66 g/t Au and 2 m @ 2.04 g/t Au.

A detailed review of recent drilling and full assay results (including those noted above) can be found in the recent August 2011 presentation of Gold Anomaly at <http://www.goldanomaly.com.au/IRM/Company/ShowPage.aspx/PDFs/1737-42959535/DrillingforaWorldClassGoldDiscoveryinPNG>

To date, 23 diamond drill holes have been completed at Crater Mountain (Nev001 to Nev023) with all of the holes showing signs of alteration and mineralization. Seven of the completed holes have intersected zones of +0.50 g/t gold mineralization over lengths in excess of 130 m.

On July 26, 2011, Gold Anomaly announced (www.goldanomaly.com.au) that a 10,000 m phase of diamond drilling has commenced to further test the gold zones on the Nevera Prospect, in addition to expanding exploration on surrounding gold prospects.

The Corporation has not independently reviewed or confirmed results from the diamond drilling program. The potential quantity and grade disclosed above is conceptual in nature, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

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Additional information regarding Celtic Minerals Ltd. is available on the company's website at www.celticminerals.com.

Advisories:

The estimates provided in Gold Anomaly's news releases and corporate presentation are not necessarily in compliance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and the Corporation provides no assurance that such estimates should be relied upon. Moreover, work required to verify and classify the historical resource and reserve estimates as current mineral resources or minerals reserves in accordance with NI 43-101 has not been carried out by the Corporation and the Corporation is not treating these estimates as current mineral resources or mineral reserves as defined in sections 1.2 and 1.3 of NI 43-101. Finally, the Corporation does not make any representation or warranties as to the accuracy of such estimates. Wayne Ewert, Ph.D., P.Geol is the qualified person who has reviewed and verified the technical contents of this news release. Wayne Ewert is a qualified person who is not independent as Mr. Ewert is a director of the Company.

Forward Looking Statements:

Certain information set forth in this news release contains forward-looking statements or information ("forward-looking statements"), including the status of the Corporation's interest in the Crater Mountain Project. Although the forward-looking statements contained in this press release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, the Corporation cannot be certain that actual results will be consistent with these forward-looking statements. A number of factors could cause events and achievements to differ materially from the results expressed or implied in the forward-looking statements. Forward-looking statements necessarily involve significant known and unknown risks, assumptions and uncertainties that may cause the Corporation's actual results, event, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although the Corporation has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that the forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Any forward-looking statements are made as of the date of this press release, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law.