

NEWS RELEASE

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Fjordland Regains 100% Interest in the Tak-Milligan Copper-Gold-Molybdenum Project, Central British Columbia.

Vancouver, BC, September 11, 2012 – Fjordland Exploration Inc. (TSX-V: FEX) reports that Capstone Mining Corp. (TSX: CS) has elected not to proceed with the option on Fjordland's Tak-Milligan Project, located in central BC. Over the past two years Capstone funded approximately \$1.12 million for exploration over the nine Tak properties, totaling 50,079 hectares (ha), and the two Milligan properties, totaling 2,978 ha. Fjordland now owns a 100% interest in all eleven properties.

The properties lie within the prospective Quesnel terrane, well-known for its porphyry potential, and is underlain by Triassic-aged Nicola Group clastic sedimentary and andesitic volcanic rocks intruded by late Triassic to early Jurassic-aged intrusions.

The Tak portion of the project, located between 100 Mile House and Likely (approximately 100 kilometres (km) in distance, east of Highway 97), consists of nine non-contiguous claim blocks (Moffat, Moffat East, Tisdall, Canim, Howard Lake, LaHache, Hazel North, Hazel South and HR), with a total area of 50,079 ha. The road-accessible properties lie within and adjacent to the Takomkane batholith (50 km by 40 km), one of several large batholithic bodies which host calc-alkaline mineral deposits such as Highland Valley Copper and Gibraltar. The properties also lie south-southeast of the Woodjam copper-gold-molybdenum deposits which are under advanced exploration by Gold Fields Canada; the Moffat Property lies approximately 15 km to the south-southeast.

The Tak properties have six historic mineralized occurrences as described in the BC Minfile Database, including two showings on Moffat, two showings on Howard Lake, one showing on Canim, and one prospect on LaHache. Recent surveys by Fjordland have delineated new zones of copper-gold-molybdenum mineralization on the Moffat property.

The Milligan properties lie approximately 80 km north of Fort St. James, and approximately 4.5 km west of the Mt. Milligan copper-gold deposits, being developed for production by Thompson Creek Metals. Previous work by other operators has identified coincident induced polarization (IP) chargeability and copper-gold soil anomalies. Limited soil sampling by Fjordland has confirmed these anomalies; drilling is warranted.

Between September, 2010 and September, 2012, eight widely-spaced, reconnaissance diamond drill holes totaling 2,260 m were completed (four each on the Moffat and Tisdall properties) on the Tak portion. The four holes, spaced 1000 m to 1400 m apart, drilled at Moffat in 2011 initially tested an area measuring approximately 2 km by 2 km, part of a large, northwesterly-trending IP anomaly measuring 3.5 km by 900 m. In late 2010, Fjordland geologists discovered mineralization in the Takomkane batholith approximately 1000 m north of the Harrison Creek Cu-Au-Mo Minfile prospect; the best grab sample assayed 0.36% Cu, 0.29g/t Au, 6.9g/t Ag and 11 ppm Mo. All four holes drilled, despite the complete lack of outcrop, encountered porphyry – style copper mineralization hosted in altered diorites to monzodiorites; the best drill intersection was 5.8 m grading 0.15% Cu and 0.18g/t Au. The four reconnaissance holes (totaling 1,125 m) drilled at Tisdall tested large coincident IP chargeability and soil anomalies; however, no economic mineralization was encountered.

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Also between September 2010 and September 2012, a total of 52.6 line-km of IP surveying, as well as selected soil geochemical surveying were completed on the Tak properties. No work was completed on the Moffat and Milligan properties during 2012. Additional, systematic reconnaissance and infill IP survey over the Moffat property is recommended, as well as over the Milligan South property, prior to drilling. Fjordland will be approaching groups interested in gaining an interest in this prospective group of Quesnel terrane porphyry properties.

Tom Schroeter, President of Fjordland commented: “Fjordland is very appreciative of the work funded by Capstone and the preliminary results to date are encouraging. We feel that exploration in the rapidly developing “Woodjam Area” and “Milligan Area” camps is still at a very early stage and that there is good potential for discovery in the region. We look forward to continuing exploration on the Tak-Milligan projects”.

About Fjordland Exploration Inc.

Fjordland Exploration is a mineral exploration company focused on the discovery of gold, copper and molybdenum deposits in British Columbia. Fjordland currently has a portfolio with 25 properties. It has a 100% interest in 9 properties known as “Tak” totaling 50,079 ha in the Woodjam area of central BC. Fjordland has a 100% interest in two properties known as “Milligan” totaling 2,978 ha, adjoining Thompson Creek Metals Company Inc.’s (NYSE: TC and TSX: TCM) Mt. Milligan copper-gold deposits on the west. Fjordland and Serengeti Resources Inc. (TSX-V: SIR) are 37%/63% partners exploring 13 properties (QUEST Project) totaling 50,170 ha in the Quesnel Terrane north of Woodjam for precious and base metals. Six of the QUEST properties (totaling 27,690 ha) have been optioned to Xstrata Copper; the QUEST JV owns 100% of the remaining 7 properties totaling 22,480 ha. Fjordland has a 100% interest in 2 properties totaling 17,657 ha in the Iron Range in southeastern BC. Fjordland has an option to acquire a 100% interest in the Dillard and Dill copper and gold properties, north of Princeton. Fjordland’s shares trade on the TSX Venture Exchange under the symbol “FEX”. For further information visit Fjordland’s website at www.fjordlandex.com.

T.G. Schroeter, P.Eng./P.Geo., who is a qualified person within the context of National Instrument 43-101, has read and takes responsibility for this news release.

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