

## NEWS RELEASE

NR#11-09

### **Fjordland Commences Reconnaissance Induced Polarization Surveys on Tak-Milligan Project, BC**

**Vancouver, BC, June 2, 2011 – Fjordland Exploration Inc. (TSX-V: FEX)** has commenced a 2011 exploration program on its Moffat property, which is part of the Tak-Milligan project in central British Columbia. The seven properties that comprise the “Tak” package are under option to Capstone Mining Corp. (TSX: CS) and lie immediately south of the Woodjam North and South copper-gold-molybdenum projects, where Gold Fields is currently conducting a multi-million dollar exploration program. The Quesnel Trough region hosting the Tak properties is believed by Company geologists to be prospective for gold-copper, porphyry-type deposits, as evidenced by recent discoveries at Woodjam, as well as on the Moffat property in 2010.

Much of the Quesnel Trough is covered by extensive overburden, which has hampered traditional, historic exploration. The discovery of significant copper-gold-molybdenum mineralization, associated with the Takomkane batholith, at Woodjam South and on the Moffat Lake property suggests important exploration potential over a very large underexplored area.

During 2010, reconnaissance-scale induced polarization (IP) surveys were completed over four properties (Moffat, Tisdall, Hazel and Canim) totaling 23.1 line km (9 lines). The lines were spaced at a minimum of 1500 m apart. Weak to moderate chargeability anomalies were identified on all four properties.

At Moffat, the western part of the Property is underlain by airborne and ground magnetic anomalies, coincident with copper-in-soils and weak chargeability anomalies. Late in 2010, chalcopyrite and molybdenite mineralization in bedrock was discovered, approximately 15 km south-southeast of Woodjam, between two of the three reconnaissance IP lines completed (see News Release dated December 7, 2010). The best grab sample assay returned 0.36% copper, 0.29g/t gold, 6.9g/t silver and 11 ppm molybdenum. During 2011, Fjordland plans to continue its systematic reconnaissance IP surveying over areas of little, if any, outcrop, as well as filling in a few lines near mineralization. Soil geochemical sampling over the area of mineralization will also be completed.

Capstone has confirmed that it will fund the next phase of work on the Tak-Milligan option. The commitment is for exploration expenditures totaling \$150,000 by the end of June, 2011. On completion of these expenditures, Capstone will vest an initial 49% interest in the Project. Capstone may then fund the next \$1.7 million of exploration expenditures on or before December 31, 2013 to earn an additional 11% interest in the Project, for a cumulative 60% interest. The planned phase one program for 2011 includes approximately 18 line km of IP surveying (as discussed above) and soil geochemical surveying on the Moffat and Howard Lake properties.

Tom Schroeter, President of Fjordland commented: “The preliminary success during 2010 on the Moffat property is very encouraging; we are looking forward to our next phase of work in 2011.”

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.

**About Fjordland Exploration Inc.**

Fjordland Exploration is a mineral exploration company focused on the discovery of gold, copper and molybdenum deposits in British Columbia. Of the 28 properties Fjordland owns, the Woodjam North and Woodjam South properties (totaling 56,150 ha) are part of the Woodjam Joint Venture between Fjordland (60%) and Cariboo Rose Resources Ltd (40%); both properties are under separate option agreements to Gold Fields Horsefly Exploration Corporation. Fjordland also has a 100% interest in 7 properties known as “Tak” totaling 52,342 ha in the Woodjam area. Fjordland has a 100% interest in the 2,192 ha “Milligan” project, adjoining Thompson Creek Metals Company Inc.’s (NYSE: TC and TSX: TCM) Mt. Milligan copper-gold deposits on the west. The Tak-Milligan properties have been optioned to Capstone Mining Corp. (TSX: CS). Fjordland and Serengeti Resources Inc. (TSX-V: SIR) are 41%/59% partners exploring 12 properties (QUEST Project) totaling 56,670 ha in the Quesnel Terrane north of Woodjam for precious and base metals. Fjordland has a 100% interest in 8 properties totaling 60,047 ha in the Iron Range area and has an option agreement on 7 properties totaling 21,222 ha with Kootenay Gold Inc. (TSX-V: KTN) in southeastern BC. Fjordland’s shares trade on the TSX Venture Exchange under the symbol “FEX”. For more information visit Fjordland’s website at [www.fjordlandex.com](http://www.fjordlandex.com).

**About Capstone Mining Corp.**

Capstone is a Canadian based copper producer with two operations, the Cozamin and Minto mines, that are forecast to produce 80-85 million pounds of copper in 2011 at a total cash cost, net of by-product credits, of US\$1.30 to US\$1.35 per pound of payable copper, as well as the high grade Kutcho copper-zinc project, which is being advanced towards a production decision. As reported on May 24, 2011, Capstone has a strong balance sheet with cash on hand of US\$181.2 million as of March 31, 2011. In spring 2011, Capstone announced a proposed acquisition of Far West Mining Ltd. and a strategic partnership and joint venture with KORES, involving the Santo Domingo, Chile project. For further information about Capstone visit [www.capstonemining.com](http://www.capstonemining.com).

Tom Schroeter  
President & CEO

Contact:

John Gomez,  
Manager, Investor Relations  
Tel. 604-893-8365

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the release.