

## NEWS RELEASE

NR#11-32

### **Fjordland Announces Allocation of Cost Base on Spin-Out Completion**

**Vancouver, BC, December 15, 2011 — Fjordland Exploration Inc. (TSX-V: [FEX](#))** announces it has completed the spin-out of its interest in the Woodjam copper-gold project to Consolidated Woodjam Copper Corp. (TSX-V: WCC) ("Woodjam Copper"), and Fjordland shareholders have been issued approximately 0.3784 of a Woodjam Copper share for each Fjordland share held as of the close of November 25, 2011, the effective date.

The Canadian federal income tax consequences of the spin-out transaction are summarized in the information circular of Fjordland dated September 1, 2011, as filed on the SEDAR website. In particular, shareholders should reduce the Adjusted Cost Base ("ACB") of Fjordland shares by an amount which should then be recorded as the acquisition cost of the Woodjam Copper shares. Management of Fjordland has calculated that the ACB of each post-spin-out common share of Fjordland should be reduced to 35.6% of its pre-spin-out ACB and that 64.4% of the ACB of each pre-spin-out common share of Fjordland should be recorded as the acquisition cost of each Woodjam Copper share. This fair value ACB adjustment calculation is based on the relative Fjordland and Woodjam Copper closing share prices for the five trading days from December 2, 2011 to December 8, 2011. No such determination of fair value by Fjordland is binding on the Canadian tax authorities.

#### **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 38 properties. It has a 51% interest in 7 properties known as "Tak" totaling 55,654 ha in the Woodjam area of central BC. Fjordland has a 51% interest in two properties known as "Milligan" totaling 2,192 ha, adjoining Thompson Creek Metals Company Inc.'s (NYSE: TC and TSX: TCM) Mt. Milligan copper-gold deposits on the west. Capstone Mining Corp. (TSX: CS) owns a 49% interest in the combined Tak-Milligan Project. 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 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 has an option to acquire a 100% interest in the Dillard copper and gold property, north of Princeton. 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).

On behalf of the Board of Directors

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