

NEWS RELEASE

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Fjordland Identifies Drill Targets on Dillard Copper–Gold Property, Southern British Columbia

Vancouver, BC, October 18, 2012 – Fjordland Exploration Inc. (TSX-V: FEX) reports that ground geophysical and geological surveys completed this summer, along with work compiled from previous exploration, have resulted in the identification of several anomalies that are ready for drilling in 2013 on its 2600-hectare Dillard copper-gold property in southern BC. The 2012 geophysical surveys have led to the identification of coincident copper-gold soil and IP anomalies in two areas measuring approximately 2000 metres (m) by 800 m, and 1500 m by 1000 m. Several new showings of copper and gold mineralization have also been discovered in these recently logged areas over the past year.

During 2012, Fjordland completed retrieval, restoration and reboxing of much of the 2020 m of core drilled on the Dill property by Placer Dome Inc. in 1991. The core, along with the core logs and assays, provide valuable information in planning for additional drilling. A susceptibility survey was then completed over the reconditioned core, totaling approximately 40% of the 1991 drill program. Fjordland also completed 23.3 line-kilometres (km) of ground magnetic surveying and 11 line-km of induced polarization (IP) surveying over selected areas on the Dillard property.

On the Dill property, shallow drilling by Placer Dome in 1991 tested an area measuring approximately 1300 m in length and 400 m in width, which covers only a part of coincident copper-gold soil and IP anomalies measuring approximately 1600 m by 700 m, and 1500 m by 900 m, respectively. The best intersection from the 1991 drilling included an interval of 187.2 m grading 0.24% copper and 97 parts per billion (ppb) gold, including 65.7 m grading 0.35% copper and 149 ppb gold. A number of the drill holes bottomed in mineralization at depths of up to 220 m.

The “Dillard” Property comprises the contiguous Dillard and Dill properties in which Fjordland can earn a 100% interest, as reported in news releases dated August 31, 2011 and February 7, 2012, respectively. The road-accessible Dillard Property is located approximately 45 km southeast of Merritt and 45 km north of Copper Mountain Mining Corp’s (TSX: CUM) flagship Copper Mountain copper-gold-silver mine that started production in September, 2011. Xstrata Copper Corp. is also exploring, under separate option agreements, the Axe and Big Kidd copper-gold targets, located approximately 20 km to the southwest and northwest of the Dillard Property, respectively.

Fjordland President Tom Schroeter commented, “Despite the challenging financial markets during the summer of 2012, we have defined several potential drill targets on both the Dill and Dillard properties for 2013. The excellent infrastructure in the area is a significant bonus to spending money efficiently.”

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

FJORDLAND EXPLORATION INC.

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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