



KAT Exploration Inc. to Drill Test IOCG Targets at Rusty Ridge



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MOUNT PEARL, NL--(Marketwire - 09/01/10) - KAT Exploration, Inc. (Pinksheets:[KATX](#) - News) (www.katexploration.com) is pleased to inform its shareholders and investment community that the company is now ready to begin drilling on its 100% wholly owned Rusty Ridge Iron Oxide Copper Gold (IOCG) property. Tenders are being called for the drilling program, and as announced earlier, all permits are in place with two distinct targets being defined for deep drilling.

Results of a high resolution airborne magnetic survey, a ground gravity survey along with coincidental magnetic Induced Polarization (IP) resistivity and soil geochemical anomalies suggest potential for a body of Iron Oxide +/- Base, Precious and Rare Earth type mineralization, similar in style and setting to the giant Olympic Dam deposit in Australia.

A completed 3D inversion modeling of the airborne magnetic data shows a discreet, strong magnetic anomaly underlying the Rusty Ridge area. Coincidental with this are moderate to strong IP chargeability anomalies that suggest the possibility of a significant concentration of sulfides. A 3D inversion model of the ground gravity survey identified a large gravity anomaly and several other smaller anomalies further supporting the potential for an IOCG deposit. Selected coincident gravity, magnetic and IP anomalies, including the large gravity anomaly, will now be drill tested to determine the significance of these targets.

Ken Stead, President/CEO of KAT Exploration, stated, "That although the targets to be drilled are deep targets, what is most exciting and of interest is that the anomalies are also 400-500 meters thick. If these targets prove to be thick mineralized units similar to that of the Olympic dam, it will be the first for the province and will no doubt generate a tremendous positive impact for the company."

This press release contains forward-looking information within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and is subject to the Safe Harbor created by those sections. This material contains statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. Such forward-looking statements by definition involve risks, uncertainties and other factors, which may cause the actual results, performance or achievements of Kat Exploration Inc. to be materially different from the statements made herein.

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