

KAT Exploration Initiates Drilling Program on Rusty Ridge IOCG Property

Mount Pearl, June 16, 2010-KAT Exploration, Inc. (OTC-Pink Sheets: KATX) www.katexploration.com

KAT Exploration is pleased to inform its shareholders and investment community that a deep drilling program on its Rusty Ridge Iron Oxide, Copper & Gold (IOCG) property is being initiated in order to test two major Induced Polarization (IP)/Magnetics targets. Application for drilling has been submitted to Newfoundland Department of Mines & Energy to carry out the work.

A Canadian geological firm with much experience in the Olympic Dam type deposits have been contracted to carry out the project under the direction of our present geologist Mr. James Weick.

The Rusty Ridge targets have been identified by an airborne survey and ground geophysics which can be viewed on KAT's website.

The coincidental magnetic IP resistivity and soil geochemical anomalies suggests potential for a body of Iron Oxide +/- Base, Precious and Rare Earth Element type mineralization, similar in style and settings to the giant Olympic Dam deposit in Australia.

The presence of a large magnetic body that appears to be intrusive into the overlying rock sequence that appear regionally altered, are variably pyritic and contain vein type fluorite mineralization and appears to suggest a magnetic origin for the mineralization.

Anomalous levels of the Light Rare Earth Elements (LREE) cerium and lanthanum, all present in Olympic Dam were not only detected in soils but also in rock samples as well in our Rusty Ridge property. In addition, the soil geochemistry also produced anomalies in silver, gold & copper.

President and CEO Ken Stead stated "This project will be very significant for the growth of the company if the defined targets at depth prove to be a multi-mineral ore body similar to that of the Olympic Dam, or any deposit for that matter. We know the targets are very intense and now we are ready to prove what they are by means of a series of deep drill holes".

Shareholders and Investors will be kept up to date as this drill project moves forward.

Also, KAT Exploration has received numerous inquiries regarding recent developments within the company. Our investor's relation department felt it would be advantageous to post a Flow Chart on our web site under 'Properties', to clarify the present structure and the future direction of the company. President and CEO Ken Stead stated "We are working hard to build shareholder value in both of our companies and is in a process of taking all our high grade copper and other IOCG properties under KAT Exploration to the next major stages of development.

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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