KERNOW STARTS DRILLING AT THE BOTICAS GOLD PROPERTY, NORTHERN PORTUGAL

Mr. Alan Matthews, President of Kernow Resources & Developments Ltd. is pleased to announce that a diamond drilling program, consisting of an initial 350 meters in 3 drill-holes, has commenced on Kernow’s 100% owned Boticas gold property located in the Tras-O-Montes region of Northern Portugal.

The property covers an area of 67.34 square kilometers (67,340 hectares) and encompasses multiple mineralized gold zones. There are three principal deposits within the property: the Limarinho Deposit, the Poco das Freitas Deposit and the Botocas workings.

The first hole is designed to test the lateral extension of the mineralization to the west of the old workings at Limarinho. The hole will also test the sub-surface extension of two veins noted on surface that have returned assay values with high gold grades over narrow intervals. (See news release dated June 23, 2006)

Mr. Matthews stated “Under the terms of our Contract with the Portuguese State to explore the Boticas area we are required to commence drilling before October 15, 2006. As mentioned the first hole is designed to test the down dip extensions of narrow but rich veins. In addition, we have noted from the COGEMA (Compagnie Générale des Matières Nucléaires of France) drill hole sampling data, that lower grade disseminated gold mineralization is present in the altered granite that hosts the multiple vein system.”

The data contained in this News Release has been reviewed and verified to the extent possible by Kernow’s President Alan F. Matthews C.Eng. a “qualified person” for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Projects.

For further information concerning Kernow’s activities please contact Mr. Alan Matthews by telephone in Portugal at + (351) 93 676 0927 or by facsimile at + (351) 22 609 5185 or by e-mail at: piran@mindspring.com

“Alan F. Matthews”
President

TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of the content of this news release.

This news release contains forward looking statements regarding the ongoing and upcoming exploration work and expected geometry of geological formations and structures. Actual results may differ materially from those currently anticipated in such statements.