

Unprecedented Gold Prospects on Klondike Star's Oweinat Property

SEATTLE, WA-- Apr 10, 2008 -- Donald W. Flinn, P.Eng., Chief Operating Officer of Klondike Star Mineral Corporation (OTC BB:[KDSM.OB](#) - [News](#)) today reported the identification of a phenomenal concentration of gold on the Oweinat concession in the Arab Republic of Egypt based on the detailed examination of geological and metallurgical work completed by the Geological Survey of Egypt (GSE). These exploration targets on the expansive 1,245 square kilometer/481 square mile block are to be independently confirmed by a Company exploration program carried out in cooperation with Egyptian geologists and the Egyptian Mineral Resources Authority.

Exploration Manager, Bill Mann, M.Sc. says, "The results from cyanide extraction of gold from bulk samples of banded iron formation (BIF) collected by the Geological Survey of Egypt at the Oweinat concession are truly extraordinary." This work is documented in the paper, "South Western Desert B.I.F. Laboratory Studies and Gold Extraction Tests," written by Khalid et. al. and published in the annals of the geological survey of Egypt (GSE), volume XXV (2002).

As part of its mobilization for exploration, Klondike Star has undertaken a careful review of known and available geological information about the property. Once on the ground in Egypt, Company geologists will be able to fully assess the documentation of the field sampling and analytical procedures and discuss the reported findings of GSE geologists. All of the work was conducted in-house by the GSE, but the structural geology was evaluated in conjunction with Heidelberg University of Germany.

Flinn notes, "The gold and iron mineralization on the Oweinat property were discovered in 1992, and have never been explored by industry. Klondike Star welcomes the opportunity to work together with Egyptian geologists, communities, contractors and suppliers on what we have every reason to believe is a world-class prospect."

It becomes clear as one sifts through the translated Egyptian reports that regardless of uncertainties regarding the documentation of the work, there must be an extremely large accumulation of gold over a very large area. The sampling and analytical work was conducted by several groups of geologists over the course of several years, and using a variety of analytical techniques that all indicated substantial amounts of gold. Most of the gold analyses are from the fire assay technique, which is long established and cannot indicate gold erroneously. The use of carbon in pulp cyanidation for the analysis of bulk samples is also a well-established method.

The paper cited above is of particular interest, as the bulk (or "technical") samples are large (0.5 to 2.5 tonnes), and have been collected from numerous continuous channel samples taken perpendicular to the strike of the iron formation, with BIF bands that are between 5 and 50m wide. The GSE collected the samples from locations spaced at least 0.5km apart, from multiple BIF bands. The theory guiding the sampling was that gold was deposited syngenetically with the iron, and therefore could be present anywhere in the BIF. There is some evidence that the gold is epigenetic, and preferentially concentrated in fold hinges.

The areas sampled are extremely large, and the results seem to indicate a phenomenal concentration of gold that could rank amongst the world's largest and richest deposits. For example, in sub-area K12 the bulk sample was collected from about 15 locations in an area roughly 5km by 4km, with samples from 5 discreet, parallel BIF bands (which may be repeated by folding). The bulk sample averaged 2.41 g/t gold, and included some bands from areas with no chip samples, and others where the chip samples indicated low gold values (0.33 g/t, 1.03 g/t). In the northern portion of area K12 there is an area of about 1km by 2km where six chip sampled BIF bands range between 9.40 and 13.76 g/t gold. If the bulk sample had concentrated in this area (which appears to be the hinge zone of a fold), it is expected that the bulk sample would have been much higher grade.

Sub-area K7, located about 14km north of K12, is considered to be the highest potential zone by the GSE. The K7 bulk sample returned 6.8 g/t gold. This bulk sample was collected from about 15 locations that tested 6 discrete BIF bands over an area of 6km by 6km. 206 channel samples of various lithologies in this area averaged 3.02 g/t gold.

Mann further comments, "It is interesting to note that the BIF tends to resist erosion, and is therefore sticking out of the sand in this flat lying area. Many of the BIF layers disappear under the sand cover, which is thought to be relatively thin in most places. The host rocks for the gold mineralization are Archaean or Early Proterozoic age, which is globally very favourable for gold. On paper, this is the best undrilled gold prospect that I have ever seen. The next step is for Klondike Star to validate this on the ground in Egypt."

About the Oweinat property, Arab Republic of Egypt

Klondike Star, through its subsidiary, Klondike Star Canada Inc. has an exclusive concession awarded by the Arab Republic of Egypt and the Egyptian Mineral Resources Authority for the Oweinat property encompassing an expansive 1,245 square kilometer/481 square mile block in Western Desert of Egypt. The Oweinat block is north of the border between Egypt and Sudan, near the Libyan border.

Based on preliminary review of the mineral potential of the Oweinat block by the geology department of Klondike Star, the Company believes there is excellent potential for discovery of multiple gold deposits, and potential for iron ore within a vast area.

The Egyptian Mineral Resources Authority has identified multiple zones with high gold grades that warrant a substantial exploration effort. Favourable areas identified by the regional work program were selected for follow-up work in 1996 to 1998, and again in 2000. A bulk sample of 2.5 tons was collected and processed returning 6.8 g/t gold. Of the 13 widely separated blocks studied and sampled in detail within the concession, 6 areas returned analyses above 10 g/t gold and 12 returned gold analyses above 1 g/t by fire assay.

Values up to 43.32 g/t gold over 5m and 34.38 g/t gold over 5m were reported by analysis of rock sampling by EMRA. Iron analyses are mostly in the 20 to 50% Fe₂O₃ range, with some large samples averaging 32%, however there may be potential for enriched areas among the dozens of BIF bands that are up to hundreds of metres thick and extend for kilometers/miles.

About Klondike Star

Klondike Star is a well-governed junior mineral exploration and development enterprise with projects in Canada and Egypt. The company has majority or 100% interests in 5 gold projects totaling about 290 km²/112.4 mi² in the Yukon, located in the northwest corner of Canada underlying the site of the world-renowned Klondike gold producing region. Major properties include the advanced-stage exploration Lone Star Gold Project with a scoping study in progress, the intermediate-stage Dominion Gold (and silver) property; and, the pre-development Indian River Gold Project. The mission is to explore, develop and operate new mines as socially responsible, sustainable developments. Through its wholly owned Canadian subsidiary, Klondike Star has been awarded the right to explore and develop gold, iron ore and other minerals on the expansive 1,245 km²/481 mi² Oweinat concession in the Arab Republic of Egypt through a competitive, international bidding process.

The statements in the press release that relate to the company's expectations with regard to the future impact on the company's results from new products or actions in development are forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. The statements in this document may also contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Since this information may contain statements that involve risk and uncertainties and are subject to change at any time, the company's actual results may differ materially from expected results.

Contact:

For more information please contact:
Wayne Cousins
Investor Relations
Toll Free (800) 579-7580

Source: Klondike Star Mineral Corp.