

**KAT Exploration Is Focused On Bringing Their Precious And Base Metals Properties In Newfoundland To A Level Where They Can Do Feasibility Studies And Attract Joint Venture Partners**

**Mining - Metals  
(KATX-OTCPK)**



**Ken Stead  
President and CEO**

**BIO:**

Ken Stead is a co-founder of Kat Exploration Inc., and has been president since the company's incorporation in December of 2005. Mr. Stead worked directly in the mining industry from the early to late 70's, where he first started with the Iron Ore Company Of Canada and worked for Noranda at their Nanasivik mine in Stratacona Sound, northern Baffin Island. In the early 80's, Mr. Stead worked in the oil fields of Alberta, afterwards returning to Newfoundland where he set up his own construction company from 1985 to 1995.

In 1997, Mr Stead became a co-founder of Cornerstone Resources Inc., a junior mining company now trading on the TSX-V (CGP) until he resigned in 2004. Over the past eleven years Mr. Stead has been actively working in a Sedimentary-Hosted Stratiform Copper environment

along with gold and will continue to make this one of the company's priorities.

**Company Profile:**

KAT Exploration Inc. is an exploration company based in Mount Pearl, Newfoundland and was incorporated in December 02, 2005. The company has a variety of mineral properties consisting of Gold, Copper and Silver.

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFOinterviews.com**

**CEOCFO:** Mr. Stead, what is the focus of KAT?

**Mr. Stead:** "Our focus is precious metals and base metals. We want to bring our properties to a level where we can do feasibility studies on the deposits and possibly joint venture with a major company. I have done that quite often in the past with my former company, Cornerstone Resources Inc. We joint ventured with major world companies such as Phelps Dodge, Noranda and others. So I know how the field works and it is to a company's benefit, to have the backing of major companies to offset the costs of drill programs and even the intense exploration on some of our best projects."

**CEOCFO:** What do you like about the area you are in now?

**Mr. Stead:** "It is an area where you are born and you are quite familiar with. We know the geology. We know many of the government officials with the Department of Mining and Energy, and they are quite helpful in all the research they have done down through the years. Quite often if you go to their data bank it will point you to areas where they have discovered minor showing of copper, gold, silver and so

on. We explore these areas. Throughout the province there has been a lot of logging throughout the years, so accessibility to logged areas is very good. The province itself has had a number of Gold mines and are still producing some with others coming on stream for production. The government is always out in the forefront encouraging exploration in mining and oil as we are becoming a major player in oil. With that kind of combination of oil and minerals it makes it easy for us to explore, so if you put it all together it becomes an exciting area. With the experience and success we have had in the past, we just continue on with what we know and do best. The area still has quite large land packages that are underexplored or not explored at all and we have discovered many mineral occurrences that currently we have not staked. So it still lends itself to lots of exploration in the future."

**CEOCFO:** How come so much is underexplored if it is such a pro-mining area?

**Mr. Stead:** "That's an interesting question". If you go back into the history of Newfoundland you will find that there was lots and lots of mining. There were numerous copper mines, silver mines and a few other products way back in the 1800's and early to mid 1900's. But we are in a province of only half-a-million people yet our land mass is equal to that of England. So I guess when it comes to economics, Newfoundland was always one of the poorer provinces of Canada. Only recently had we actually risen above the entire country because of oil and mining production. Therefore, when the commodity prices became worth exploring, a lot of major companies came to the province following up on some old work

that had been done by companies like Noranda way back in the early 1900's and mid-1950's and 60's. They had left because the prices of metals were down. When it was down, they discovered that it wasn't feasible to continue exploration, so a lot of companies came in on the backs of that work along with new discoveries. With that said and done, a lot of prospectors took an interest because companies came in and employed some of the locals to do the work and from that they formed their own little exploration companies. So over the last ten to fifteen years, you had a lot of that happening, which generated more discoveries and interest in the province. Therefore, it has become like a whole new industry here in Newfoundland with a lot more prospectors coming to the fore. When you go to mining shows and exhibits and display what you have discovered it attracts the attention of world-class companies and that also brings some to Newfoundland. It has really taken on a life of its own."

**CEOCFO:** Would you give us a little rundown on the projects you are working on now?

**Mr. Stead:** "Right now we are working on our Handcamp Gold Property which is a very

high-grade gold property. When I say high-grade that is from 158 grams of gold per ton in some grab samples. Yet we did a channel sample of approx. 30 feet with a little over 7 grams of gold across the exposed outcrop; this is right on the surface. With the Handcamp Gold Property right now, we are working out a drill program. We were hoping for late summer, but it may be early fall, which is a good time actually for us here; the weather won't be so hot. That particular property had some work done on it and there is a lot of base metals tied in with the gold, so it is sort of a semi-massive sulphides and gold property. That property is just south of the new gold processing facility, which just opened this year by Anaconda Mining. That in itself is just south of what used to be the Nugget Pond Gold Mine, which is now being operated by Crew Gold and then there's the Duck Pond Deposit, which is being mined as a massive sulphide deposit, and is a bit to the south also.

Our Handcamp Gold Property is very exciting and of great interest for us to move it forward. It is right in the mining district where there are operating gold mines. So it would be an easy property for us to either farm out or to probably sell outright if we do our own work and bring it to feasibility study to determine what the reserve is.

We have another property called "Rusty Ridge" and by means of an airborne survey and some ground geophysics it too is ready for drilling. There was an interpretation done by an independent geophysics company from Vancouver, on the other side of Canada, who likened many of the signatures that we are finding to that of the Olympic Dam in Australia. That is actually their words not ours. We have two deep targets, so the idea is to get down there and see what those targets

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are. While it is a costly operation, we will venture it ourselves but would hope to joint venture it with another company. The only thing is, with the Handcamp Gold Property a priority, we are not sure if we will get a drill on the Rusty Ridge this year. If we can find the time to promote it and get a major company to come and use their money, well that will really help. However, if not we will test that deposit ourselves. If it is what we hope it is, it would probably turn this area into a whole brand-new exploration play for major companies because these deposits are kind of rare in that they host nearly all the major minerals. They have base metals, gold, silver and uranium along with rare-earth minerals. If it turns out to be an economical deposit, one can imagine how other companies will take interest in the whole region looking for more of these deposits.

We are excited about that property, but it is a property that if the Handcamp Gold Property starts turning out what we think

it might, because of gold prices today, we may just continue with that one and do the Rusty Ridge a little later. Other than that, we have several copper/silver combination properties, and lots more to go if we want to stake what we have been finding. For now, these properties we have in our portfolio, and will hopefully bring in another gold property, which we are now considering that also has great potential. As a new company just coming on, there is overhead, and a higher burn rate in adding more properties to our portfolio, so we will be cautious not to spread ourselves too thin. Therefore, we don't want to waste money when we can focus in areas of high interest and hopefully areas that will catch the attention of investors because the company has done good work on good properties."

**CEOCFO:** A well thought out plan!

**Mr. Stead:** "We think so". That is the normal way of thinking in this industry as I have learned from past experience. We have a good crew and good properties, and lots of potential for other properties as well. As the company grows, we will certainly expand our operations to other parts of the province. In the many under-

explored areas, it would take a chopper to get there, but we have done that quite often in the past and will continue to take advantage of that in the future. When you get into these areas you can be sure that the average prospector who is operating on small government grants and their own money, haven't been in these areas because they just can't afford the expense. So there are some areas that we have our eye on and if we don't get to them this year we will next year. In the meantime we certainly have a full slate of work programs for this year. So far with our stock, we are generating interest from investors according to recent trading, especially over the last few days, so we are quite pleased."

**CEOCFO:** How do you attract people to the stock?

**Mr. Stead:** "The way we work is, we have a group in Vancouver who are engaged in helping fund the company and took us under their wing for an equity

stake in the company and managed to take us public. In the meantime, we are attracting people to our stock through marketing, and with media groups like you guys right now, as well as press releases. In the past I had known quite a few major companies and we would hope to take advantage of them as time goes by and hopefully some of these will take an interest in the company as well. Again, we are quite pleased that we have generated so much interest so quickly. We think now with the ongoing programs we have and good management team, we can establish a good investor base and retain our stock through a decent price.”

**CEOCFO:** In closing, why should potential investors pick Kat out of the crowd?

**Mr. Stead:** “We feel like we are an exciting company. We have a field crew that knows what they are doing. We have some good past experience. Again, we are not a fly-by-night company; we are located in an area that is under-explored where in recent times have made new economical discoveries. If you were living in Canada and were monitoring province-by-province, you would find that Newfoundland has become one of the most exciting exploration provinces in the whole country. Our economy is a booming economy here in Newfoundland due mainly because of oil and mining. INCO has recently brought the Voisey’s Bay Nickel/Cobalt Deposit into production which is a very rich deposit found in the Labrador part of the province. They are

now in the process of building a \$2 billion smelter refinery in Long Harbor. So the province itself is very exciting when it comes to new mining and oil discoveries. So KAT Exploration has great plans of moving forward, and we know what we are doing. We have good properties, good prospects, and good mining operations next door to us, so we can sell any discovered deposits. The government is mining friendly with great infrastructure in place. When all is said and done, we see ourselves as having a long prosperous future with all of this at our fingertips. So if investors are looking for a company that is going to be around for awhile, KAT will be around awhile for sure.”

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**KAT Exploration Inc.**  
**15 Blade Crescent**  
**Mount Pearl, NL A1N 5L1 Canada**  
**Phone: 709-368-1024**