

NEWS RELEASE

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Kodiak Grants Option On Tommy Jack To Golden Chalice Res.

Vancouver, British Columbia, May 25 2004: Kodiak Exploration Limited. (TSX-V: KXL) and Golden Chalice Resources Inc. (TSX-V: GCR) are pleased to announce that Kodiak Exploration Limited's wholly owned subsidiary, International Kodiak Resources Inc. ("Kodiak"), has granted to Golden Chalice Resources Inc. ("Golden Chalice") an option to acquire an undivided 50% interest in the Tommy Jack Property, subject to an underlying 2% net smelter returns royalty (the "Royalty Interest"). The option agreement is subject to acceptance by the TSX Venture Exchange.

Under the terms of agreement, Golden Chalice may exercise its option by:

- (a) paying Kodiak \$25,000 on receipt of regulatory approval; a further \$25,000 on or before September 15, 2004; a further \$60,000 on or before November 15, 2005; a further \$100,000 on or before November 15, 2006;
- (b) issuing Kodiak 50,000 Golden Chalice shares upon receipt of TSX acceptance; a further 50,000 shares on or before September 15, 2004; and a further 100,000 shares on or before November 15, 2005; and.
- (c) incurring \$100,000 in exploration expenses on the Property on or before September 15, 2004; a further \$400,000 in exploration expenses on the Property on or before October 30, 2005, which is to include 2,000 meters of NQ diamond drilling; a further \$500,000 in exploration expenses on the Property on or before October 30, 2006; a further \$750,000 in exploration expenses on the Property on or before October 30, 2007; and a further \$1,250,000 in exploration expenses on the Property on or before October 30, 2008.

If Golden Chalice pays \$210,000 to Kodiak, issues 200,000 common shares to Kodiak and incurs at least \$3,000,000 in exploration expenses on the Property, Golden Chalice shall then be deemed to have exercised the Option and will have acquired an undivided 50% interest in and to the Property, subject to the Royalty Interest.

If it exercises its option to acquire a 50% interest in the Property, Golden Chalice will thereafter have the option to acquire a further 20% interest from Kodiak by completing a positive bankable feasibility study by December 31, 2010. If it exercises its option to acquire a further 20% interest in the Property, Golden Chalice will thereafter have the option to earn an additional 5% interest so that the Golden Chalice Resources Inc. holds a 75% interest in the Property, by placing the project into commercial production by December 31, 2015. The time to exercising this third option may be extended for up to 5 years by Golden Chalice paying \$100,000.00 to Kodiak Exploration Limited for each year long extension.

Kodiak and Golden Chalice will be joint operators and managers until Golden Chalice earns over a 50% interest. The option agreement provides for a 10-mile area of influence.

Kodiak Exploration Limited is to pay a finder's fee to an arms length recipient of 14,000 shares of Kodiak Exploration Limited at a deemed price of \$0.25 per share, subject to acceptance by the TSX Venture Exchange.

The Tommy Jack Property located in North Central B.C., 100 km south of the Kerness Mine. The Property contains a 600 x 1,800 meter gold-silver geochemical soil anomaly, within a 5 square kilometer area of carbonate alteration containing many multi-gram gold float boulders. Alteration on the Property best approximates the Low-Sulphidation Epithermal Au-Ag deposit model. Historic drilling intersected several gold-silver mineralized zones. Kodiak initially conducted a Property exam and a compilation of available data, with a focus on the exploration of high-grade veins and/or low-grade bulk tonnage gold-silver targets, and followed that up with an exploration program in 2003.

Fieldwork in 2003 consisted of 20 line kilometers of induced polarization geophysical survey and approximately 1000 metres of diamond drilling. The IP survey delineated a chargeability high anomaly more than 1 kilometer long and 100 to 300 meters wide, which appears to be offset into three sections by one or more fault structures. This chargeability anomaly coincides with many of the most significant gold and silver mineralized drill intersections indicated by the historic drill programs.

Highlights from historical wide-spaced, shallow drilling in and along the fringes of the newly discovered IP anomaly

DDH#	Length (m)	Au(gpt)	Ag(gpt)	Comments
TJ86-01	17.4	0.72	4.63	
TJ86-02	25.7	0.86	11.10	(incl. 1.24 gpt Au over 14.8m)
TJ86-05	12.7	2.52	46.57	Open above (incl. 4.3 gpt Au over 6.6m)
TJ87-1	9.7	1.11	29.80	
TJ87-14	5.7	4.05	16.37	
TJ87-15	8.7	1.13	4.41	
TJ87-23	4.3	6.97	73.33	(incl. 48.5 gpt Au over 0.2m)

The above information is historical in nature and does not meet National Instrument 43-101 requirement.

2003 Kodiak Exploration Limited Drill Highlights

DDH#	From (m)	To (m)	Length	Au(gpt)	Ag(gpt)	Comments
TJ03-03	24.0	34.2	10.2m	2.04	138.5	(incl. 1.8m of 9.38 gpt Au and 580.3 gpt Ag)
TJ03-04	156.5	160.8	4.3m	1.07	4.8	

The qualified person for this project, under the definitions established by National Instrument 43-101, was Stephen Wetherup, PGeo.

KODIAK EXPLORATION LIMITED

On behalf of the Board of Directors
William S. Chornobay, President

GOLDEN CHALICE RESOURCES INC.

On behalf of the Board of Directors
Richard W. Hughes, President

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This document contains certain forward looking statements which involve known and unknown risks, delays and uncertainties not under the corporation's control which may cause actual results, performance or achievements of the corporation to be materially different from the results, performance or expectation implied by these forward looking statements.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.