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Kivalliq Energy Corporation (TSX-V: KIV) is a uranium exploration and development company based in Vancouver, British Columbia, Canada and is the first company in Canada to sign a comprehensive agreement with the Inuit of Nunavut to explore for uranium on Inuit Owned Lands in Nunavut Territory, Canada.

Inuit Partnership

The partnership was established between Kivalliq Energy Corp. and Nunavut Tunngavik Incorporated (NTI) in 2007. The following terms were agreed upon by both parties in order to ensure the agreement was mutually beneficial:

For Kivalliq Energy:

- First company with the right to explore for uranium on privately-held Inuit Owned Land in Nunavut
- 100% interest in Lac Cinquante property (IOL-RI30)

For Nunavut Tunngavik Incorporated (NTI):

- One million KIV shares over 36 months (750,000 paid to date)
- Interest in adjacent Angilak mineral permits (in excess of 200,000 acres)
- Annual advanced royalty payments of \$50,000 (\$150,000 paid to date)
- \$1 million payment, upon completion of a NI 43-101 measured resource of ≥ 12 Mlbs of uranium
- At feasibility, NTI can participate with a 25% project interest or choose a 7.5% net profits royalty

Community Commitment

Kivalliq Energy not only takes its partnership with NTI very seriously, but the Company also takes pride in its commitment to the local communities in the Kivalliq Region of Nunavut. Whenever possible, Kivalliq purchases goods and supplies from local businesses and continues to look for ways to increase these opportunities. Since its inception, Kivalliq has employed 7 people from local Nunavut communities and will continue hiring local employees in the future. Kivalliq is dedicated to making a positive, sustainable impact on communities in Nunavut by supporting the economy through exploration and development. Kivalliq engages communities in consultation activities and site tours annually.

Safety and Environment

Kivalliq is focused on delivering value to the shareholder while strictly adhering to environmental and safety regulations. Procedures and Policies were established by Kivalliq to ensure a safe workplace



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for employees while minimizing disturbance to the environment. During the 2010 program crews worked 37,428 hours with no lost time due to workplace accidents. Water and land inspections were performed by Resource Officers from Indian and Northern Affairs Canada and the Kivalliq Inuit Association and no citations or deficiencies were noted during either inspection to the Angilak Property.

The Company was recently acknowledged for outstanding environmental stewardship at Kivalliq Energy's Angilak Property in the Kivalliq Region, Nunavut. The Kivalliq Inuit Association (KIA) awarded Kivalliq Energy the 2010 Environmental Excellence Award at the 2011 Nunavut Mining Symposium from April 5 -7, 2011 in Iqaluit, Nunavut.

Experience in Nunavut

Kivalliq is one of 8 individually managed companies that form the Discovery Group of companies. Member companies of Discovery Group have been active in the Nunavut area for over 25 years, working on at least 24 separate exploration projects over that time period. To date, companies within Discovery Group have spent over \$55 million on exploration activities in Nunavut. Kivalliq spent \$4.5 million (50% of exploration expenditures) in northern Nunavut communities in 2010 alone.

Angilak Property

Kivalliq's flagship property, the Angilak Property, is located 220 km southwest of Baker Lake and 350 km west of Rankin Inlet. The 225,000 acre property is 100% owned by Kivalliq Energy Corporation and is host to the Lac Cinquante uranium deposit, as well as 9 high priority target areas. High priority zones were outlined through a combination of Kivalliq's exploration efforts since 2008. A review of historic assessment reports identified over 150 property-wide uranium occurrences. Geophysical surveys in 2009 identified a four-by-nine kilometre trend of conductive bodies similar to Lac Cinquante. The 2010 prospecting program returned 51 samples with assays grading in excess of 1% U₃O₈. Drill intercepts at targets 500 metres and 1.8 kilometres from Lac Cinquante deposit, returned similar geology and uranium mineralization to that of the resource area.

Since acquiring the Angilak Property in 2008, the Company has invested approximately \$12 million conducting systematic exploration, including ground and airborne geophysics, geological mapping, prospecting and 18,350 meters of drilling.

The Resource

In the beginning of February 2011, Kivalliq announced the release of the first NI 43-101 compliant Mineral Resource estimate for the Lac Cinquante uranium deposit at Angilak. Kivalliq reported an Inferred Mineral Resource Estimate of 810,000 tonnes grading 0.79% U₃O₈, totaling 14.15 million lbs



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U₃O₈ (17.5 lbs U₃O₈/tonne) at a 0.2%U₃O₈ cut-off grade. This makes the Lac Cinquante Canada's highest grade uranium deposit outside of the Athabasca basin. As the resource remains open along strike and to depth, there is still potential to expand the resource in 2011.

2011 Plan

The Company's 2011 exploration goals are clearly defined as follows: expand the Lac Cinquante mineral resource along strike and to depth; drill targets on parallel conductors; and demonstrate potential for multiple uranium deposits elsewhere on the Angilak Property. In summary, Kivalliq has proposed the following 2011 exploration campaign:

- 20,000 metres of core drilling, with up to 100 holes focused on expanding and potentially upgrading the Lac Cinquante resource
- 15,000 metres of RC (reverse circulation) drilling to test in excess of 30 target areas with up to 150 holes
- Combination of airborne (4,000 line kilometres) and ground geophysical surveys (1250 line kilometres)
- Continued prospecting to advance target areas defined by the 2010 program and investigate new targets identified by 2011 geophysical surveying.
- Ongoing modeling, geological and environmental studies (including an archaeological assessment); and continued emphasis on community consultation including site visits
- Infrastructure expansion for improved logistics and to handle additional staff and equipment
- Revision and upgrade of current inferred NI 43-101 resource by Q2 2012

Contact

For more information regarding Kivalliq Energy Corporation, please visit our website at www.kivalliqenergy.com or email us at info@kivalliqenergy.com . You may also reach Jim Paterson, CEO, in our Vancouver office directly at 604-646-4527.

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