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NEWS RELEASE

ARN GOLD-COPPER PROJECT UPDATE

September 7, 2004 - ATAC Resources Ltd. and Klondike Gold Corp are pleased to announce results for drilling and surface sampling conducted in June and July 2004 on the Arn property in Yukon Territory. Follow up sampling was conducted in the western part of the property between August 18 and 28 but results for that work are not yet available.

Significant intervals from 18 diamond drill holes completed at Zones A and B in the eastern part of the property are listed on the attached table. All but five of the 14 holes that reached bedrock contained at least one significant interval. Unfortunately, the proportion of skarn in the holes is lower than anticipated and the density of dykes is much higher than expected. The mineralized intervals are nearly all from skarn that is sulphide or magnetite rich. They mostly occur in three bands but these bands are discontinuous, either because they are inherently patchy or are frequently cut by post-mineralization dykes. Detailed examination of the logs coupled with careful structural analysis will be required to determine which dyke set is the main mineralizer and which horizons are preferentially mineralized.

Prospecting and mapping during June in the western part of the property relocated skarns in basalt at Zone M and discovered a new area of sulphide rich skarn in limestone about 200 m to the west. This new area (Zone Q) is approximately 250 m long and 65 m wide. Specimens from this zone typically assayed between 0.3 and 8.66 g/t Au.

Five trenches were dug across parts of Zone Q in August. These trenches ranged from 9.5 to 46 m in length. Two shorter trenches were dug in the less well exposed Zone M. These trenches were dug to better expose outcrops, from which specimens assayed 7.73 and 2.66 g/t Au.

Significant Intersections

Arn Property

<u>Hole #</u>	<u>From (m)</u>	<u>To (m)</u>	<u>Interval (m)</u>	<u>Gold g/t</u>	<u>Silver g/t</u>	<u>Copper %</u>
Arn-05	72.07	77.35	5.28	2.17	9.4	1.27
	81.26	86.45	5.19	3.17	18.9	2.50
Arn-06	30.37	31.76	1.39	0.53	5.1	0.92
Arn-07	no significant intersections					

Arn-08	no significant intersections					
Arn-09	6.49	7.48	0.99	15.55	2.1	0.48
Arn-10	4.57	6.89	2.32	18.10	0.5	Nil
	23.36	26.41	3.05	2.49	26.9	3.18
Arn 11	17.96	19.81	1.85	1.57	Nil	0.03
	34.96	36.30	1.34	1.98	17.1	3.95
Arn-12	12.61	13.76	1.15	0.36	4.3	0.67
	21.60	22.98	1.38	5.45	20.4	3.24
	32.34	40.93	8.59	0.74	10.4	1.30
Arn-13	no significant intersections					
Arn-14	2.13	2.73	0.60	1.72	3.1	0.63
Arn-15	no significant intersections					
Arn-16	10.18	16.57	6.39	8.60	2.7	0.50
incl	10.86	11.61	0.75	66.30	12.2	0.92
Arn-17	abandoned in overburden					
Arn-18	abandoned in overburden					
Arn-19	abandoned in overburden					
Arn-20	15.32	17.15	1.83	3.63	0.9	0.10
Arn-21	no significant intersections					
Arn-22	abandoned in overburden					

The 2004 work programs are being conducted under supervision of Bill Wengzynowski, P.Eng. who is the qualified person for NI 43-101 purposes. Analyses were performed at ALS Chemex in North Vancouver while independent check assaying was done at Acme Analytical Laboratories in Vancouver.

Under terms of the option agreement Klondike Gold can earn a 50% interest by completing \$1,500,000 in work expenditures on or before December 31, 2006 and making cash payments totalling \$200,000 and delivering a total of 500,000 shares on or before June 30, 2009. Klondike Gold can increase its interest to 75% by issuing another 500,000 shares and producing a bankable feasibility study by December 31, 2016.

The Arn property is located 6 km south of the Alaska Highway in southwestern Yukon. It hosts several skarn zones mineralized with gold and copper. The most prospective target (Zone A) is exposed in one small outcrop which was tested downdip by a diamond drill hole in 2002. That hole produced an interval which assayed 11.92 g/t gold over 12.67 m, including 64.40 over 1.98 m from partially oxidized semi massive pyrite with minor chalcopyrite.

For more information regarding ATAC or its projects please contact Rob Carne or Doug Eaton at 604-688-2568 or 1-800-598-4155, Jim Stephen at 867-668-6443 or email info@nordacres.com.

ATAC RESOURCES LTD.

Per: James M. Stephen, CEO

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