



SLAM Exploration Ltd and Falconbridge Limited Agree on BJV Wrap-Up

For Immediate Release

January 16, 2006

Toronto, Ontario: **SLAM Exploration Ltd.** ("SLAM") (TSX-V - SXL) announces it has signed an Amendment with Falconbridge Limited (Falconbridge) to modify the Bathurst Joint Venture Agreement (the "Agreement"). SLAM will no longer be responsible for funding exploration under the BJV which has been terminated and with the exception of the Carve-Out claims described below, SLAM will transfer 100% ownership of the Staked Claims including Permits One and Two to Falconbridge. SLAM will retain a 0.5% Net Smelter Return royalty on the Staked Claims and Permits subject to a \$3M cap on the NSR. The royalty and cap are reduced from 1% and \$5M respectively. Subject to TSX-V approval Falconbridge will receive 1.5 million common shares of SLAM in settlement of outstanding expenses.

SLAM retains the right to earn 100% interest in a 2066 claim property centered in the Bathurst Mining camp as specified in a "Carve-Out" provision of the amended Agreement. The Carve-Out is adjacent to 129 original claims which also revert back to SLAM covering the Ahearn, Strachens and Nepisiguit zinc-lead-silver deposits. To complete the Carve-Out right, SLAM must expend \$2.5 million in exploration on or before March 31, 2008. The SLAM Carve-Out is subject to a back-in right by Falconbridge to earn 50% by completing \$3.75M in expenditures over a three year period. This back-in right expires sixty days after Falconbridge receives notice that the \$2.5M Carve-Out expenditure is completed.

SLAM retains rights to the BJV database including all airborne and land based TEM, gravity, IP, geochemical, drilling and compilation over the Bathurst Mining Camp.

The Carve-Out and original SLAM properties combine for 2195 claims covering 35,000 hectares of highly prospective volcanic belt stratigraphy in the heart of the Bathurst Mining Camp. Together with the Nash Creek property this provides SLAM with a major land package in northern New Brunswick where the Brunswick No 12 mine is a world-class zinc-lead-silver producer. SLAM will utilize the same systematic approach of combining MegaTEM and airborne gravity results with advanced ground methods such as MMI soil geochemistry as demonstrated at Nash Creek.

The 43-101 report on the Nash Creek deposit includes an indicated resource of 3.4 million tonnes at a grade of 5.01% zinc, 0.89% lead and 30.95 g/tonne silver plus an inferred resource of 1.7 million tonnes at a grade of 3.68% zinc, 0.66% lead and 19.2 g/tonne silver as filed on SEDAR September 27, 2005. The deposit occurs along the western margin of a large horizontal, sheet-like conductive zone measuring over 1500 hectares. Recently reported Mobile Metallic Ion soil geochemical results indicate coincident anomalies that enhance MegaTEM and airborne gravity targets within the Nash Creek volcanic complex. The Nash Creek property comprises 892 claims covering 14,272 hectares of favourable volcanic stratigraphy.

SLAM Exploration Ltd. is a mineral resource company based in Miramichi, New Brunswick. In addition to the Carve-Out, SLAM is 100% owner of the Nash Creek zinc-lead-silver deposit as well as other base metal projects in New Brunswick and holds varying interests in four gold properties in the renowned gold producing Uchi sub-province of northwest Ontario.

Additional information about SLAM and its projects is available at www.slamresources.com or from SEDAR filings at www.sedar.com. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

On behalf of the Board

Mike Taylor, President & CEO

SLAM Exploration Ltd.

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