

KERNOW RESOURCES & DEVELOPMENTS LTD.

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NEWS RELEASE

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KERNOW RECEIVES GEOTHERMAL LICENCE IN NORTHERN PORTUGAL

Mr. Alan Matthews, President of Kernow Resources & Developments Ltd. ("Kernow") (TSX.V: KRD), is pleased to provide the following update on the granting of a Licence to explore for Geothermal Resources in the area of Chaves in Northern Portugal. The successful receipt of this initial Geothermal Licence forms an important and strategic component to the recently announced merger through a Letter of Intent ("LOI") of Kernow, with Galena International Resources Ltd. (TSX.V: GTO.P) ("Galena"), and Green Bull Energy Inc. ("Green Bull") (Refer to Kernow Press Release September 21, 2009).

Portugal, which has a positive and forward looking policy on Renewable and Alternative Energy development aims to generate 45% of its total power consumption from renewable sources by 2010. The European Geothermal Energy Council (EGEC) reports (July 2009) that the participants of the recent World Economic Forum in Davos, Switzerland concluded that geothermal energy will offer the best possible cost-effective source of Renewable Energy.

The Award of the Geothermal Licence

In a ceremony attended by the Director and Deputy Director of the Direcção Geral de Energia e Geologia (DGEG) and Secretary for State for the Ministry of Economy and Innovation, Mr. Matthews signed a Contract with the Portuguese State granting Kernow the right to explore for Geothermal Resources in the area of Chaves in Northern Portugal. A comprehensive News Release dated 6 May, 2009 describes the tenure system of Licensing in Portugal, the geology of the area under claim and Kernow's proposed Joint Venture with Green Bull Energy Inc.

Conditions of the Licence

Under the terms of the Contract entered into with the State, Kernow has committed to a two year work program as outlined below. The initial licence period is for 2 years. After the first two year period, Kernow is obliged to reduce the surface area of the claim by 50%. The license can be renewed 3 times for a further 1 year each time which gives a total of 5 years. The size of the claim must also be reduced by 50% at each renewal. The Licence as granted, covers a large area of 200.9 square kilometres.

Expenditures and Work Program

The work program proposed to and accepted by the DEGE is as follows:

First Year

- Collect and analyse previous data;
- Undertake interpretation of satellite images and orthography;
- Complete Geological cartography;
- Examine the Geo-structural analysis of the region;
- Undertake Geophysical surveys, exact method yet to be determined but likely to include 3 D resistivity and remodelling of existing data;
- Undertake assessment of the applicability of ZTEM/ AirMt airborne AFMAG surveys to detect/ assist in geothermal exploration;
- Create analogous 2D Forward models that simulate the expected ZTEM/AirMt responses over Geothermal targets.

Second Year

- Identification and selection of preferred drilling targets, for the drilling of two holes. The first with a minimum depth of 750 metres the second with a minimum depth of 250 metres;
- Reverse circulation drilling combined with diamond drilling to allow for the taking of core samples, target depths will be determined by the geophysical data.

Other relevant Information

In Chaves, Northern Portugal, hot waters are tapped by the Municipality of Chaves which has a Licence to utilise the waters flowing from two wells drilled in metamorphosed slates. The fluids from the wells are used in a small district heating network (swimming-pool, hotel and a greenhouse). The first well is 147 metres deep, the water temperature is reported as being 76 °C, and flows at a rate of 5 litres per second. The second well also drilled through metamorphic slates with quartz veins is 98 metres deep and produces water at a temperature of 73 °C, has a flow rate of 10 litres per second. This well feeds the thermal bath. A cooling tower is needed to cool part of the water to be used in the spa. The geothermal field is the heart of the town. Within the area covered by the Licence an area of some 2.0 square kilometres is reserved for use by the Municipality of Chaves. In addition a wider protection zone of some 38.27 square kilometres surrounds the boreholes. The Municipality must be informed of prospecting activities within this area. Kernow has held meetings with the Municipality to inform it of Kernow's proposed activities.

Letter of Intent with Green Bull Energy Inc.

Kernow has signed a previous Letter of Intent (LOI) with Green Bull (March 9, 2009), a private company controlled by one of Kernow's directors, Jerry L. Bulman. The LOI grants Green Bull the right to enter into a Joint Venture with Kernow to develop the area under application after paying the first Euros 100,000 (approximately C\$160,000) of exploration expenditures on the property. The LOI envisages that after the rights to the property have been granted and after Green Bull has expended the monies, the companies will enter into a 50/50 joint venture to further develop the property. The LOI is subject to final Exchange approval.

Qualified Person

The data contained in this News Release has been reviewed and verified by Kernow's President, Alan F. Matthews, C.Eng., a "qualified person" for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian securities administrators.

About Kernow

Kernow is a mineral exploration company based in Porto, Portugal, with a portfolio of prospective mineral projects in Portugal. It has a 100% interest in the following projects: the Boticas Gold property, the Alto Sobrido Gold and Antimony property and the Jales-Gralheira Gold and Silver deposit.

For further information concerning Kernow's activities please visit Kernow's web site at www.kernowresources.com or contact Mr. Alan Matthews by telephone in Portugal at + (351) 93 676 0927 or by facsimile at + (351) 22 609 5185 or by e-mail at: piran@mindspring.com.

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

This news release contains forward looking statements regarding the ongoing and upcoming exploration work and expected geometry of geological formations and structures. Actual results may differ materially from those currently anticipated in such statements