

# **TOTEM MINERALS INC.**

408 – 837 West Hastings Street  
Vancouver, BC, V6C 3N6  
Telephone: (604) 684-6264

## **Totem To Acquire over 3,000 sq. km. Land Position In West Africa On World Class Gold Belts In Ghana And Ivory Coast**

*Vancouver, B.C., June 30, 2010* – **Totem Minerals Inc. (TSXV: TTM)** (the “Company”) is pleased to announce that it has entered into a Letter of Intent with Abzu Resources Ltd. (“Abzu”) a British Columbia private company, to acquire Abzu’s indirect 100% interest (the “Transaction”) in seven gold exploration concessions covering over 3,000 square kilometres in West Africa, on world class Gold Belts in Ghana and La Cote d’Ivoire, Africa (the “Concessions”).

### **PROPOSED TRANSACTION**

Under the terms of the letter of intent, the Company has agreed, to acquire Abzu’s 100% indirect interest in the Concessions by acquiring all of the issued and outstanding shares of Abzu in exchange for the issuance of approximately 12,000,000 common shares of the Company. In addition the Company will issue 200,000 share purchase warrants exercisable at \$0.60 per share until November 30, 2014 to replace certain outstanding share purchase warrants of Abzu. It is contemplated that the Transaction will be completed by way of a take-over bid circular. In the alternative, the Transaction may be completed by the Company purchasing from Abzu all of the shares of Abzu’s wholly owned subsidiary, Abzu Resources Ghana Ltd. (“Abzu Ghana”) and the subsequent distribution of the shares of Totem by Abzu, to its shareholders by way of dividend or return of capital.

The Transaction is arm’s length and if completed will constitute a “Fundamental Transaction” under the TSX Venture Exchange’s (the “Exchange”) policies and is subject to the satisfaction of certain conditions, including the receipt of Exchange acceptance.

### **CONCESSIONS: OVERVIEW**

#### **GHANA**

##### **MPATAISE CONCESSION**

The approximately 28km<sup>2</sup> Mpataise concession, owned 90% by Abzu Ghana with the government of Ghana retaining a 10% equity interest as per mining legislation, sits on the emergent Asankrangwa Gold Belt approximately 20km to the South of Keegan Resources Esaase Gold Project in the Amansie West area (Fig. 1).

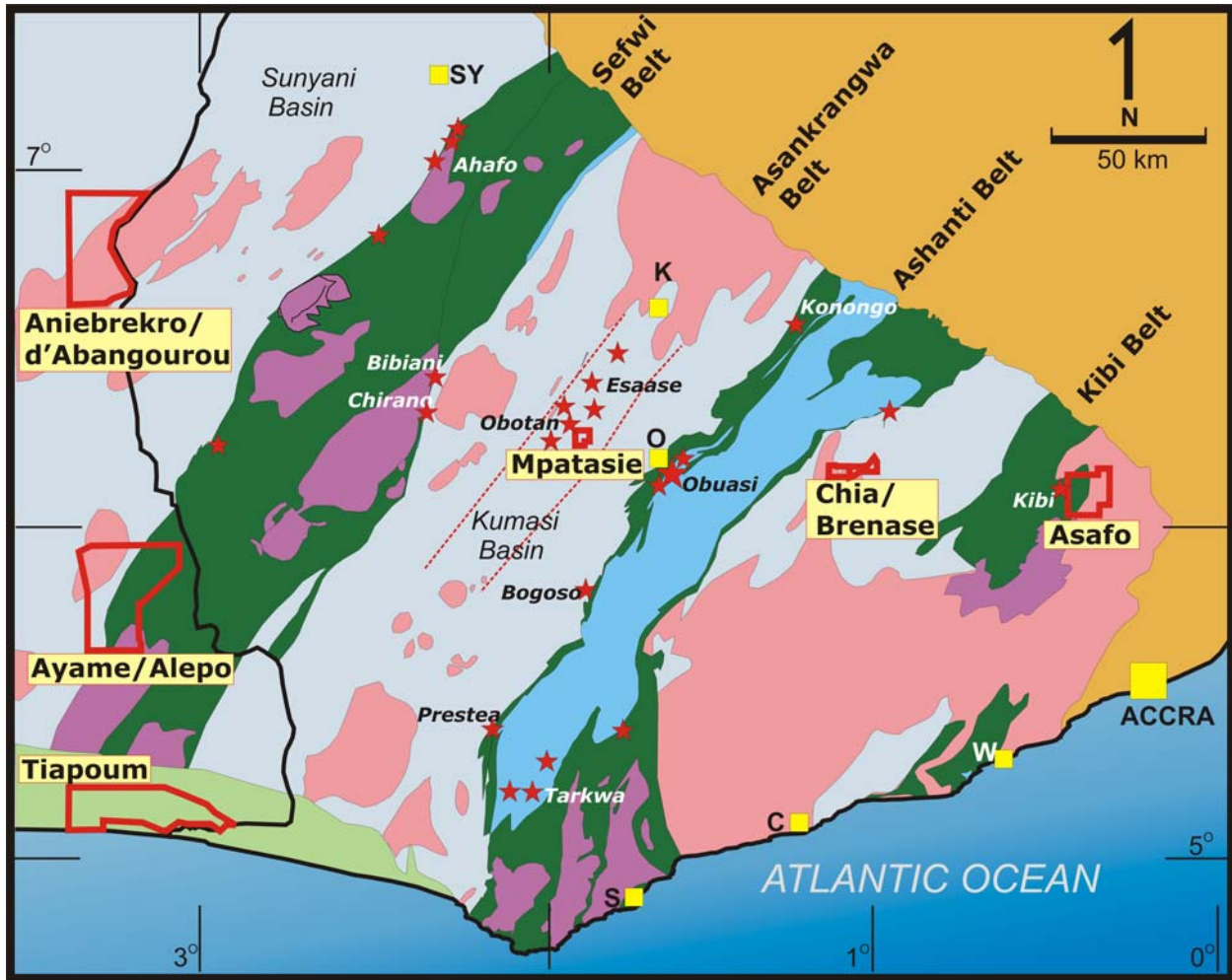


Figure 1: Summary geology map and location of Abzu's concessions

Alluvial mining commenced in the area in the late 19<sup>th</sup> century and continues to date. More recent systematic exploration in the district and within the concession started in the early 1990s and initially focused on the alluvial gold potential and in 1994 to present, on the hard-rock gold potential.

Key programs occurred in 1994 - 96, 1997, 1998 – 1999 and were conducted by International Gold Resources Ltd, Leo Shield Ltd and Resolute Ltd respectively and are detailed in Abzu's current National Instrument 43-101 report entitled "Technical Review Geochemical Exploration of Mpatasie Concession" prepared by Christopher O. Naas, *P.Geo.* of CME & Company in October 2008.

Prior programs included initial stream sediment and soil sampling followed by trenching and drill testing. Historic trench results returned gold values ranging from below detection limit to broad low grade intervals such as 67.6 metres at 0.67g/t Au immediately north of the current concession boundary. Similarly previous drill results largely mimic the trenching with gold values ranging from below detection limit to numerous intercepts returning anomalous gold values up to and including 22 metres at 4.8 g/t Au within which 4 metres returned 24 g/t Au. Detailed information showing exact locations of all previous trench and drill-sites is not available. However the Company considers it significant that three independent exploration

programs conducted by three different exploration groups all demonstrate the gold endowed nature of the property and adjacent area.

A summary of previous drilling is as follows:

<b>Company</b>	<b>Hole #</b>	<b>Key Intercepts</b>	<b>Comment</b>
Int. Gold Res. Ltd.	3 holes	Below DL* to 1m @ 0.72g/t to 2m @ 3.9g/t Au	2 holes collared immediately N of property – hole MP-95-03 central concession – see Fig. 2 for locations
Leo Shield Ltd	9 holes	Variable from below DL to 10m @ 0.6g/t to 22m @ 4.8 g/t	Local grid – exact hole location unknown
Resolute Ltd	23 holes	Multiple intervals of gold mineralization from below DL to 5m ranging up to 4g/t Au	Local grid – exact hole location unknown

\* DL – Detection Limit

The most recent work was conducted by Abzu in 2008 and comprised a 2,557 sample geochemical soil survey designed to confirm and expand upon areas of prior geochemical anomalism. Samples were collected at 25m intervals along lines spaced at 100m intervals in areas of historic gold anomalism and 200 to 400m line-spacing elsewhere.

Four broad soil geochemical anomalies (>400 ppb Au) have been identified to date. These zones parallel the regional structure and are concordant with the mineralized structural trends of the Asankrangwa Belt.

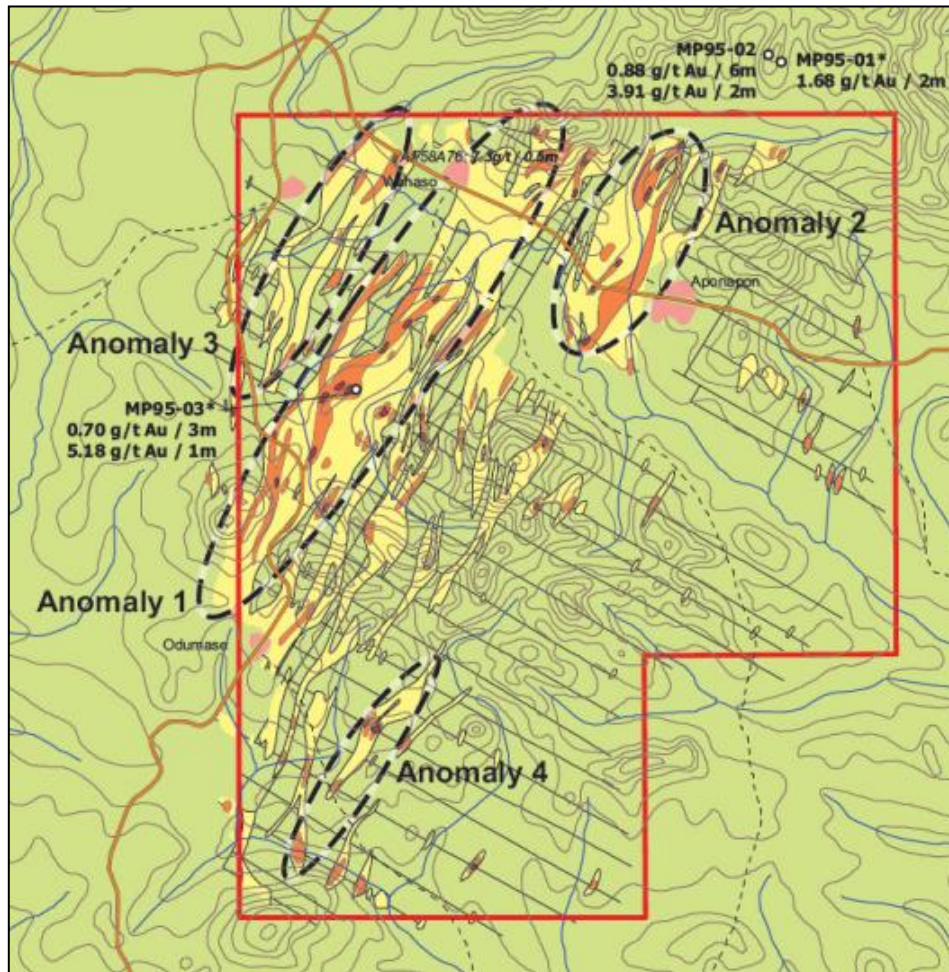
**Summary of Mpatasie Soil Geochemistry**

<b>Anomaly</b>	<b>Dimensions</b>	<b>Au value – ppb</b>
1	3000m x 900m	1895
2	1300 x 400m	3610
3	1600 x 400m	1320
4	1000 x 200m	441

Anomalies 1 to 3 remain open to the NE and SW.

Future work will include but will not be limited to additional soil and rock geochemistry, trenching and associated mapping to better define these high priority anomalies. Contingent upon results, drill testing is planned. Abzu works closely with local residents and various social initiatives are anticipated.

If the proposed Transaction closes this property will represent the Company's Material Property pursuant to Exchange policies.



**Figure 2: Summary gold soil geochemical anomalies.**

#### **ASAFO CONCESSION**

The 150km<sup>2</sup> concession which is licensed by Eastern Mining Co. and optioned by Abzu Ghana, resides within the underexplored Kibi-Winneba Gold Belt, host to former Kibi gold mine. (Fig. 1). This belt is the site of some of Ghana's earliest gold production and also is the site of extensive alluvial gold recovery by artisanal miners.

The majority of the concession covers Tarkwaian sedimentary and Birimian volcanic and sedimentary sequences in addition to granite plutons. First pass geochemical sampling by Newmont Mining Corporation returned anomalous gold values in soil over all rock types. Very limited drill testing by Newmont returned anomalous gold intercepts of 1 to 20 metres with values ranging from 0.61 g/t to 32.81g/t gold.

## **CHIA / BRENASE CONCESSIONS**

The ~90km<sup>2</sup> Chia and Brenase concessions are considered early stage properties and have been the focus of historic artisanal mining activities.

## **IVORY COAST**

### **TIAPOUM CONCESSION**

The approximately +1000km<sup>2</sup> concession covers the geological extensions of the Sefwi Belt into Cote d' Ivoire (Fig. 1). First pass soil sampling returned anomalous gold values from the NW section of the large property and requires systematic follow-up. Both Newmont and Red Back Mining Inc. hold contiguous land positions. Mineral rights to Tiapoum are 100% owned by Abzu Ghana.

### **ANIEBREKRO (D'ABANGOUROU) CONCESSION**

Pursuant to an option agreement dated August 1, 2008 between Enchi ProCL SARL and Abzu Ghana, Abzu Ghana was granted the exclusive option to acquire 100% interest in the D'abangourou Concession subject only to a 10% net profit interest, by paying a total of US\$200,000 over a period of three (3) years.

The +1000km<sup>2</sup> property a number of regional geophysical anomalies which elsewhere are spatially associated with gold mineralized structural trends (Fig. 1).

### **AYAME (ALEPE) CONCESSION**

Pursuant to an option agreement dated August 1, 2008 between Enchi ProCL SARL and Abzu Ghana, Abzu Ghana was granted the exclusive option to acquire 100% interest in the Alepe Property subject only to a 10% net profit interest by paying a total of US\$200,000 over a period of three (3) years.

The 1000 km<sup>2</sup> property covers geological extensions of the Sefwi Belt in Cote d'Ivoire which in Ghana are associated with gold mineralized structural features.

## **PROPOSED PRIVATE PLACEMENT**

The Company announces its intention to complete a non-brokered private placement consisting of the issuance of up to 8,000,000 units of the Company at a price of C\$0.50 per unit, for gross proceeds of up to C\$4,000,000 (the "Private Placement"). Each unit will comprise one common share and one common share purchase warrant of the Company. Each whole warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.75 for a period of one year subject to the Company's right to accelerate the exercise of the warrants if the closing price of the Company's shares on the Exchange is equal to or exceeds C\$1.00 per share for a period of 20 consecutive trading days between 4 months and a day from date of issue of the warrants and the date of expiry of the warrants.

The proceeds of the Private Placement will be used to undertake the proposed work program on the Mpataise concession and for general working capital purposes.

## **CORPORATE**

Concurrently with the completion of the Transaction, the Company intends to appoint Allan Serwa (currently the CEO of Abzu) as a director, Chairman, President and CEO and Dr. Mark Cruise (currently a director of Abzu) as a director.

### **Allan Serwa**

Mr. Serwa is a founder of Abzu and has been acquiring properties and property options in West Africa for the past 3 years. Prior to starting Abzu, Mr. Serwa worked as a business consultant for clients mainly in Western Canada, including Stone Mountain Holdings (of which he was a Director) and Seritech, an electronics company that he successfully moved to Vietnam. Mr. Serwa was a Divisional President and Director for 'Vidatron', a public company trading on the Exchange.

### **Dr. Mark Cruise**

Dr. Cruise has in excess of 18 years of global experience in the mineral exploration history from grass-roots exploration through resource definition to production. Dr. Cruise spent eight years employed by Anglo American plc in senior geological roles in Europe and North America. Dr. Cruise is founder, President and CEO of Trevali Resource Corp. and a director of Dorato Resources Ltd. He has a B.A. Mod (hons). degree in Geology and an industry funded Ph.D. degree in Economic Geology from Trinity College Dublin, Ireland.

## **NAME CHANGE**

Concurrently with the completion of the Transaction, the Company intends to change its name to Abzu Resources Ltd.

## **FINDERS FEES**

The Company has agreed, subject to Exchange acceptance, to the payment of a finder's fees in the form of shares of the Company will be paid in accordance with Exchange policies to an arms length third party for introducing the Company to Abzu upon the successful completion of the Transaction.

## **CONDITIONS TO CLOSING**

The closing of the Transaction will be subject to, among others, the following conditions precedent:

1. the completion of due diligence and the execution of a definitive agreement (the "Definitive Agreement");
2. the completion of the Private Placement;
3. the receipt of all necessary regulatory, corporate and third party approvals, including the approval of the Exchange, and compliance with all applicable regulatory requirements and conditions in connection with the Transaction;

4. the maintenance of the Company's listing on the Exchange;
5. the confirmation of the representations and warranties of Abzu and the Company to the Definitive Agreement;
6. the absence of any material adverse effect on the financial and operational condition or the assets of either Abzu or the Company to the Definitive Agreement; and
7. other condition precedents customary for a transaction such as the Transaction.

There can be no assurance that the Transaction will be completed as proposed or at all.

### **GRANT OF STOCK OPTIONS**

Pursuant to the terms of the Abzu LOI, the Company and Abzu have agreed, subject to Exchange acceptance, that conditional upon the closing of the Transaction that the majority of the existing options of the Company will be cancelled and the Company will grant to new directors, consultants and officers an aggregate of 2,000,000 stock options to purchase up to 2,000,000 common shares of the Company at the private placement price of \$0.50 in accordance with the Company's stock option plan.

### **QUALIFIED PERSON**

EurGeol Dr. Mark D. Cruise, a director of Abzu and a qualified person as defined by NI 43-101, has reviewed the technical information that forms the basis for this news release.

On behalf of the Board of Directors

/s/ "Antony Claydon"

### **Antony Claydon President/CEO**

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This press release includes "forward-looking statements" including forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of Totem Minerals Inc. Statements regarding future fund raising and completion of the Transaction are subject to all of the risks and uncertainties normally incident with the raising of capital and completing corporate transactions including, but are not limited to, financing risks, inflation and costs of goods and services, property title issues and regulatory approvals. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Totem Minerals Inc. does not assume the obligation to update any forward-looking statement, except as required by applicable law.