

May 2, 2007

Company: **LITTLE SQUAW GOLD MINING COMPANY**  
***www.littlesquawgold.com***

OTC-BB Ticker: **LITS**

Business: Exploration Stage Gold Company

Share Price (April 30, 2007)	\$1.10	Preferred Share:	
52-Week Range	\$0.65- \$1.70	-- Authorized	10,000,000
Average Monthly Volume (3 mos)	188,010	-- Issued	0
Average Daily Volume April	8,409	Common Shares	
Average Daily Volume 2006	40,389	-- Authorized	200,000,000
Market Cap	\$39.4 MM	-- Issued	36,330,366
Number of Shareholders	4,242	-- Fully Diluted	46,759,073 *
* includes 5 million shares from a \$1 million convertible		-- Insiders	9,557,779**
** 26.3% of outstanding		-- Public Float	~22,000,000

## OVERVIEW

Little Squaw Gold Mining Company (Little Squaw) is a minerals exploration company in the business of acquiring and advancing mineral properties to the discovery point where maximum shareholder returns can be realized. Little Squaw is a pure exploration company, and intends to remain so because of the fact that most of a company's value is created during the discovery phase. That is, based on capital returns, the payback for successful exploration is very high. Incorporated in Alaska in 1959 and publicly traded since 1970, Little Squaw has properties in three friendly jurisdictions – Alaska, Nevada and Brazil.

Located in east central Alaska, 60 miles east of the Dalton Highway, Little Squaw's flagship property Chandalar, encompasses a 14,000-acre (22-square-mile) claim block. A winter trail connects Chandalar to the Dalton Highway. The state of Alaska recently received a judgment for a public right-of-way for a permanent highway along the trail. The Dalton Highway serves the petroleum, mining and tourist industries from Fairbanks.

Little Squaw was attracted to the Chandalar district by reported high-grade gold-quartz-vein deposits, similarities to other major gold producing districts, and the rare opportunity to control the near-entirety of a potential new gold mining district. An additional consideration is the occurrence of potentially important gold placers which, if proven economic, could upgrade the property's infrastructure and provide early-on material cash flow to mitigate financing requirements for development of lode gold-quartz-vein – shear zone deposits.

The gold potential is enhanced by similarities to important North American mesothermal gold deposits, a common attribute being a tendency for mineralization to continue downward for thousands of feet, barring structural offset. Such deposits yield from less than 100,000 to over 10 million ounces of gold at 0.1 to over 1.0 oz/ton gold. Analytical results to the end of the 2006 surface and orientation drill program confirm exploration potential for discovery of comparable gold mineralization in both high-grade selective mining and bulk or large-tonnage configurations.

Pre-2006 sample results from four veins recorded 0.5 to 3.0 oz/ton gold over widths to three feet, the highest grade being 20 oz/ton gold over 1.5 feet. Gold-quartz vein and shear zone targets were increased from four to over thirty five in 2006 by a geological prospecting program and from the modest orientation percussion reverse circulation drill program, where thirty nine shallow drill tests probed nine prospects. The 2006 drilling program served its purpose by identifying drill targets for the pending, and more costly definitive Phase II core drilling. All holes reported gold values; however, recorded grades are of value only as geochemical indicators due to gold sample recovery uncertainties. Examples of some promising gold vein hits include 20 feet of 0.12 oz/ton gold including 5 feet of 0.31 oz/ton gold, 10 feet of 0.26 oz/ton gold including 5 feet of 0.47 oz/ton gold, and 30 feet of 0.14 oz/ton gold including 5 feet of 0.74 oz/ton gold. Wider intervals report as low grade in the quartz vein host rocks, such as 95 feet of 0.025 oz/ton gold in one hole, and 95 feet of 0.007 oz/ton gold in another. The objective for Phase II is to define and evaluate centers of gold build-up within the extensive prospect areas.

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The Broken Hills West gold property was acquired on the recommendation of independent consultants who collected numerous gold-anomalous samples during their examination. The Company has defined a high-grade gold target at depth, with a second prospective target being evaluated. During the coming months, the Company plans to complete geophysical and soil geochemical surveys followed by drilling.

## **INVESTMENT OPPORTUNITY**

The Chandalar district exhibits attractive potential for discovery of a few to several million ounces of gold in ore shoots hosted by one or more mesothermal gold-quartz veins. Examples of North American mesothermal gold producers include the California Mother Lode (56 million ounces), Bridge River (4.8 million ounces), and Dome and Hollinger (>10 million ounces each). Alaska examples include the AJ and Treadwell (7 million ounces), Chichagof (800,000 ounces), and Kensington (1 to 2 million ounces).

The Company anticipates completion of target prioritizing by Phase II drilling in 2007 with continued drilling at higher priority targets to establish initial gold resources worthy of advancement into Phase III. The objective of the Phase III intensive surface and underground drilling will be to expand and upgrade the gold resource at selected deposits to the discovery point where maximum shareholder value can be realized. Management considers it likely that over the coming years new prospects at Chandalar and elsewhere in the Americas will enter the pipeline to be advanced to the discovery point, be joint ventured, spun off, or consigned to the discard pile as the case may be.

During the 2006 exploration season the Company retained the services of an Alaskan placer mining specialist to conduct a preliminary field examination of the Little Squaw and Big Squaw placer gold deposits. Based on his recommendations, Management is now planning the 2007 drilling program for the placer gold deposit on Little Squaw Creek, which will include 13,000 feet of drilling in 90 drill holes. The objective is definition of a low-cost, high rate-of-return operation in the short-term that would kick off substantial cash to provide internal financing for the major Chandalar gold-quartz-vein project.

The Chandalar property is in politically favorable terrain, being on state land. Alaska has honored its constitution's mandate to encourage natural resource development by assisting miners with grants, low-interest loans, road/plant construction, a three-year mining tax moratorium, and a bottom-line tax write-off of the first \$20 million in exploration costs for each new mine. The nation's wealthiest state has no income or sales tax and distributes annual dividends to its citizens from the burgeoning \$33 billion Permanent Fund established for its 670,000 residents.

## **RECENT DEVELOPMENTS**

Between October 2005 and December 2006 Little Squaw secured \$7 million in financing to support Phase I and Phase II Chandalar exploration programs, acquisition-related business development, and to provide working capital. In 2006, machinery, construction materials, and operating supplies were "cat trained" over a winter haulage route to the Chandalar camp site. The 2006 geologic mapping, trenching, surface sampling, and drill program were completed in September and the drill was decommissioned for the winter. Thirty-nine holes were completed for 7,763 feet during the season. Acquisition of the Broken Hills West property was consummated and planning for the initial field program is under way. The Company is in sound operating condition going into 2007.

## **INVESTMENT HIGHLIGHTS**

- Results-oriented Management and Directors Team: 250 years combined experience
- Public company with audited financials, transparent operations, and full reporting requirements
- Current cash position of \$4.8 million & owns more than \$1 million in heavy equipment for exploration
- Control of the Chandalar high-grade gold mining district
- First application of systematic modern exploration techniques in the district's 100-year history achieved in 2006
- Recent positive independent technical analyses
- District-scale potential for discovery of mineable gold deposits with multimillion-ounce potential
- Focus on growth through development of Chandalar gold deposits and other acquisitions

### **For More Information Contact:**

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