

## Richmont Completes Evaluation and Notifies LKA Of Intention To Proceed With \$3 Million Initial Commitment Toward \$18 Million JV Interest in Golden Wonder Mine.

Initial Evaluation and Sampling Results at 7<sup>th</sup> Level Yield Encouraging Results

Wednesday, December 26, 2007

GIG HARBOR, Wash.--(BUSINESS WIRE)

On December 21<sup>st</sup>, Richmont Mines Inc. (AMEX:RIC) notified LKA International, Inc. (OTCBB:[LKA](#)) that it has completed its initial evaluation of the Golden Wonder and intends to proceed with the "Initial Commitment Period" of its option to acquire a 50% joint venture interest in LKA's Golden Wonder mine. During this Initial Commitment Period Richmont will be required to invest \$3 million in certain project-related expenditures ("Option Expenditures") prior to September 1, 2008. Included in this amount will be expenditures for exploration and development within the mine as well as approximately \$550,000 to, or on behalf of, LKA for option fees, litigation settlement costs and project-related finder's fees. Also included will be certain amounts for permit compliance work at the mine.

Once Richmont completes its obligation(s) under the Initial Commitment Period it will have the option, but not the obligation, to proceed with a formal joint venture in which Richmont can earn a 50% interest in the Golden Wonder, subject to additional Option Expenditures totaling \$15 million over a maximum, sixty-four month period. In the event Richmont fails to complete any of the Option Expenditures within certain specified time periods the shortfall will be paid directly to LKA in cash. Detailed terms of the joint venture will be announced after the Initial Commitment Period has been completed in September 2008 and Richmont elects to exercise its option to proceed.

**During Richmont's initial evaluation** samples were taken of the Golden Wonder vein system below the mine's 6th Level. Assays from these samples, taken at four-foot intervals over a thirty-two foot vertical section, yielded the following results:

	<b>Gold</b>	<b>Silver</b>
	ozs. / grams (per ton)	ozs. / grams (per ton)
K416-1	2.82 / 79.94	13.9 / 394.06
K416-2	0.328 / 9.30	1.11 / 31.47
K416-3	70.30 / 1,992.97	29.80 / 844.81
K416-4	0.636 / 18.03	0.70 / 19.84
K416-5	9.27 / 262.80	1.70 / 48.19
K416-6	29.0 / 822.14	6.46 / 183.14
K416-7	0.360 / 10.20	0.46 / 13.04
K416-8	21.9 / 620.85	22.5 / 637.86
<b>Average</b>	<b>16.82 / 476.84</b>	<b>9.57 / 271.30</b>

The average assays from this area are remarkably consistent (although possibly coincidental) with the average of 48 assays/samples (15.208 ozs. / 431.14 grams gold per ton) taken from the Golden Wonder by Pincock Allen & Holt for Barrick last summer. (See LKA announcement dated October 4, 2007.) Investors are cautioned that these assays may not be representative of future production, if any, from the Golden Wonder mine.

## **Golden Wonder Mine**

Since commercial production began in 1998, the Golden Wonder mine has produced ore containing over 133,701 ounces of gold valued at more than \$45 million (based on an average sale price of \$337.75, net of processing charges). The average grade of the ore sold during this period was 16.01 ounces (453.87 grams) of gold per ton. Ore production from the most recent two-year period (June, 2004 - June, 2006) yielded 52,668 ounces of gold at an average grade of 18.87 ounces (534.95 grams) of gold per ton. The primary purchasers of ore over this period were ASARCO and Barrick-Goldstrike with limited purchases by Teck Cominco. Substantial exploration and development work will be required to return the Golden Wonder to "producing" status (assuming such efforts are successful). The mine is not currently in production.

## **About LKA**

LKA is a Gig Harbor, WA based natural resource holding and development company. The Company's primary assets are the Golden Wonder mine and the Ute-Ule silver mine and mill. Both of these properties are located in Hinsdale County, CO.

## **Safe Harbor Statement**

LKA's plans to resume/expand Golden Wonder production are subject to a number of conditions including, but not limited to, favorable geology, successful exploration efforts, favorable financing terms/availability, permits, gold prices, market conditions, etc. Mining and related activities are inherently high-risk endeavors and there can be no assurance that LKA will be successful.

Forward-looking statements in this release are made pursuant to the 'safe harbor' provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties, including, but not limited to, market conditions and price for the company's products, availability of labor, equipment, consulting services, financing and technological changes, as well as any and all 'other risks' associated with business.

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