

HORNBY BAY EXPLORATION LIMITED

SUITE 700, 357 BAY STREET, TORONTO, ONTARIO M5H 2T7

August 18, 2005

Shares Outstanding August 18, 2005: 84,541,987
Close August 17, 2005: \$0.63

Hornby Bay Exploration Closes \$1.0 Million Financing

Hornby Bay Exploration Limited (TSXV:HBE) has closed with Desjardins Securities a private placement of 1,320,200 flow-through common shares at a price of \$0.75 per share.

These flow-through common shares issued are subject to the applicable statutory hold period of four months.

The gross proceeds of approximately \$1.0 million of this private placement will be used by the company to fund part of its current \$7.0 million uranium exploration program on 218 mineral claims covering 214,900 hectares (531,000 acres) in northwest Nunavut.

The company's 2005 exploration program and schedule may be viewed on its website homepage www.hornbybay.com under the heading *Latest Properties Presentation*.

For further information contact:
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