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AQUILA STEP OUT DRILLING HITS NEW MINERALIZED HORIZON

AQUILA RESOURCES INC. (TSX:AQA – Frankfurt:JM4A) (“Aquila” or the “Company”) today announced results from a step-out drill program approximately 600 meters to the east of the established resource at the Back Forty Project in the Upper Peninsula of Michigan. Results from recent infill and step-out drilling within a proposed development pit were also released.

Step-Out Drilling

Two holes were drilled targeting a magnetic and gravity anomaly located 600 meters east of the known mineralization at Back Forty. Both holes encountered mineralized and extensively altered rhyolite flows, breccias and tuffaceous sediments and are interpreted to be an extension of this Back Forty deposit stratigraphy.

PTL-1 encountered anomalous zinc mineralization in a sequence of chlorite-altered fragmental volcanics containing 10.0 meters of 0.61% zinc, including one 1.5 meter sample of 1.08% zinc. PTL-2 encountered an interbedded sequence of flows and tuffaceous sediments including a chlorite altered fragmental zone containing 26.5 meters of 0.54% zinc, with smaller zones exceeding 1% zinc, a lower interval of tuffaceous sediments containing 12.5 meters of 0.51% zinc, and an underlying siliceous breccia with 6 meters of 1.1 g/t gold including 1.5 meters of 2.67 g/t gold.

The initial results are considered highly encouraging in that the favourable host package of rocks is now known to extend at least 600 meters to the east of the Back Forty Deposit. Additional drilling to explore this package of rocks will be planned following the receipt of downhole geophysical surveys. Other exploration targets in the immediate project area are also scheduled to be drill-tested.

“These new results show the potential for additional discoveries in the immediate project area,” said Tom Quigley President and CEO of the Company. “We have not previously seen this intensity of alteration with anomalous base and precious metal mineralization outside of the immediate resource area, and we look forward to follow-up drilling on this target.”

Hole #	All Intervals in Meters		Interval Width	Gold g/t	Silver g/t	Copper %	Lead %	Zinc %	Description
	From	To							
PTL-1	72.50	82.50	10.00	0.01	0.90	0.01	0.01	0.61	Altered volcanics
Includes	79.50	81.00	1.50	0.02	0.70	0.01	0.00	1.08	
PTL-2	57.50	82.00	26.50	0.01	1.26	0.01	0.02	0.54	Fragmental volcanics
PTL-2	147.00	159.50	12.50	0.01	0.77	0.02	0.00	0.51	Tuffaceous Sediments
Includes	155.00	156.50	1.50	0.01	0.80	0.01	0.01	1.08	
PTL-2	347.00	369.00	22.00	0.50	4.33	0.01	0.03	0.23	Siliceous rhyolite breccia
Includes	347.00	353.00	6.00	1.10	11.55	0.01	0.07	0.21	
Includes	351.50	353.00	1.50	2.67	35.20	0.02	0.18	0.23	

Resource Drilling

Samples for an additional 21 holes which have targeted near surface mineralization within the proposed pit have been received and the significant results are summarized below. An additional 17 holes have been drilled and are being processed. After additional drilling is completed an updated resource estimate is planned to be completed as soon as possible.

The majority of resource drilling reported here was focused on expanding the 90 Gold Zone within the proposed open pit. Numerous holes encountered significant gold mineralization to the west and east of the presently defined 90 Zone and represent an important potential expansion of this resource.

Hole #	All Intervals in Meters		Interval Width	Gold g/t	Silver g/t	Copper %	Lead %	Zinc %	Description
	From	To							
LK-389	39.00	48.00	9.00	5.32	163.75	0.03	0.13	0.02	90 Zone west extension
Includes	39.00	57.00	18.00	3.66	133.88	0.02	0.15	0.02	
LK-392	40.50	43.50	3.00	0.97	111.50	0.01	0.23	13.00	90 Zone west overcut
LK-392	58.50	61.50	3.00	1.96	161.90	0.01	0.49	0.36	90 Zone
LK-393	56.50	65.50	9.00	1.18	159.28	0.01	1.36	1.16	Chloritic rhyolite
LK-394	5.18	7.01	1.83	5.01	3.00	0.00	0.02	0.01	Oxidized rhyolite
LK-395	113.00	119.00	6.00	4.54	82.50	0.04	0.68	0.60	90 Zone east undercut
Includes	113.00	117.50	4.50	5.40	105.87	0.04	0.83	0.70	
LK-395	141.50	158.23	16.73	1.70	27.74	0.03	0.76	1.40	90 Zone east undercut
Includes	147.50	153.00	5.50	3.46	54.84	0.06	1.44	0.85	
Includes	147.50	150.00	2.50	5.98	105.94	0.09	2.77	0.92	
LK-402	17.72	55.64	37.92	0.65	11.10	0.04	0.32	1.17	90 Zone east overcut
Includes	17.72	24.00	6.28	1.06	12.35	0.02	0.70	1.44	
LK-403	49.00	51.00	2.00	6.51	0.40	0.00	0.00	0.03	90 Zone east overcut
LK-407	62.00	86.41	24.41	1.00	8.87	0.02	0.18	0.26	90 Zone east stepout/infill
Includes	62.00	69.00	7.00	2.24	18.00	0.03	0.46	0.55	

Hole #	All Intervals in Meters		Interval Width	Gold g/t	Silver g/t	Copper %	Lead %	Zinc %	Description
	From	To							
LK-408	68.22	70.71	2.49	0.55	26.70	0.01	0.59	9.83	90 Zone east undercut
LK-409	47.49	78.96	31.47	0.80	27.61	0.01	0.04	0.06	90 Zone east overcut
Includes	47.49	48.75	1.26	3.87	32.40	0.10	0.01	0.01	
Includes	62.00	69.00	7.00	1.90	91.20	0.01	0.09	0.11	
Includes	65.00	66.00	1.00	5.18	387.90	0.03	0.26	0.18	

Metallurgical Drilling

The results from six infill holes drilled to obtain additional sampling material for metallurgical testwork are shown below. LK-396 and LK-397 were drilled on the Pinwheel Zone gossan with LK-397 extending into underlying massive sulfide and LK-398 to LK-401 were drilled on the East Zone gossan with LK-400 extending into underlying massive sulfide. The results confirm the precious metal content of both gossan zones, the copper-rich mineralization in the Pinwheel massive sulfide (LK-397: 8.77 meters of 10.67% copper), and the gold-rich nature of the zinc-bearing East Zone massive sulfide (LK-400: 11 meters of 6.37 grams/tonne gold and 7.19% zinc). Some gold intercepts significantly exceeded the NI 43-101 Resource estimate for the two gossans (Back Forty Project Mineral Resource Estimate, SRK Consulting, January 12, 2009). In particular LK-399, drilled on the East Zone gossan (80,000 tonnes at 17.98 grams/tonne gold measured and indicated), encountered 3.85 meters averaging 117.8 grams/tonne gold, yielding the highest composited gold intercept to date for the East Zone gossan, and indicating the potential for additional infill drilling to increase the overall gold content. Follow-up infill drilling on the East Zone gossan is planned.

Hole #	All Intervals in Meters		Interval Width	Gold g/t	Silver g/t	Copper %	Lead %	Zinc %	Description
	From	To							
LK-396	3.46	7.64	4.18	22.33	29.31	0.03	0.01	0.00	Highly altered/oxidized volc.
LK-396	7.64	21.70	14.06	5.19	55.36	0.46	0.01	0.01	Pinwheel gossan/Argillite
LK-396	31.00	34.00	3.00	5.42	17.90	0.69	0.01	0.88	Altered rhyolite
LK-397	3.76	8.00	4.24	15.85	51.34	0.73	0.07	0.01	Pinwheel gossan
LK-397	8.00	16.77	8.77	1.76	248.60	10.67	0.02	0.01	Oxidized PW massive sulfide
LK-398	7.13	12.50	5.37	15.46	9.30	0.02	0.05	0.05	East gossan-hematite rich
LK-399	6.70	10.55	3.85	117.80	14.62	0.01	0.03	0.02	East gossan-hematite rich
LK-400	7.78	11.36	3.58	25.08	3.14	0.01	0.01	0.01	East gossan-hematite rich
LK-400	11.36	47.41	36.05	4.21	13.34	0.94	0.01	2.86	East Zone massive sulfide
Includes	29.50	40.50	11.00	6.37	17.85	1.10	0.01	7.19	
LK-401	8.13	11.10	2.97	43.97	4.91	0.01	0.03	0.01	East gossan-hematite rich

The Back Forty Project is an advanced exploration stage project progressing towards development under a Subscription, Option and Joint Venture Agreement with HudBay Minerals Inc (TSX:HBM) whereby HudBay has an option to earn up to a 65% interest in the project (see Aquila press release dated August 6, 2009). The technical committee for the project has agreed on a project schedule and work plan with a targeted completion date of early 2011 for a feasibility study and permit application.

Sample preparation and analyses for this release were conducted by Inspectorate Labs of Sparks, NV on split drill core supplied by Aquila. Strict sampling and QA/QC protocol are followed, including the insertion of standards and blanks on a regular basis. Sample intervals are typically 1.5 meters. Analytical method for gold is fire assay with atomic adsorption finish and gravimetric finish for samples greater than 3.0 g/t gold. All other elements are analyzed by ICP with silver overlimits (>200 g/t) analyzed by fire assay/gravimetric finish and base metal overlimits analyzed by AAS.

Thomas O. Quigley is the Qualified Person for Aquila as described in National Instrument 43-101 responsible for contents of this release.

More information about Aquila and the Back Forty Project, including updated drilling information, can be found on the Company's website at www.aquilaresources.com.

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