



For Immediate Release
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News Release
Trading Symbols TSX – PDL
AMEX - PAL

North American Palladium Ltd. Announces Additional Drill Results from the Offset High Grade Zone

Toronto, Ontario — North American Palladium Ltd. is pleased to announce additional drill results from the Offset High Grade Zone at the Company's 100% owned Lac des Iles Mine, located 85 kilometres north west of Thunder Bay, Ontario. Three additional holes have intersected the Offset High Grade Zone since the last reported results (see press release dated August 9, 2005). Additional assay results have also been received from holes 05-006 and 05-007, previously reported in the August 9th press release.

The final assay results for holes 05-006 and 05-007 indicate that the higher grade mineralization associated with the Offset High Grade Zone extends further into the footwall breccia than originally expected (see table below).

Hole ID	(metres)			(grams per tonne)			%	
	From	To	Interval	Palladium	Platinum	Gold	Nickel	Copper
Previously Reported								
00-204	1122.70	1146.00	23.30	4.07	0.28	0.06	0.06	0.02
00-205	1094.70	1134.00	39.30	5.88	0.35	0.35	0.11	0.07
incl	1094.70	1104.00	9.30	11.50	0.64	0.62	0.13	0.08
Updated Assay Results Reported on August 09, 2005								
05-006	1056.00	1125.50	69.50	5.56	0.34	0.41	0.10	0.12
incl	1056.00	1073.00	17.00	10.58	0.58	0.53	0.13	0.08
incl	1062.00	1069.10	7.10	15.38	0.76	0.80	0.16	0.09
05-007	994.60	1003.80	9.20	3.36	0.38	0.21	0.13	0.12
and	1040.00	1079.00	39.00	4.96	0.43	0.34	0.07	0.08
incl	1053.90	1064.00	10.50	7.87	0.64	0.48	0.07	0.10
Reporting Today								
05-003	pending							
05-004	1151.00	1157.00	6.00	4.83	0.31	0.09	0.06	0.02
05-014	1169.00	1221.00	52.00	5.21	0.33	0.27	pending	pending
incl	1169.00	1183.00	14.00	8.69	0.46	0.55	pending	pending
incl	1176.00	1182.00	6.00	10.44	0.55	0.67	pending	pending

Hole 05-004 intersected the Offset High Grade Zone approximately 120 metres down dip of previously released drill hole 00-205, while hole 05-003 (assays are pending) encountered the target horizon about 140 metres down dip of the previously released hole 00-204 (see attached figure).

Hole 05-014, a 100 metre step out to the south from hole 05-006, is still in progress and has reached a depth of 1560 metres. It encountered the Offset High Grade Zone from 1163.0 metres to 1221.0 metres.

Bruce Mackie, the Company's Vice President, Exploration and Business Development, stated "We are now gaining a more comprehensive understanding of the zone's geometry, as it appears to have a much shallower plunge than originally expected. While we are still in the early days of drilling this target, it generally appears that the zone is widening as we go down plunge and carrying with it corresponding higher sulphide content." However he cautions that "there is still a lot of further work required before anything definitive can be concluded".

The Offset High Grade Zone has now been intersected for approximately 500 metres down dip and 550 metres along strike. Currently four drills are actively testing the zone and this drilling phase is expected to be completed by the middle of the fourth quarter 2005. Once complete, an updated mineral resource estimate for the Offset High Grade Zone will be completed and released.

Mr. Mackie, P. Geo, is the designated qualified person of the Company's exploration programs. Additional information on the geological environment and drilling, sampling and assay procedures may be found in the Company's Renewal Annual Information Form dated March 29, 2005 posted on the SEDAR website and on the U.S. Securities and Exchange Commission website at www.sec.gov.

North American Palladium's Lac des Iles Mine is Canada's only primary producer of platinum group metals and is one of the largest open pit bulk mineable palladium reserves in the world. The Company also earns substantial revenue from by-product nickel, platinum, gold and copper. In addition to operating Lac des Iles, the Company's mandate is to expand its production profile through an aggressive exploration campaign, designed to increase its exposure to base and precious metals. **Palladium** use in the auto industry continues to be an important component in controlling exhaust emissions as mandated by more stringent hydrocarbon emissions standards for cars, particularly in the United States, Europe and Japan. **Palladium** is also used in the dental, electronics, jewellery and chemical sectors.

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Forward-Looking Statements – Certain statements included in this news release are forward-looking statements which are made pursuant to the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. They include estimates and statements that describe the Company's future plans, objectives and goals, including words to the effect that the Company or management expects a stated condition or result to occur. When used herein, words such as "indicate" and "appear" and other similar expressions are intended to identify forward-looking statements. For a more comprehensive review of risk factors, that may effect plans or expected results, please refer to the Company's most recent Annual Report under "Management's Discussion and Analysis of Financial Results" and Annual Information Form under "Risk Factors" on file with the U.S. Securities and Exchange Commission and Canadian provincial securities regulatory authorities. The Company disclaims any obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise. Readers are cautioned not to put undue reliance on these forward-looking statements.

Schematic Long Section Offset High Grade Zone

