

Future Growth

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STRATEGIC OBJECTIVES

Continuously improve productivity and reduce operating costs

- Maintain one of the lowest cash costs of production in the gold industry to ensure competitiveness.
- Increase cash flow and production.

Expand low-cost reserves, cash flow and production

- Explore known targets around large land position adjacent to Kemess South.
- Acquire underperforming operations at attractive valuations and bring performance-driven management to bear.
- Identify additional opportunities to acquire, finance or develop mineral deposits at returns greater than 15%.

Employ sound risk management practices

- Finance long-term assets with an appropriate equity base.
- Utilize a conservation hedging strategy to mitigate the impact of metal price, exchange rate and interest rate fluctuations.
- Adhere to strict compliance with health, safety and environmental standards.

KEMESS NORTH PROJECT

- Kemess North is an undeveloped exploration project located approximately 5.5 km north of the current Kemess South open pit.
- At the end of 2000, Kemess North was estimated to host a mineralized inventory of 360 million tonnes at a grade of 0.299 g/mt gold and 0.154% copper.



Drilling at Kemess North Site

- The first 10 drill holes of the year 2001 exploration program expanded the size of a previously identified porphyry dome structure and revealed substantially higher grades than were previously known to exist. The results have shown a trend of increasing grades at depth and also to the north east of the target area. All 10 holes intersected substantial thicknesses of gold and copper mineralization at various depths. The most significant of these intersections included:

* KN-01-06	186.6 metres	0.28% Cu and 0.60 gpt Au
* KN-01-07	209.8 metres	0.37% Cu and 0.82 gpt Au
* KN-01-09	192.7 metres	0.26% Cu and 0.62 gpt Au
* KN-01-10	177.8 metres	0.51% Cu and 1.25 gpt Au
* KN-01-11	146.0 metres	0.53% Cu and 1.30 gpt Au

- Additional 5 holes are planned for 2001 to attempt to determine the boundary of the deposit which is currently open to the north, north-west and north-east.



Ticker Symbol: NGX (TSE)

Share Data (at June 30, 2001)

Number of common shares outstanding:

Basic 30,245,336

Share Price:

	2000	H1 2001
High	\$1.15	\$1.35
Low	\$0.62	\$0.71

Major Shareholders:

B.C. Pacific Capital Corporation
Trilon Financial Corporation

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NORTHGATE EXPLORATION LIMITED



NORTHGATE is a mid-tier gold mining company whose premier asset, the Kemess Mine, will produce an average of 260,000 ounces of gold and 74 million pounds of copper per year until 2009. Excellent potential exists to add additional reserves and extend production well beyond this period.

Building Shareholder Value from a Low-Cost Operating Base

RECENT HIGHLIGHTS

- Gold production of 141,400 ounces at a cash cost of US\$185 per ounce in the first six months of 2001.
- Exploration drilling discovered significantly higher grade mineralization at Kemess North.
- Closed a US\$100 million syndicated project loan with proceeds used to partially repay acquisition financing.
- Signed a two-year concentrate sales agreement with Noranda Inc. to ship 100% of the Kemess concentrate production to the Horne smelter in Quebec.

KEMESS AT A GLANCE



- Large open pit porphyry gold-copper mine in north central British Columbia with over 400 full-time employees.
- Mineable reserves have a low strip ratio of 1.2 and contain over 3 million ounces of gold and 750 million pounds of copper with a reserve index of 8.4 years.
- Current mining fleet comprises two shovels, a loader and eleven 240 tonne haulage trucks. Two additional haulage trucks are being added in Q4.
- Milling process involves primary crushing followed by two parallel grinding lines feeding a conventional flotation circuit to produce a gold-copper concentrate averaging 24% copper and 60 gmt gold.

- Average yearly production of 260,000 ounces of gold and 74 million pounds of copper over the mine life.
- At US\$280/oz gold, US90¢/lb copper and 1.48 C\$/US\$ exchange rate, Kemess has the capability of generating average earnings before interest, taxes and depreciation (EBITDA) of approximately C\$54 million per year over the mine life.
- Life of mine cash cost, net of by-products, is less than US\$150/oz of gold.

As at	Tonnes	Contained Metals	
		Au(000's oz)	Cu(millions lbs)
January 1, 2001			
Reserves			
Kemess South	146 million	3,063	751
Resources			
Kemess South	56 million	703	200
Mineral Inventory			
Kemess North	360 million	3,360	1,246

Operating Statistics	
Mining	Mill
Ore and waste mined - 40 million mtpy	Ore milled - 48,000 mtpd
Life of mine strip ratio - 1.2	Average concentrate production - 140,000 mtpy