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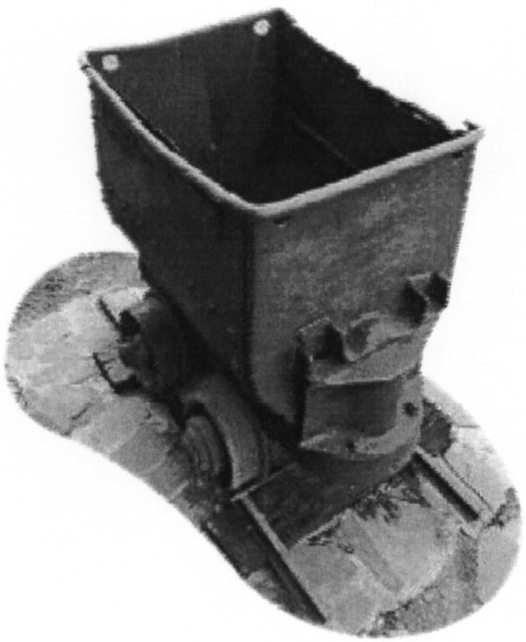
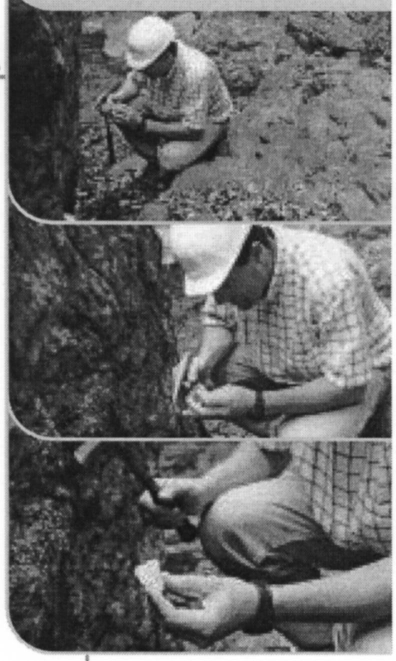
Wheaton River Minerals Ltd.

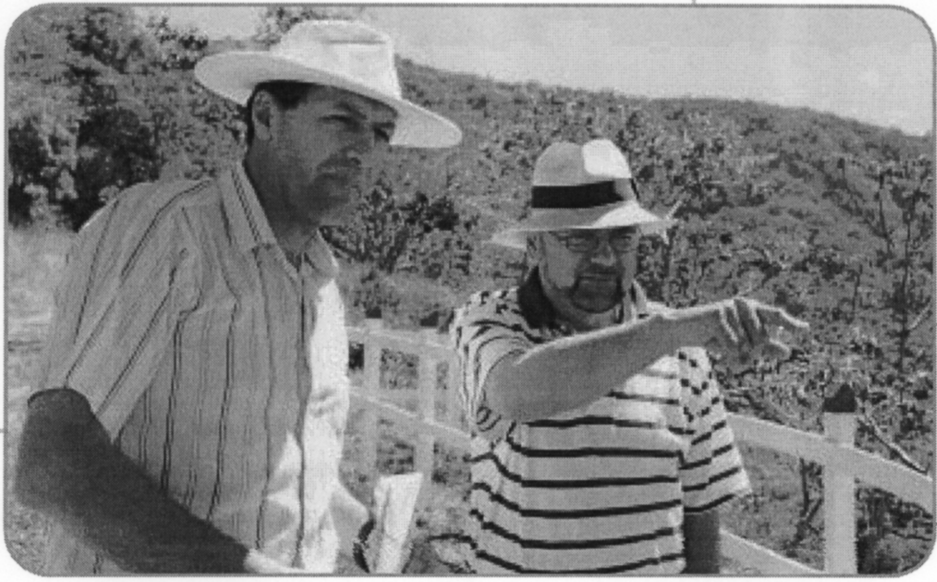
1998 Annual Report





WHEATON RIVER MINERALS LTD.

Front cover: *A rusting ore car from the Bellavista mine, circa 1915.*



Rio Minerales President Franz Ulloa, left, shows the Bellavista property to Denis Thibault, Canadian Ambassador to Costa Rica.

Ore Reserves and Resources

(Adjusted for Bellavista Feasibility Study, April 20, 1999)

Proven and Probable Reserves

Mine	Deposit	Tonnes	Grade (g/t)	Contained Ounces
Golden Bear	Stockpile	200,000	2.9	18,600
Golden Bear	Ursa	519,400	6.9	115,100
Golden Bear	Kodiak B	183,900	8.7	51,400
Bellavista	Bellavista	11,239,600	1.5	555,000
Total				740,100

Measured, Indicated and Inferred Resources *

Mine	Deposit	Tonnes	Grade (g/t)	Contained Ounces
Golden Bear	Grizzly	152,900	20.5	100,900
Golden Bear	Kodiak C	276,000	7.8	69,200
Bellavista	Bellavista	9,931,700	1.2	377,000
Total				547,100

** In addition to Proven and Probable Reserves*

Highlights

- Golden Bear mine produces gold at total cash cost of US$147 per ounce;
- Bellavista gold project receives positive feasibility study in April, 1999;
- Company ends year debt-free after repaying $10.5 million to bank.

Mission Statement

Wheaton River Minerals Ltd. is a Canadian gold mining company committed to sustained growth and enhancement of shareholder value through the discovery, timely acquisition and profitable mining of gold deposits. The Company's exploration focus is near existing facilities in order to take advantage of infrastructures already in place. Worker safety and environmental protection are paramount considerations.

Joe Deady, Shift Foreman, Golden Bear Mine

Directors' Report to Shareholders

The most difficult challenge for the smaller mining companies during these times of low gold prices is staying alive. And so it is with great satisfaction that we can report to shareholders that rather than just surviving, Wheaton River has prospered.

Back at the start of 1997, Wheaton River had only $1.3 million in the bank. The Company has since completed construction of the Golden Bear heap leach mine in British Columbia at a cost of $10.8 million. The Bellavista property in Costa Rica, a project that nobody else wanted, was acquired and nurtured through a positive final feasibility study at a cost of $7.4 million. Seeing an opportunity closer to home, we recently acquired the control block of Kit Resources Ltd., a Canadian company with a two-million-ounce gold resource in Canada's Nunavut Territory. These achievements have been accomplished without a significant equity dilution, and yet the company entered 1999 debt free.

In so many ways, 1998 was a banner year for the Company. Under the astute direction of our managers, the Golden Bear mine produced gold for a total cash cost of US$147 per ounce, the lowest in the property's history. More recently, the feasibility study on the Company's Bellavista property indicated that gold could be produced there at a cash operating cost of US$156 per ounce. This low cost level is necessary to proceed in these challenging times.

Wheaton River has been able to maintain its charted course because of the funds generated through operating the Golden Bear mine, both the operating earnings and proceeds earned from our gold hedging program. In 1998, Wheaton River had earnings from mining operations of $4.1 million, compared with $1.7 million in 1997. Last year was the best ever operating year at Golden Bear, and was achieved largely due to the people running the mine. And that is why so many photographs of people are included in this year's annual report. These are the individuals that made the Company what it is today, and they are continuing to build its future. We thank them for their support and dedication.

Many of the same people who excelled at Golden Bear have been putting in overtime on the Bellavista project as well. When Wheaton River acquired it in late 1997, the property had largely been written off by the industry as a project that would need significantly higher gold prices before a mine could ever be built. The project managers brought in by Wheaton River did two things very differently from those who looked at it in the past. First, they cut the recoverable ounces by half, a move that lowered the stripping ratio in the open pit down to a level where the ore could be removed at a reasonable cost. Second, they demonstrated that heap leaching will work at this project, through an innovative but proven technology called high-grade grind agglomeration. As a result, Bellavista is one of the few gold projects in the world which stands a good chance of proceeding through to production in the current gold environment. We should note that the project still needs environmental approval and bank financing to move forward. But in preparing its feasibility study, Wheaton River chose from among the most experienced mining consultants in the world, and therefore we expect to climb those steps this year.

Ian McDonald, left, with John Kalmet

The capital costs of Bellavista, at US$28.3 million, seem high for a company the size of Wheaton River. Yet, so robust is this project that at a spot gold price of US$295 per ounce, together with expected cash flow from Golden Bear, Wheaton River feels that it will be able to hedge sufficient production at a forward price of US$325 to finance the entire capital cost of Bellavista through debt and cash flow. If we so choose, this could eliminate the need for any equity financing to build this mine.

Bellavista will give Wheaton River what it has sought for many years – a long life mining operation which would give the Company the freedom to acquire and develop other opportunities. If financing and permitting proceed as planned, the Bellavista mine will begin producing before the Golden Bear winds down, providing a seamless transition and allowing some of our top operating staff to assist in the startup at Bellavista. Producing in excess of 60,000 ounces annually during its five peak years, Bellavista should give Wheaton River the cash flow to expand further.

As we approach our second year of a sub-US$300 per ounce gold price, it has become apparent that to survive in the gold business, companies should be looking for operations that can be built and operated profitably in this price environment. Still, Wheaton River feels that over the longer term, the gold price will improve. The fundamentals are in place, though there is considerable disagreement about when a price increase will occur. Wheaton River's attitude towards acquisitions has been adjusted to reflect this belief. In addition to looking at situations which should be profitable at today's prices, Wheaton River also began looking at a second category of projects, those with well-defined multi-million ounce gold resources which can be held as an investment for times of higher gold prices. These projects are attractive because they can be acquired for only a few dollars an ounce, far less than it would cost to go out and discover them.

Over the past two years, the Company's corporate development team examined more than 60 projects, but only a handful fit our criteria. Bellavista was one such acquisition. Recently, Wheaton River made an investment into the second category, acquiring the control position of Kit Resources Ltd. Kit is the 100% owner of a well-drilled, high grade series of deposits containing more than two million ounces of gold in the indicated and inferred resource categories. Kit and past owners have spent some $44 million getting the project to its present stage, and yet Wheaton River has upped its interest in that company to 23% for an additional investment of only $700,000. It is Kit's intention to advance this large project with the help of a suitable partner. Wheaton River Chairman and Chief Executive Officer Ian McDonald has assumed the same position at Kit.

Despite continuing low gold prices, Wheaton River has not altered the course it set when the Company was founded: acquiring advanced stage projects from others with a goal of placing them into production. Over this past year, we have received many communications from shareholders who believe that we are taking the right path. To them and the rest of the shareholders who have supported our decisions and cheered our successes, thank you for your support. We are confident it will benefit all.

On behalf of the Board of Directors,

Ian J. McDonald
Chairman and Chief Executive Officer

J. John Kalmet
President and Chief Operating Officer

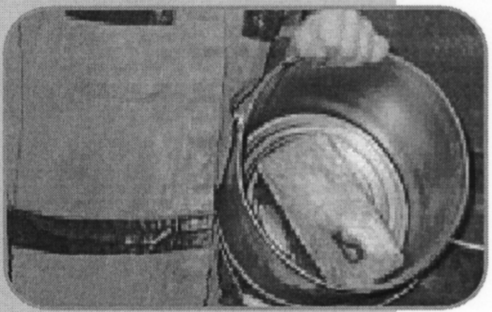
May 3, 1999

Golden Bear Mine

Production at the Golden Bear Mine in northwestern British Columbia again achieved a number of milestones in 1998, the most rewarding of which was the US$147 total cash cost to produce an ounce of gold. This is a record for the Golden Bear Mine, and is all the more important to ongoing operations in light of continuing low gold prices. Golden Bear is owned by North American Metals Corp., an 89%-owned subsidiary of Wheaton River.

Gold production of 36,180 ounces exceeded forecasts by 4,180 ounces or 15%, and was a 17% increase from the 30,900 ounces produced in 1997. There were a number of reasons the gold production was higher than forecast. Grades reporting to the heap leach pad were 4.1 grams gold per tonne, up from the 3.5 grams gold per tonne originally estimated. The higher grade was largely due to careful grade control in the pit. Recoveries were also better, at 89.6% compared with the 87% estimated in the feasibility study. Mine production was also higher than planned at 259,033 tonnes of ore, although it was down from the 363,616 tonnes stacked on the pad in 1997. All of the 1998 production came from ore stacked on the Fleece Bowl pad, which was increased in capacity by 100,000 tonnes to 623,000 tonnes.

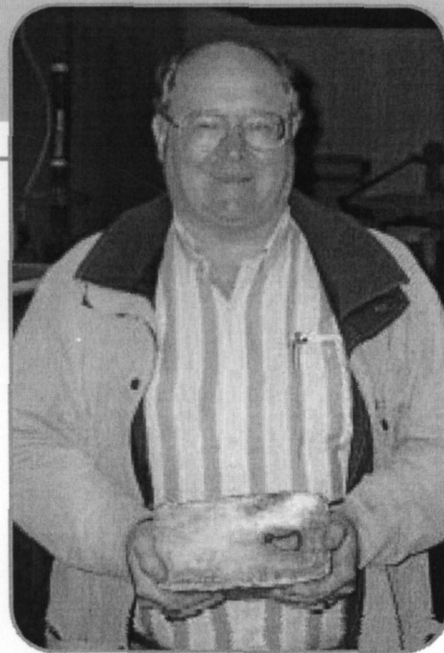
Rino Mihoc, Golden Bear's mine manager



The Fleece Bowl pad is now fully stacked, and all further Golden Bear heap leach production will be from the Totem Creek pad which will be commissioned in 1999. During 1998, a hydrostatic test was successfully completed on the pad, the events pond lining was installed, and the gold recovery plant construction was completed in Penticton, British Columbia. The recovery plant was shipped to the site where final erection will take place at the start of the 1999 season.

The Kodiak A deposit was mined out in 1998, having produced 822,176 tonnes grading 3.5 grams gold per tonne. Some 200,000 tonnes of ore from Kodiak A grading 2.9 grams gold per tonne have been stockpiled and will be placed on the Totem Creek heap leach pad in 1999. Further production will be from the higher grade Ursa and Kodiak B deposits. At the Ursa deposit, 1998 activity was limited to 353,525 tonnes of waste stripping in preparation for 1999 production.

Year	1999 (E)	1998 (A)	1997 (A)
Ore Stacked (tonnes)	500,000	259,033	363,616
Grade (g/tonne)	4.4	4.1	3.5
Gold Production (oz)	59,000	36,180	30,900
Total Cash Cost/Oz	*US$203*	*US$147*	*US$226*
Average Price Received/Oz	N/a	US$287	US$371



Dennis Bergen, Vice-President of Operations

Management of Wheaton River continued to use the seasonality of the Golden Bear mine to its advantage by re-sequencing production, and has brought some of next year's planned gold production forward to 1999. Management now estimates production of 59,000 ounces in 1999, an increase of 63% over 1998. The total cash costs are expected to rise somewhat to US$203 per ounce, mainly as a result of bringing the Ursa pit into production.

Remaining reserves are in two deposits at the Golden Bear mine. The Ursa deposit contains an estimated proven and probable reserve of 519,400 tonnes grading 6.9 grams gold per tonne, while the Kodiak B deposit contains an estimated 183,900 tonnes grading 8.7 grams gold per tonne. There are a total of 159,000 recoverable ounces of gold remaining in the mine plan.

Although the Golden Bear mine is expected to run out of ore in 2001 and finish producing gold the year after, exploration drilling will continue on a number of interesting targets this summer. A total of 35 holes will be drilled in search of new deposits this year. Because the heap leach pad and facilities are already built, even a small deposit could be economically viable, and add to the life of the mine. This property has historically yielded relatively small deposits, three of which have provided gold production so far.

Wheaton River improved its safety record at Golden Bear in 1998 with only one lost-time injury to an employee compared to three in 1997. Injuries by contract employees were also down to one from nine the year previous. The improvements are attributed to continuing focus on safety and training. From an environmental standpoint, there were no significant excursions outside of permitted environmental levels during the 1998 operating season at Golden Bear.

Wheaton River is pleased to announce the appointment of Rino Mihoc to the position of Mine Manager, Golden Bear Mine. Mr. Mihoc had previously been process superintendent at Golden Bear. The former mine manager, Raymond Gagnon, is directing all activities in Costa Rica, as President of Metales Procesados, S.A., a Wheaton River subsidiary. His dedicated work allowed the Golden Bear mine to realize its full potential.