

676808

Northgate Exploration Limited

## Productivity > Growth > Exploration



**"Northgate is a solid mid-tier gold producer with substantial operating assets and a large growing resource base."**

### COMPETITIVE ADVANTAGES

**Low cost, low risk** open pit mining operation located in British Columbia, Canada.

**Combined reserve/resource** base containing 11 million ounces of gold within close proximity to existing infrastructure provides excellent potential to extend production in the Kemess mining camp.

**Strong balance sheet** with net debt to total capitalization of less than 30% and undrawn working capital lines.

**Significant leverage** to both gold and copper prices.

**Northgate is in the business of mining and exploring for gold and copper, with a focus on opportunities in North and South America. The Corporation's principal assets are the 290,000 ounce per year Kemess South mine in north-central British Columbia and the adjacent Kemess North project, which is currently the subject of a feasibility study.**

### Ticker Symbols: **NGX (TSX), NGX.WT, NGX.WT.A**

Share Data (at February 28, 2003)

<b>Common Shares Outstanding:</b>	<b>198,459,615</b>
<b>Warrants Outstanding:</b>	<b>38,182,338</b>
<b>Average Trading Volume (shares/day):</b>	<b>325,000</b>

<b>Share Price (Cdn\$):</b>	<b>2002</b>
High	\$2.23
Low	\$1.19
Market Capitalization	\$375,000,000

**Institutional Ownership %:** **75%**



**After moving 5.4 million ounces of gold from inferred to indicated status at Kemess North in 2002, Northgate is proceeding with feasibility work in 2003.**

### RECENT DEVELOPMENTS

- > Record production of 282,300 ounces of gold and 73 million pounds of copper during 2003.
- > New records for quarterly gold and copper recoveries were set during the fourth quarter of 2002 of 74% and 86%, respectively.
- > Proceeds from two equity issues in 2002 permitted Northgate to reduce total debt by over US\$135 million.



## Kemess South Mine At A Glance

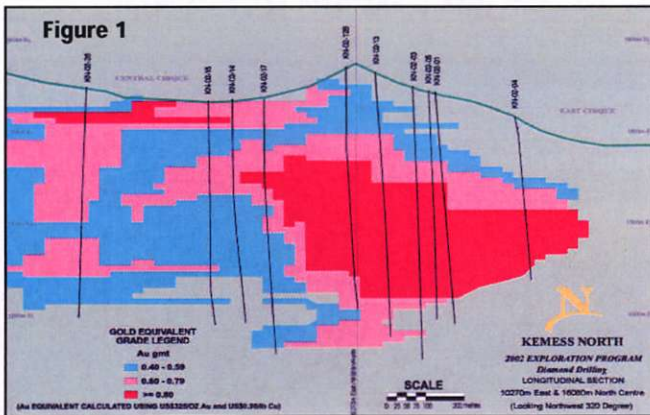


- > Large open pit porphyry gold-copper mine in north central British Columbia with 390 full-time employees.
- > Average yearly production of 290,000 ounces of gold and 74 million pounds of copper over the mine life.
- > At US\$325/oz of gold, US90¢/lb copper and 1.55 Cdn\$/US\$ exchange rate, Kemess has the capability of generating average earnings before interest, taxes and depreciation (EBITDA) of approximately US\$50 million per year over the mine life.
- > Life of mine cash cost, net of by-products, is US\$150/oz of gold at US90¢/lb copper.

## Kemess North Project At A Glance

- > Kemess North is an undeveloped mining project located 5.5 km north of the Kemess South mine.
- > In 2003, Northgate is proceeding with feasibility study work at Kemess North.
- > The in situ value per tonne of the high-grade porphyry dome (red area of Figure 1) is the same as the Kemess South reserve.
- > Development costs at Kemess North are a fraction of what cost would be for a similar sized greenfield mine.

Reserves and Resources			Contained Metals		
As at Dec. 31, 2002	Category	Cut-off grade Gold Equivalent (g/mt)	Tonnes (millions)	Au (000's oz)	Cu (millions lbs)
<b>Reserves</b>					
Kemess South	Proven		109	2,500	564
<b>Resources</b>					
Kemess South	Indicated		48	742	177
Kemess North	Indicated	0.6	407	5,400	2,000
	Inferred	0.6	107	1,200	400
Nugget Zone	Inferred	0.6	87	1,100	300



## 2003 Exploration At A Glance

- > Kemess Camp - Diamond drilling will be conducted at the newly discovered Nugget Zone, as well as at the Sovereign, Kemess Centre and Kemess East targets.
- > Brenda Property - Drilling will continue at this promising porphyry gold property located 25 km north of Kemess South mine.
- > Hyland Gold Property - Northgate entered into an option agreement in 2003 to acquire 51% of this property in south-east Yukon. Drilling will seek to identify a large sediment hosted gold deposit similar to those in the Carlin district of Nevada.

## Contact Information

For further information about Northgate, please contact one of the members of our senior management team at 604-669-3141, or visit our website at [www.northgateexploration.ca](http://www.northgateexploration.ca)



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