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George Cross News Letter

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NORTHGATE EXPLORATION LTD.

[NGX-T] 30,245,336 SHS.

NORTHGATE BUYING KEMESS MINE - Terry Lyons, president, reports Northgate Exploration Ltd. has agreed to buy the Kemess mine and orebody in north-central BC from PriceWaterhouseCoopers, the interim receiver for ROYAL OAK MINES INC. [RYO-T-halted], for about US \$180,000,000. Closing of the transaction is expected prior to the end of the year and is conditional on court approval.

Mr. Lyons stated, "Kemess is the largest gold mine built in Canada during the last decade and is based on a world-class orebody. Northgate has received strong support from the Province of BC in completing the purchase, which has made it possible for Kemess to provide high quality jobs to 400 employees."

Ken Stowe recently joined Northgate as executive vice president and COO to oversee the company's mining operations.

The financing required to complete this transaction, net of the company's current commitment to the project, totals some US \$145,000,000. Trilon Financial Corp. has agreed to arrange or provide the additional financing required. This financing is likely to comprise a combination of project debt and equity capital to be issued by Northgate. The precise structure of the purchase and the amount and terms of the project debt or equity capital to be raised have yet to be determined.

Located in the Toodoggone region 182 miles northwest of Mackenzie, BC, the Kemess South Mine began commercial production in October 1998. Total mineable (proven & probable) reserves are 216,534,000 tons averaging 0.018 oz.gold/ton and 0.218% copper for 3,898,000 ounces of gold and 944,087,000 pounds of copper. (SEE GCNL NO.75, 20Apr99, P.1 FOR PREVIOUS RELATED INFORMATION)

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