

5<sup>th</sup> October 2004

**STRONG DRILL RESULTS FROM MINMET’S BARSELE GOLD PROJECTS  
INCREASE CONFIDENCE OF A SIGNIFICANT DEPOSIT**

**Overview:**

- **Drill results indicate potential for a significant gold deposit**
- **Barsele Central gold-only zone extended along strike and depth**
- **High grade zones identified within bulk mineable target in Barsele Central**
- **Barsele Norra gold-rich massive sulphide zone extensive along strike**
- **Continue to drill at Barsele Norra, looking to extend the mineralisation**

Minmet plc (“MinMet”), the international mining and resource group is pleased to announce substantial progress on its Barsele Central and Norra gold projects following results from an extensive drilling programme conducted by North American Gold - TSX-NAU – (“North American”). The results, which show significant gold mineralization along strike and at depth, indicate the potential for a large gold-only deposit at Barsele Central as well as high value gold rich massive sulphide mineralization at Barsele Norra.

David J. Hall, Group Operations Director said: “These results are exciting and clearly highlight that the geology has strong potential to house a significant gold discovery. Additional drilling is underway, which we feel will increase our confidence in the area as well as expand the size of the resource. The association with North American has allowed the fast tracking of this project for MinMet at minimum cost to the Company in this early stage, whilst MinMet focuses on optimal development of the Björkdal mine and increased resource-reserve definition in the open-pit. Importantly, the Barsele Central & Norra projects are showing potential for rapid development to a possible second producing mine for the MinMet group in northern Sweden. Furthermore we continue to advance our other exploration opportunities on the Gold Line in Sweden with our interest in Ovoca Resources.”

North American has the option to earn 60% of the Barsele Central project by spending US\$2.5 million, and 60% of the Barsele Norra project by spending US\$1 million and by issuing 400,000 shares to MinMet. The first year commitment includes 2,000 metres of drilling on Barsele Central and 1,000 metres on Barsele Norra.

### Barsele Central Zone:

From the first 10 holes drilled on the gold-only Barsele Central project the results highlights are as follows:

Hole 04- 01	22.0 metres grading 2.0 g/t Au;
Hole 04-02	22.0 metres grading 1.2 g/t Au;
Hole 04-03	42.0 metres grading 1.7 g/t Au;
Hole 04-05	95.0 metres grading 1.0 g/t Au;
Hole 04-06	17.6 metres grading 4.9 g/t Au, 98 g/t Ag & 1.5% Zn including; 4.2 meters grading 11.6 g/t Au, 88 g/t Ag & 3.1% Zn
Hole 04-07	38.0 metres grading 0.9 g/t Au;
Hole 04-08	1.7 metres grading 9.3 g/t Au
Hole 04-09	3.9 metres grading 4.9 g/t Au, and 5.0 metres grading 2.3 g/t Au
Hole 04-10	0.9 metres grading 27.2 g/t Au

These results support the extension of the known mineralization as originally defined in MinMet's drilling last year. The identification of high-grade zones as seen in Hole 04-06 and 04-07 through 04-10 is significant for possible future development, in that they suggest the presence of a north-west trending quartz-sulphide breccia vein zone located at the western margin of Barsele Central zone.

North American's President, Buck Morrow said: "The latest assay results from the Central Zone suggest a new, higher grade vein-type zone is present outside of the previously drilled area. We have not seen these high silver and zinc values previously at the Central Zone. Some of the high-grade mineralization is very close to surface, as in holes 06 and 09, and we are considering a trench to expose this zone for detailed structural studies and metallurgical testing. The high-grade intercept in Hole 10 is significant because it

demonstrates that new gold mineralization remains to be discovered along the Norra-Avan-Central corridor. With more exploration, including drilling, we may find that the three zones are structurally linked.”

North American is now focusing on the extensions of the mineralization away from the Central Zone to the south at Skirsen, Resibergt and Skirtraskbacken zones and assay from holes at Skirsen, 04-11, 04-12 and 04-15 through 04-27 are awaited.

The mineralization style at Barsele Central zone is considered by MinMet to be intrusion-hosted gold, examples of this type of mineralization worldwide includes Donlin Creek in Alaska with measured and indicated resources of 82 Mt grading 3.0 g/t Au. The Fort Knox mine, also in Alaska, operated by Kinross is a low grade deposit of this style of mineralization with current reserves of 103 Mt grading 0.89 g/t Au for 2.94Moz contained gold. MinMet’s wholly-owned Björkdal gold mine, also in northern Sweden, is considered a variation on this style of mineralization. Past production, current reserves and resources at Björkdal exceed 2 million ounces of gold.

The mineralization at Barsele Central is non-refractory and preliminary metallurgical test work has returned excellent recoveries of the gold.

#### Barsele Norra Zone:

The 2004 drilling programme at the Barsele Norra project has been designed to test for strike extents of the gold-rich massive sulphide mineralization tested in 2003. Encouragingly, one highlight from the 2003 campaign was hole 03-05, which returned an intersection of 8 m averaging 11.0 g/t Au, 91.0 g/t Ag, 3.5% Cu and 3.7% Zn.

The latest holes, from a 45 meter step-out, confirm that the gold-rich massive sulphide mineralization continues and remains open to the northwest. This is along strike with favourable stratigraphy, and closely coincident with gravity-EM-magnetic anomalies further to the northwest at Cee Lake. This zone is developing into an important gold-rich massive sulphide body with promising strike potential.

The results from 2 holes to date include:

Hole 04-13      3.8 metres grading 3.2 g/t Au, 42.5 g/t Ag, 0.9% Cu and 1.5% Zn;

Hole 04-14      3.1 metres grading 9.0 g/t Au, 75.5 g/t Ag, 1.6% Cu and 5.8% Zn.

The mineralization at Barsele Norra is comparable with the Boliden gold deposit in the nearby Skellefte district. Boliden produced some 3.9 Moz of gold from 8.3 Mt grading 15.2 g/t (0.5 oz/t) Au, 49 g/t Ag, 1.42% Cu and 0.9% Zn. The footprint of this ore body at surface was only 10,580 square metres with a total length of 600 metres and down dip of 270 metres.

The 2004 drilling at Barsele Norra zone has added substantially to the strike length and geologic knowledge of the target areas. A down-hole EM survey is underway in support of the current drill programme. This survey will be integrated with other geophysical data to help identify additional drill targets at Barsele Norra and assist in the understanding of the down dip potential of the known mineralization.

Approximately mid-way, and on trend between the Tattartjarnliden and Barsele Norra targets, a series of gravity, EM and magnetic anomalies coincide with favourable stratigraphy at Cee Lake, and soil anomalies to the northwest. The entire trend of over four kilometres remains highly prospective for the discovery of similar mineralization to that encountered at the Barsele Norra zone.

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