

July 6, 1999

VSE Symbol: DML

News Release

Mr. Harvey Keats, President of Donner Minerals Ltd., regrets to report that the Innu Nation has prevented the Company from carrying out its 1999 South Voisey Bay exploration program. In a meeting today, the Company was presented with the option of signing onerous agreements with the Innu Nation or having the program physically shut down by the Innu Nation at the South Voisey Bay camp.

The Company has already begun its mobilization efforts with 7 field crew presently at the South Voisey Bay camp. Additional mobilization efforts have been suspended.

The agreements that the Company has been asked to sign would grant effective management control to the Innu Nation, the considerable cost of which would be borne by the Company. The agreements would also place the Company in the middle of land claims negotiations between the Innu Nation and the governments of Canada and Newfoundland and Labrador.

Management is not prepared to enter these agreements or to risk a confrontation at the camp. Management is also hopeful that land claims agreements between the Innu Nation and the two levels of government can be settled quickly and that the decision not to proceed with the 1999 exploration program under present conditions will not prejudice any further dealings with the Innu Nation.

The Company maintains its commitment to the South Voisey Bay Project. The Company, Teck, and all of the joint venture partners strongly feel that there remain numerous important untested targets within the project area.

ON BEHALF OF THE BOARD OF DONNER MINERALS LTD.

Harvey Keats

President

The Vancouver Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release