

March 8, 1999

VSE Symbol: DML

News Release

The Company announces that it has reached an agreement with Thomson Kernaghan & Company Limited of Toronto, Ontario, for a brokered private placement to raise up to \$3,000,000. These funds will be raised by the Company issuing up to 7,500,000 special warrants at a price of \$0.40 per special warrant. Each special warrant will entitle the holder thereof to acquire one unit in the capital of the Company, at no additional cost, on the earlier of a date that is one year from the closing of the sale of the special warrants or the fifth day following the date that the Company receives receipts for a final prospectus qualifying the common shares arising from the exercise of the special warrants for distribution in British Columbia, Alberta, and Ontario (the "Provinces").

Each unit received from the exercise of the special warrants will consist of one common share and one share purchase warrant, which will entitle the holder to purchase one additional common share of the Company at a price of \$0.50 per share for a period of one year from the closing of the private placement (the "Closing Date"). In the event the special warrants have not been qualified for distribution in the Provinces within 120 days of the Closing Date, the holders of the special warrants will receive 1.1 units on exercise.

Thomson Kernaghan will receive a cash commission of 7% of the proceeds raised from this offering and broker warrants equal to 10% of the number of special warrants placed. The broker warrants will be exercisable for a period of one year from the Closing Date at a price of \$0.40 per warrant.

The funds raised by way of this private placement will be used to further exploration on the Company's property interests located in Lac Rocher, Quebec, South Voisey Bay, Labrador and for general working capital purposes.

ON BEHALF OF THE BOARD OF DONNER MINERALS LTD.

David Patterson
Chief Executive Officer

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