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News Release

Mr. Harvey Keats, President of Donner Minerals Ltd. is pleased to announce that Donner has entered into a letter agreement with Cypress Development Corp., NDT Ventures Ltd., Rcom Venture Corp., and Curion Ventures Corp. (collectively the "Participants") to merge certain of the Participant's interests in the South Voisey Bay Project ('SVB Project') area into a new company. The proposed name of the new company, which will be incorporated in Yukon, will be SVB Nickel Company Ltd. ('SVBN').

All of Donner's interests in the SVB Project will be transferred to SVBN, except for its interest in the Northern Abitibi and Major General joint ventures. All of the other Participants will be transferring all of their SVB Project interests to SVBN. SVBN's initial land holdings will be in excess of 40,000 hectares. The ground held by SVBN has excellent potential, is the location of some of the best targets on the South Voisey Bay Project, and will be the focus of future exploration on the property.

The initial interest of the Participants was calculated on the basis of one common share of SVBN for every \$1.00 of assessment work filed with the Department of Mines and Energy on the subject mineral licences, taking into account each Participant's interests in the mineral licences. The initial interests in SVBN will be as follows:

Donner Minerals Ltd. 75.59%

Cypress Development Corp. 11.36%

NDT Ventures Ltd./Partners 7.65%

Rcom Venture Corp. 4.20%

Curion Ventures Corp. 1.20%

The relationship between the Participants will be governed by a Shareholders Agreement. A formal Shareholders' Agreement is currently being prepared. The key terms of the Shareholders' Agreement will be the following:

- SVBN's Board of Directors will be composed of three persons.
- All cash contributions made by the Participants from time to time will be obtained by additional share equity contributions from the Participants.
- Each Participant's shareholder interest in SVBN will be subject to dilution if it does not make the requisite Cash Calls determined by the Board of Directors.
- If a Participant desires to dispose of any of its shareholder interests in SVBN, the remaining Participants will have the right of first refusal to acquire, on a pro rata basis, the interests of the selling party.
- Equity financings below \$1.00/share, option and/or joint venture agreements with arms length third parties will require a minimum shareholder approval of 80%.

All of the Participants feel that there are numerous advantages to the merging of their respective interests. In particular, the ability to spread assessment credits across the project has the benefit of allowing the Participants to keep in good standing as large a part of the project as possible. It is also felt that by merging the property interests, it will make it considerably easier for SVBN to attract a major third party to the SVB Project. More importantly, the Participants will also benefit from any discovery on the whole merged property rather than just within their original claim boundaries.

It is the intention of the directors of SVBN to seek a third party participant to help advance the exploration of the SVB Project.

The SVB Project, located 90 kilometres south of Inco's Voisey's Bay deposits, has now been the focus of five years of fieldwork by Donner and its joint venture partners.

The above transaction is subject to the approval of the Canadian Venture Exchange.

ON BEHALF OF THE BOARD OF DONNER MINERALS LTD.

Harvey Keats

President

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