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Press Release

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GOLD FIELDS MINING ANNOUNCES DISCOVERIES IN NEVADA AND SOUTHERN CALIFORNIA

NEVADA

New York, N. Y., Nov. 6 - - Gold Fields Mining Corporation, a wholly owned subsidiary of Consolidated Gold Fields PLC of London, reported today that it has discovered gold mineralization of probable economic significance on mineral claims it has staked in Humboldt County, Nevada. The company commenced staking claims in December '84. Presently its claims cover a total of some 53 sq. miles in the general area of the deposit.

A comprehensive exploration program, including geochemical and geophysical surveys, diamond and reverse circulation drilling and preliminary metallurgical testing, was commenced in April '85. Approximately 180 relatively shallow holes have been completed to date. In an area approximately 1,600 feet long and a maximum of 800 feet wide, 88 of these holes drilled on roughly 100 foot centers have intersected a gently dipping mineralized zone containing significant gold values. Assuming the mineralization is continuous between the holes, the area contains geological reserves in situ amounting to 20 million tons with an average grade of .09 ozs. per ton. This includes 6 million tons with an average grade of .18 ozs. per ton. The preliminary metallurgical tests indicate that

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.09 troy ozs/long ton = 2.76 g/tonne
.09 troy ozs/short ton = 3.09 g/tonne
.18 troy ozs/long ton = 5.51 g/tonne
.18 troy ozs/short ton = 6.17 g/tonne

the ore would be amenable to conventional gold milling processes with relatively high recoveries. Some of the holes drilled outside of the area have also intersected gold mineralization with a similar range of grades. These holes have not been included in estimating the above reserves.

A program to assess the deposit's economic potential and delineate any other potential ore zones is presently under way. This program includes additional drilling, bulk sampling, additional metallurgical tests, hydrological and environmental studies, and a review of the conditions under which the necessary operating permits can be obtained. It is necessary to investigate all of these factors to assess the commercial significance of the deposit and determine the capital investment necessary to put it into production.

It is anticipated that a detailed feasibility study and plan of operations will be completed during the forthcoming calendar year; because of the nature of the mineralization, it will probably be based on a relatively high grade milling operation coupled with a lower grade dump or heap leaching operation. As the deposit is shallow, it probably can be developed by a simple open pit mining operation with a relatively low stripping ratio.

SOUTHERN CALIFORNIA

At the Mesquite mine in southern California, construction is proceeding on schedule and within Budget. When in production, this mine is expected to produce between 130,000 and 140,000 ounces of gold a year with cash costs, in current terms, of around $200 an ounce. The crushing plant commenced shakedown operations in October; leaching is expected to commence in January, with the first gold production anticipated by the end of February.

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While the development of the mine has been taking place, drilling to delineate additional reserves has been continuing in the vicinity. In an area immediately to the east of the Mesquite deposit, 520 holes have been drilled to date; 360 of these encountered values indicating that three additional deposits, which appear to be geologically similar to the Mesquite deposit, have been discovered. Assuming the mineralization is continuous between the holes, these three deposits contain in situ geological reserves totaling between 28 million tons with an average grade of .04 ozs. per ton and 15 million tons with an average grade of .05 oz. per ton. The deposits are all near enough to the facilities currently being constructed to process the Mesquite ore body to be economically processed by these facilities as well. The additional reserves will significantly prolong the life of the presently planned mining operations and perhaps afford some overall flexibility in production planning and scheduling.

There has reportedly been some confusion in Nevada about the company's name. Gold Fields Mining Corporation has local offices in Reno and Winnemucca, operating headquarters in Lakewood, Colorado and a corporate office in New York. Gold Fields Mining is <u>not</u> related to The Goldfield Corporation of Melbourne, Florida which used to operate the Getchel Mine."

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November 6, 1985

0.04 troy ozs/long ton = 1.22 g/tonne
0.04 troy ozs/short ton = 1.37 g/tonne

0.05 troy ozs/long ton = 1.53 g/tonne
0.05 troy ozs/short ton = 1.71 g/tonne.