

N E W S R E L E A S E**CANMINE COMPLETES ACQUISITION OF COBALT REFINERY**

Canmine Resources Corporation (TSE Symbol: CMR) has completed the acquisition of a hydrometallurgical cobalt extraction plant and refinery pursuant to an agreement announced on July 28, 1999. This facility is located in Cobalt, Ontario, between North Bay and Kirkland Lake, Ontario.

This acquisition represents a quantum leap in the company's progression since it was formed in 1990 to focus on exploring and developing quality base metal projects in Canada. By acquiring a refining facility, Canmine joins a limited number of Canadian base metal companies with refining capability (i.e. INCO, Falconbridge, Noranda, etc.). More importantly, refining is a costly step in the processing of base metal ores and this acquisition allows Canmine to capture processing margin for cobalt, initially, and potentially for nickel or copper with future expansion. In addition, the company may offer custom cobalt refining services to other cobalt producers or suppliers.

In making this acquisition, Canmine is pleased to contribute to the economy of northern Ontario through future employment and the resulting economic spin-offs. Canmine is a member of both the Ontario and Manitoba Mining Associations and actively supports the "Keep Mining in Canada Program" endorsed by these associations. Canmine has appointed Kent Britton as interim liaison for all community, supplier, or personnel inquiries related to the facility. Mr. Britton may be contacted at the Canmine London, Ontario Head Office by phone at (519)858-4000, by fax at (519)858-4825, or by e-mail at information@canmine.com.

Canmine has now initiated a number of programs relating to the physical take-over and operation of the facility involving various independent consultants or contractors. For additional information on cobalt or other nickel projects of the company visit the Canmine website at www.canmine.com. Further announcements are pending.

London, Ontario, October 12, 1999

On Behalf of the Board, Edward L. Ellwood, President
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