

2000-010      Symbol: GXP (Toronto)

## **Goldstake Explorations Inc. Receives Favourable Result from Arbitration Hearing On The Whitewood Creek Project**

TORONTO, (November 7, 2000)... Goldstake Explorations Inc. has received a favourable result from the arbitrator's ruling in the matter of Whitewood Development Corporation and Goldstake Explorations Inc. The purpose of this arbitration was to rescind the joint venture between Goldstake Explorations and the Whitewood Development Corporation (a subsidiary of Homestake Mining) and to distribute the properties associated with it. The joint venture was formed in 1988 to evaluate mining gold tailings along Whitewood Creek.

It is the decision of the arbitration to award Goldstake properties along Whitewood Creek covering 3,255 acres and containing 4.3 million tonnes of tailings. Whitewood Developments was awarded 1,966 acres and 3.3 million tonnes of tailings. A report prepared by Fluor Daniel, a mining engineering firm, suggests that the tonnage and gold grades for this project are substantially higher than the conservative figures used for this arbitration. Jody Kelso, a consulting metallurgist, did a cost assessment for these properties in which he stated that this gold is recoverable at a cost of less than \$100usd per ounce. Jody Kelso has further stated in his report that, "I believe Whitewood Creek to have the highest profit potential of any property I have ever evaluated." At current gold prices and using the most conservative estimates available at this time based on studies already completed, it is expected that the properties awarded to Goldstake as a result of this arbitration will yield a minimum of \$68cdn million dollars profit over a period of four years following the commencement of mining. It is anticipated that the actual reserves and therefore profits will prove to be substantially higher, potentially as much as double once mining operations begin and further gold reserve testing is completed.

A key result for Goldstake was receiving the property containing the crater. The processing plant will be built on this property and the crater will be used to safely dispose of the toxic tailings once the gold is removed from them. This crater is underlain by 800' of impermeable shale making it a perfect repository for these waste materials. This property is critical to establishing mining operations on this property as it is the only nearby location where the waste tailings can be deposited on an economic and environmentally sound basis.

Goldstake has already had preliminary discussions with several interested mining companies regarding the possibility of forming a joint venture on this project. Goldstake is currently examining all possible development options for these properties and will shortly announce plans to move ahead with this project.

Goldstake Explorations Inc. is a Canadian-based mining, exploration and development company, with a diversified portfolio of precious metals properties in Canada, the United States, Australia and Indonesia. It is listed on The Toronto Stock Exchange, the symbol is

GXP. Goldstake Transaction Solutions is a wholly owned subsidiary of Goldstake Explorations Inc.

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