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NEWS RELEASE

Foran Waits for Kimberlite Target Drill Results

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Foran wishes to announce the possible discovery of a large crater during its July and August, 2004 drilling in the Kaskattama River area of the Hudson Bay Lowlands of Manitoba.

The Target:

The drilling targeted a 400 foot long- 250 foot wide hour glass shaped roughly circular magnetic anomaly, located at a geophysically calculated depth of 300 to 400 feet.

Why Foran is Exploring Kaskattama:

Foran, in its exploration for diamonds, is following up work carried out in 1993-1994 where a very large kimberlite indicator mineral field was discovered north of Gods Lake Manitoba. At the present, the source of these indicators is unknown. Foran's work and the information Foran acquired from this work in 1993-94, suggests the source was up ice (the area the glaciers transported the indicators from) in the Hudson Bay lowlands. Further, using modeling of deep crustal structures, directions of glacial ice flow, dyke swarms, age of the underlying Precambrian crust, and proximity to Cretaceous basins etc; Foran chose the Kaskattama River area of the Hudson Bay Lowland to target. In Particular, Foran chose the area which lay up ice from the large cluster of kimberlite indicator minerals in glacial till, coinciding with the Winisk Fault, a large north-west trending crustal structure on which DeBeers' Victor Pipe diamond field is located, and two sets of dyke swarms. One advantage of the Hudson Bay Lowlands is the Precambrian basement rock (old crust and source of most magnetic features) lies 1200-1400 feet below surface, and is overlain by non-magnetic Palaeozoic limestones. Therefore any near surface magnetic anomalies discovered during airborne surveys, would likely be from intrusions into the limestone, i.e. kimberlites or similar type rocks.

What Has Foran Done to Date?:

- Accumulated approximately half a million acres of land under 6 separate Mineral Exploration Licenses (MEL's)
- Flown two large detailed airborne surveys covering approximately 200,000 acres
- Carried out seven ground geophysics (magnetic surveys) to follow up near surface circular magnetic anomalies in the area of the Winisk fault and along the intersection of north and north-west trending dykes, during this process cut four small grids
- Outlined five high level magnetic anomalies in the Bouchard lake area
- Completed limited diamond indicator soil surveys
- Established a permanent field Camp at Bouchard Lake, and
- Carried out 1090 feet of drilling.

What was Intersected?:

The drilling encountered what appears to be a 300 foot deep crater in the underlying Paleozoic Limestones of the Hudson Bay Basin. This crater appears to contain Cretaceous to Jurassic aged sediments and possibly volcanic tuffs. If the age of these sequences is correct they would be equivalent to the age of the Hudson Bay Lowlands Kimberlites.

Using information from previous drilling by Aquitaine in the area, as well as provincial government modeling, 300 feet of Paleozoic limestone is missing from the section in the area of Foran's drilling. This is even more remarkable as it was postulated by the Manitoba Geological Survey geologists as well as others, that the Kaskattama highlands, which form a very large upland region in the otherwise swampy Hudson Bay Lowlands, might be a bedrock high. The interpretation of a

What was found beneath the glacial tills and glacial fluvial sediments which overlay the crater was a section of compact though unconsolidated clays, silts and sands of possible Lower Cretaceous to Upper Jurassic age. Samples of this material will be sent away to the Geological Survey of Canada for age determination.

What was interesting was that these possible Mesozoic Era aged silts and sands contained layers rich in coarse (1-3 mm) magnesium rich phlogopite mica which can only be derived from an igneous, ultramafic, or metamorphic source, and certainly not the Paleozoic sediments of the Hudson Bay Platform. Capping and possibly within this inferred crater was a strange very massive till remarkable in its clasts size and clast composition. The thickness of this till was also remarkable 289 feet (88m), which is thicker than the five known and measured till sheets in the Hudson Bay Basin (Neilson 2002). The till consists of dark clay matrix, supporting fine-grained limestone and chert clasts with sizes rarely exceeding 1.5 cm. Chert clasts commonly showed alteration halos around the margins of the fragments. Shale and rounded mafic pebbles made up of a lesser portion of the clasts (fragments). Granitic and gabbroic pebbles which commonly formed large cobbles and boulders in overlying tills were notably absent or extremely rare. The nature of the clasts suggests a provenance (source) in the immediate area of the Hudson Bay Basin. The great thickness suggests a possible basin or crater in-fill. The crater interpretation is partly influenced by the circular shape magnetic anomaly, which has been drilled.

Limestones, cherty limestones, and re-cemented limestones with some breccias encountered at the bottom of the hole were commonly quite shattered and vuggy. This can be interpreted as an explosive vent area, although other possibilities may also explain the abnormal limestone porosity as being simply in the proximity of the Winisk fault.

Drill Sampling:

During the drilling, cuttings of the drilling were collected as well as core where it could be obtained. The clays, silty clays, and till were cored easily, however coarser sandy or gravelly material could only be collected from the cuttings. These materials are being processed and samples, especially from the lower (Mesozoic?) sedimentary crater filling sequence, will be sent away for indicator mineral counts to determine if tuffaceous like material are kimberlitic in origin.

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What Do These Results Indicate?:

The 300 feet of missing limestone indicates a deep hole was encountered in the Paleozoic limestones, the cause of which could be many things from a kimberlite or kimberlitic like extrusive vent and resultant crater, to a meteorite crater or some other tectonic feature which would cause a depression. One of the reasons for interpreting The occurrence of this thick section of compacted sediments, well below any known glacial sediments and below the normal horizon for the erosional top of the Paleozoic limestones, suggest the sediments may have a non-glacial origin. The age of these sediments is possibly of Cretaceous or Jurassic age similar to Moose River Basin in Ontario, and the same age of kimberlites in the Hudson Bay Lowlands such as DeBeers Victor Diamond Pipe. The sediments may have been deposited in the crater itself or in a basin created by crustal subsidence along a large fault such as the Winisk Structure. This is not only a possibility but a probability given that this large structure goes through the immediate area of Foran's properties, cutting off the Fox River Volcanic Belt and displacing it 50 km (30 miles) to the south. The Winisk fault is the same major crustal feature on which the Victor Diamond Kimberlite Cluster is located. The thick dark till that overlies the crater sediments and appears to partially infill the proposed crater is unique and may be derived in part from materials blasted out of the crater (an interpretation); it is certainly derived locally from the Hudson Bay platform rocks. The occurrence of phlogopite mica layers in the crater sediments is quite interesting as they could not be derived from the surrounding Palaeozoic Platform limestones, and may represent tuffaceous material from an intrusion cutting into the limestones. Kimberlites often contain abundant phlogopite micas, but so do a few other igneous rocks. The very vuggy and fractured limestones are consistent with an extrusive explosive event, but are also consistent with other events, such as collapse structures, faults or tectonic uplifts. The circular airborne high level magnetic features have been verified by ground surveys and are real. Individually these features, although strange are only curiosities, but together they are all consistent with a volcanic extrusive event in this region. Cretaceous Kimberlite intrusions and tuffaceous (ash falls) units and breccias, cutting the Paleozoic limestones are known in the Victor diamond pipe along the same Winisk structure to the south.

The Model:

The model which the above features may indicate is not unlike the model for the Cretaceous Kimberlites located at Fort a la Corne, Saskatchewan. Here, examples such as the Kensington-DeBeers and the Shore Gold's bodies have all three facies of kimberlites (pipe, crater and pyroclastic tuff) are preserved in their entirety. These have champagne glass shapes with the pipe as the stem. In the Saskatchewan examples the craters and subaerial pyroclastic tuffaceous (ash falls) units are large, up to 1.5 miles across and mainly less than 600 feet thick. Pipe facies, however, on an area distribution frequency, are rarely intersected in drilling. The Kimberlitic tuffs are interlaid with Cretaceous sediments.

What are the Certainties?:

- ◆ High level circular magnetic anomalies typical of kimberlites and kimberlite like intrusions
- ◆ Verified by ground surveys
- ◆ 300 feet of missing Palaeozoic limestone or at least a topographical low.
- ◆ Vuggy and strongly fractured limestone

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- ◆ A deep 300 foot section of unknown aged sediments
- ◆ Mica rich layers of fine laminated sediment possibly tuffs
- ◆ A newly discovered glacial till with abnormal fragments, clast size and thickness
- ◆ Clear indication magnetically of dyke swarms i.e. possible precursor dykes.

What is Uncertain?:

- The exact nature of the crater or depression
- The reason for the highly fractured limestone
- The presence of kimberlitic tuffaceous sediments, and
- The age of the deep sediment infilling.

When and How will We Know?:

Foran upon receiving from the lab, the results of the diamond indicator mineral analysis from samples and core, should know for certain whether kimberlites tuffs are present or that some facies of kimberlite is nearby or in the region. This should take about approximately 6-8 weeks.

What Next:

Funding levels by Foran for Diamond Exploration in the Kaskattama Region will depend on the results, however management is very encouraged so far, and is committed long term to discover the source for Manitoba's missing Kimberlite field. In the mean time Foran will concentrate on its North Star Gold Project to advance this project quickly.

The Company wishes to further announce that it has acquired two additional Mineral Exploration Licenses MEL 136B (45,521 ha) and MEL 139B (12,035 ha) adding to Foran's four other Mineral Exploration Licenses (MEL) for a total of 199,960 ha (495,094 acres) in the Kaskattama area.

On behalf of the Board of Directors

“signed”

Stephen L. Masson, M.Sc. P.Geo.
President, and C.E.O.

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