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## NEWS RELEASE

September 21, 2004

FOM.V

### **FORAN ARRANGES MILL FINANCING FOR NORTH STAR GOLD PROPERTY**

Foran Mining Corporation wishes to announce that it has negotiated a \$5 million loan from a non-arm's length party to finance the mill purchase from Gekko Systems Inc. of Australia, and to bring the project towards production. The North Star Gold Project is located west of Snow Lake, Manitoba.

Under the terms of the loan, the Company will pay an interest rate of 6% and issue up to 2,500,000 common shares; the loan will be repaid out of 75% of the first profits from production.

The foregoing is subject to regulatory approval

### **FLOW THROUGH PRIVATE PLACEMENT**

The Company also wishes to announce a non-brokered private placement of up to 4,500,000 Units at \$0.45. Each Unit consists of one common share and one flow through share purchase warrant, exercisable at \$0.45 for a one year term. The proceeds of \$2,025,000 will be used for further exploration expenditures mainly on the North Star Gold Property and a lesser amount on the Kaskattama Diamond Project.

Foran discovered two new zones of gold mineralization on the North Star Property this past winter and will follow these up with new drilling. In addition, Foran will continue to explore the main North Star vein system at depth and to the south. **The most southerly hole drilled to date on the North Star vein contained visible gold. The deposit remains open to the south. During the upcoming year, Foran will also proceed with work on the Gold Rock Mining Lease which contains similar high grade gold veins like North Star.**

The foregoing is subject to regulatory approval.

ON BEHALF OF THE BOARD

"SIGNED"

Stephen L. Masson, M.Sc. P.Geo. QP  
President and CEO

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release. This news release contains forward-looking statements about the Company's progress, which statements can be identified by the use of forward-looking terminology such as "will", "potential", "optimistic", "designed to" or any other variations thereon or comparable terminology referring to future dates, events or results. Forward-looking statements are statements about the future and are inherently uncertain, and the Company's actual results could differ materially from those anticipated in those forward-looking statements as a result of numerous factors, including without limitation: the need for regulatory approval, which may not be obtained in a timely matter or at all, the Company's need for additional future capital, which may not be available in a timely manner or at all. Forward-looking statements are based on the beliefs, opinions and expectations of the Company's management at the time they are made, and the Company does not assume any obligation to update its forward-looking statement if those beliefs, opinions or expectations, or other circumstances should change.