

AMBREX MINING CORPORATION
CDN SYMBOL: AMBX

PRESS RELEASE

AMBREX MINING CORPORATION
signs letter of intent with
ANGLO AMERICAN BRASIL LTDA.
effectively covering 25 kilometers of strike length of
the newly recognized Aripuana VMS belt

Toronto, Ontario – August 17, 1999 - Ambrex Mining Corp. (“Ambrex”) states that it has signed a Letter of Intent regarding its’ Aripuana property in Mato Grosso state, Brazil with Anglo American Brasil Ltda (“AAB”) a subsidiary of UK based mining giant Anglo American PLC. The centrally located 2,000 hectare Aripuana property of Mineracao Rio Aripuana Ltda. (“MRA”), a subsidiary of Ambrex, and the adjacent and surrounding 9,046 hectare Aripuana properties of AAB will be merged into a 70% AAB : 30% MRA venture under the terms of the August 6, 1999 Letter of Intent. The merged properties host two partially defined base metal deposits located within the Aripuana volcanogenic massive sulphide belt as well as several other base metal and gold exploration prospects. The basic terms of the letter of intent are summarized as follows:

- Ambrex, through MRA, contributes the 2,000 hectare Aripuana property which hosts the Valley deposit as well as several other exploration targets, Anglo through AAB contributes the adjacent (contiguous on strike to southeast and west) 9,046 hectare Aripuana property which hosts the Arex deposit as well as several other exploration targets.
- AAB completes a 30 day due diligence review of MRA and its property holdings.
- AAB, following a satisfactory due diligence review, contributes a cash payment of US\$ 180,000 to Ambrex followed by a US\$ 70,000 cash payment upon the approval of transfer of mining titles to a new entity (“Newco”), which will be formed upon the execution of a formal agreement to hold the respective interest levels of the parties (70% AAB and 30% MRA).
- To maintain its interest in Newco, AAB must expend an aggregate of US\$ 3.25 million upon the property subject to the Venture over a four year period, with the first US\$250,000 being expended prior to June 30, 2000. No expenditures will be required of MRA to maintain its interest in Newco at this stage.
- If results are inconclusive after this 4 year expenditure, and AAB elects to continue exploring, AAB will be responsible for all expenditures required for further exploration or a feasibility study that may result.
- Once AAB determines that a positive feasibility study has been completed, any additional costs related to the development of the properties subject to the Venture will be borne by both parties at their respective interest level or the non-contributing party will undergo standard dilution.
- Should AAB elect to terminate the Venture at any time or does not comply with the above noted exploration expenditures or commitments, the properties held by Newco shall revert back to the original 100% interest level to the favor of the original owner(s).

- In the event of termination, AAB shall provide Ambrex with a first right of refusal in respect of the Arex property for a period of 12 months after the termination of the Venture. Both parties shall also grant each other a right of first refusal in respect of their respective interests in Newco in the event that either of them decide to transfer those interests to a third party.
- In the event of a commercial production decision, Newco shall make a cash payment to Ambrex in the amount of US\$ 1.0 million in anticipation of future dividends.
- The collective properties have gold potential in the tropical oxide environment, which Ambrex has shown an exploration and development interest in, and both parties agree that any possible development of a gold project (by Ambrex) shall not interfere with the development of a base metal project (by AAB). AAB shall be entitled to receive a net smelter royalty of 2.0% if any gold mining is developed by Ambrex in the property area originally contributed by AAB to the Venture but shall not participate whatsoever in any gold project exploration or development by Ambrex in the property area originally contributed by Ambrex.

The Valley deposit of Ambrex has undergone various phases of exploration over a four year period which have cost an estimated US\$ 6.0 million. It has been previously determined by ACA Howe International that a mineral inventory estimated at **11.65 million tonnes averaging 6.29% Zn, 2.25% Pb, 0.07% Cu, 65 g/t Ag and 0.25 g/t Au using a 3% Zn block cut off grade** exists on the property (estimate is in compliance with Australian JORC Classification of Identified Mineral Resources and Mining Reserves (1996)). This deposit remains open to depth and along strike.

Anglo American has advised Ambrex that the **Arex deposit is currently estimated to contain resources of a similar order of magnitude to the Valley Deposit, and is open along strike and to depth.**

The Aripuana property of Ambrex is 100% held by the Brazilian company Mineracao Rio Aripuana Ltda. ("MRA"). The shares of MRA are currently controlled 63% by Rio Taboco S.A. (wholly owned subsidiary of Ambrex); 24% by Madison do Brasil (wholly owned subsidiary of Ourominas Minerals Inc.) and 13% by SGV Merchant Bank (wholly owned subsidiary of St. Geneveive Resources Inc.).

Ambrex Mining Corporation is active in base and precious metal exploration in Brazil. The common shares of the Company are quoted upon The Canadian Dealing Network Inc. under the symbol "AMBX". There are currently 59,089,069 common shares of Ambrex outstanding.

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