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Company Announcements Office
Australian Stock Exchange Limited

Via: E Lodgement

Dear Sir/Madam

INTERNATIONAL GOLDFIELDS ACQUIRES KIRKLAND LAKE GROUND IN CANADA'S SECOND RICHEST GOLD CAMP WITH HISTORICAL PRODUCTION OF 37 MILLION OZ THROUGH SHARE PURCHASE OF NFX GOLD INC OF CANADA

International Goldfields Ltd (**ASX:IGL**) today acquired 1,296,200 shares in NFX Gold Inc (NFX), a public Company listed on the TSX Venture Exchange of Toronto, Ontario, Canada (**exchange: TSX / symbol: NFX**).

The acquisition takes IGL's shareholding in NFX Gold Inc to 2,261,400 shares – representing 7.9% of the issued capital. NFX has a market capitalisation of A$13 million.

NFX, either directly or through joint venture partnerships, holds interests in gold exploration properties in the Kirkland Lake and Lake Abitibi areas of northern Ontario, Canada.

In the near future IGL technical personnel will visit the NFX company projects with a view to commence mining of the indicated mineral resource at the Cheminis Project as soon as possible.

IGL has also signed a Technical Services Agreement (TSA) with NFX where IGL will supply technical and promotional support to NFX over the next two years. The agreement provides an additional 1% of NFX's issued capital at no further cost to IGL.

I have been invited by the Directors of NFX Gold Inc to become Chairman of the Company. At this stage I have only accepted a Director's role.

The Board of IGL is constantly reviewing sound, well-run gold projects with proven resources to invest in. However, on this occasion NFX approached the management of IGL on the basis of the company's proven record of strong institutional support, technical skills and proactive investment and mining strategies. NFX also recognises my history in the region, where I was one of the founding financiers of Gabriel Resources Ltd.

The investment in NFX gives IGL an additional 'world class' exploration project to enhance its existing portfolio, which includes the Mt Ida and Evanston Gold Projects in the Eastern

Goldfields of Western Australia and the Sacu Copper-Gold Project in the 'golden quadrilateral' area of western Romania.

GEOLOGICAL INFORMATION

The Kirkland Lake area (see figure 1) is one of the most prolific gold camps in northern Ontario and ranks second in Canada in terms of ounces of gold produced. From 1910 to 1999 approximately 37 million ounces of gold have been produced from 28 mines with an historical grade of 11.7g/t. The mines extend over an east-west distance of 40km; from the Kirkland Lake camp which produced 24 million ounces in the west, to the Larder Lake camp in the east which produced 13 million ounces.

NFX has an interest in a number of mining claims and licenses of occupation, within the heart of the Larder Lake gold mining district, some 7km west of the world famous Kerr Addison Gold Mine which produced 11 million ounces of gold. The Larder Lake properties are made up of five semi-contiguous separate properties, namely the Swansea, Fernland, Cheminis, Bear Lake and Barber Larder properties (see figure 2). NFX has a 100% interest in all the properties except the Fernland property where it has a 75% interest.

The gold deposits of the area are all generally located on major east-west crustal structures which not only continue laterally for long distances, but also display a deep vertical component. Mining on the structures - 'breaks'- reach depths of 2.4km with ore intersections to 3km, while at the Kerr Addison mine, ore in the Larder Lake break was mined to depths of 1.4km.

Practically all of the gold production on the Larder Lake break has come from two horizons in the Kerr Formation; a heavily veined green carbonate rock – 'carbonate ore' – and a cherty pyritic mudstone – 'flow ore'. At the Kerr Addison mine, carbonate ore produced 32% of the 11 million ounces of gold production.

The NFX properties extend over a strike length of 10km of the Kerr Formation and at the Company's Cheminis Mine both carbonate and flow ore have been mined to shallow depths of 300m (see figure 3). The most recent resource evaluation, verified by independent consultants (not in accordance with JORCC (1999), but in accordance with National Instrument 43-101 (Canada); for further information visit www.nfxgold.com – nfx_presentation.pps), for the Cheminis mine stand at:-

Total Measured and Indicated Mineral Resources	1,468,800t @ 6.2g/t	291,500oz
Inferred Mineral Resource	838,488t @ 6.5g/t	175,500oz
Total (all Categories)	**2,307,000t @ 6.3g/t**	**467,000oz**

The gold mineralisation remains open at depth and along strike. Significant potential exists for additional resources both from:

- the immediate mine area including both carbonate and flow ore zones,
- a recently discovered flow ore zone where drilling has confirmed over 600m of strike length continuity, and
- outcropping carbonate ore at the North Carbonate Zone ("NCZ").

The NCZ is almost continuous for a strike length of over 2,000m on NFX's Fernland, Cheminis and Bear Lake properties, and has seen little exploration as historically most attention was focused on the sub-parallel flow ore horizon located some 150m to the south.

Successful exploration of these systems could potentially lead to a combined underground selective mining operation on the flow ore and a larger scale, lower grade, surface mining operation on the North Carbonate Gold Zone.

The Kirkland Lake area is a comprehensive mining centre supplying personnel, contractors, equipment and supplies to a number of operations in the area. The NFX properties are located 35km east of Kirkland Lake and 6km west of Virginiatown. The Cheminis mine is immediately adjacent to Highway 66 and all parts of the property are readily accessible by roads and tracks. The topography is essentially flat with vegetation consisting of black spruce, poplar and alder.

For further information please contact Mr Tony Sage or Mr Bob Annett on (08) 9388 0744.

Yours faithfully

Tony Sage
Executive Chairman

The estimates were prepared in accordance with National Policy 2A (Canada) using all available drilling and sampling data. Parameters applied include a cut off grade of 3.4g/t, a minimum width of 1.5m, a tonnage factor of 2.67 kg/m^3, and the cutting of all assays higher than 31.1 to 31.1g/t. All assaying performed in respect to this estimate has been carried out by reputable laboratories and subject to normal checking procedures. In the case of drill samples the core is split with half being sent for assay and half retained for future reference. However since no dilution or mining loss factors have been applied, it will be understood that the estimate lies within the "Mineral Resource" rather than the "Mineral Reserve" category according to the definitions set forth in Appendix III (Reserve Definitions – IRDI Committee, CIM Bulletin, February, 1998). The estimates have been prepared by Mr GM Hogg, a competent person for the purposes of the CIM Bulletin, who gives his permission to their reproduction.

For ease of reference imperial units quoted by Mr GM Hogg have been converted to metric units.

Figure 1
The Kirkland Lake Gold Camp

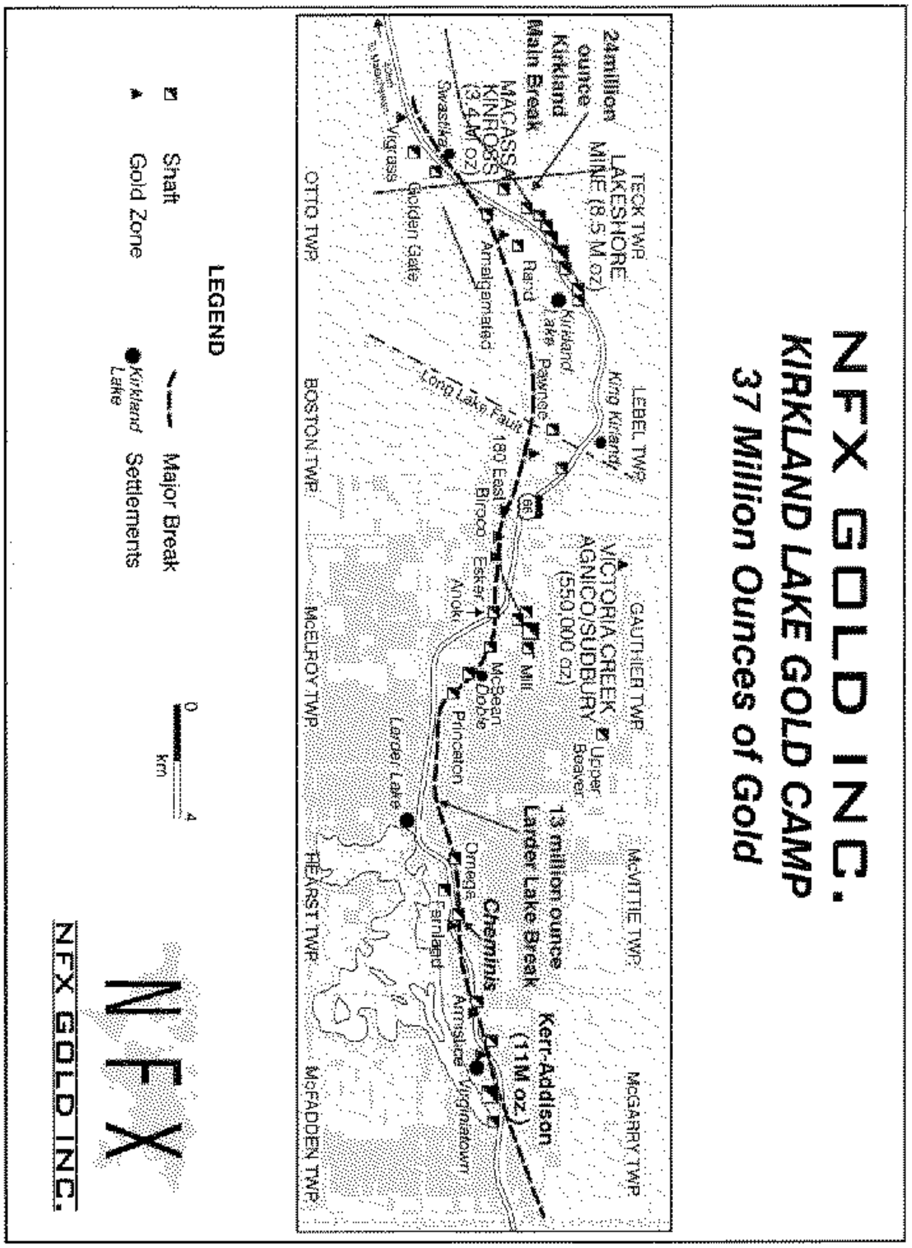

Figure 2
The Larder Lake Gold Camp

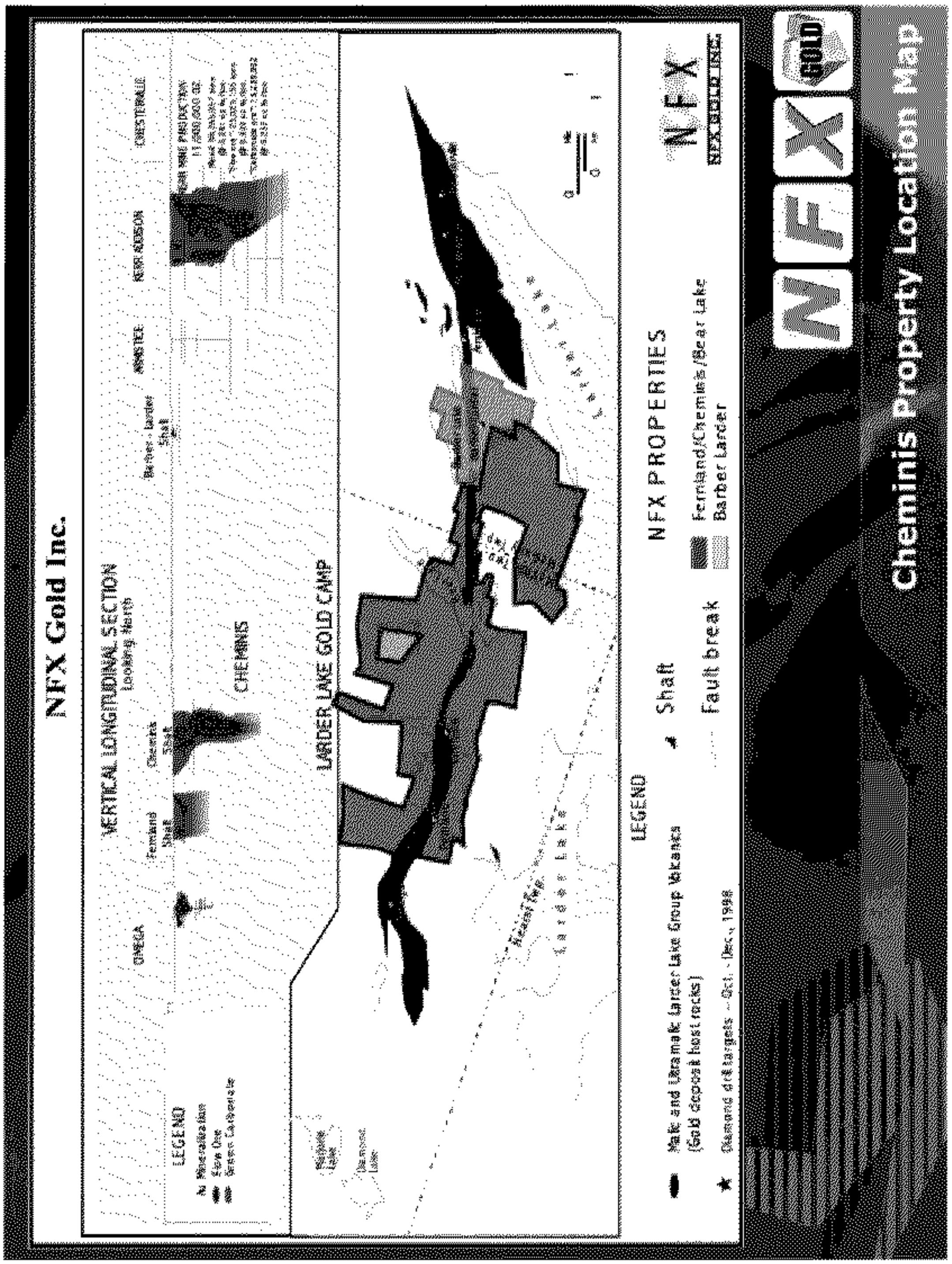

Figure 3
Cheminis Long Section.