



BRE-X MINERALS LTD.

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NEWS RELEASE

Vol.: 97 No: 22

CALGARY, AB, CANADA, May 4, 1997 – **BRE-X MINERALS LTD.**, (T-BXM, ME-BXM, NASDAQ-BXMNF) a member of the BRE-X Minerals Group of Companies, announced that it has received today an interim report from Strathcona Mineral Services Limited. This independent technical audit was commissioned because of the Company's determination to account for the variance of data generated by Freeport-McMoRan Copper & Gold Inc. (NYSE-FCX) during its due diligence activities with respect to the Busang project. Bre-X is committed to expeditiously implement the recommendations contained in the interim report. A copy of the cover letter from Strathcona and the executive summary of the report form part of this release. Copies of the full report have been provided to securities regulatory authorities to be placed on the public file.

Chairman and Chief Executive Officer David G. Walsh said: "Bre-X is devastated that the Strathcona analysis does not confirm earlier analytical work done by Bre-X. The report instead indicates that the Company's belief about the size of the Busang II reserve was based on falsified data."

The Strathcona report is an interim report and Bre-X has asked Strathcona to remain as part of the investigative process. In addition, Bre-X said it is informing all of the appropriate authorities of the results of the above-mentioned report.

The Company has also retained legal, accounting and investigative personnel, including Price Waterhouse and Forensic Investigative Associates Inc., who were retained to work with Strathcona in determining how, in the face of the Strathcona report, the data on which Bre-X relied in its prior public statements about Busang could have been generated. Bre-X has instructed that the investigation be prompt and thorough and be directed wherever the professional advisors think it should go. Bre-X has asked for final reports and has received commitments for their delivery as soon as feasibly possible.

These reports will be made available to all of the above-mentioned authorities and Bre-X will continue to cooperate fully, as it has to date, with all regulatory inquiries it receives. "We share the shock and dismay of our shareholders and others that the gold we thought we had at Busang now appears not to be there," Mr. Walsh said. "We have spent millions of dollars in the strong belief that a sizable deposit existed and have directed all our efforts towards development of the project. It is paramount for us to redirect our energy to protecting the company's remaining assets for the benefit of the shareholders. We are determined to gain a full understanding for the shareholders, for Bre-X's business partners and for others, of how the earlier data came to exist and whether any of the properties in which the Bre-X Group of Companies has an interest contain an economically viable deposit."

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On Behalf of the Board

David G. Walsh
Chairman, President & Chief Executive Officer