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FOR IMMEDIATE RELEASE

**NFX ANNOUNCES PRIVATE PLACEMENT AND STRATEGIC ALLIANCE WITH
INTERNATIONAL GOLDFIELDS LIMITED**

Toronto: March 17, 2004 - NFX Gold Inc. ("NFX" or the "Corporation") (TSX Venture Exchange Inc.-NFX) announces that it intends to complete a non-brokered private placement (the "Private Placement") with an arm's length party, International Goldfields Limited, an Australian based publicly traded gold exploration and mining company (Australian Stock Exchange – IGL). The Private Placement will consist of up to 900,000 units (the "Units") at \$0.40 per Unit for maximum gross proceeds of \$360,000. Each Unit will consist of one common share and one half of one warrant (the "Warrants"). Each whole Warrant will be exercisable to acquire one common share at a price of \$0.50 for a period of 18 months from closing. The Private Placement is subject to regulatory approval and NFX is required to file a formal application with the TSX Venture Exchange Inc. to maintain this price reservation.

The Corporation intends to use the proceeds from the Private Placement for working capital purposes and to finance further exploration on its Larder Lake and Lake Abitibi gold properties.

NFX also announces that it has entered into a technical and business advisory services agreement (the "NFX/Goldfields Agreement") with International Goldfields Limited ("Goldfields") whereby Goldfields will provide NFX with technical exploration and related consulting services to further enhance the Larder Lake and Lake Abitibi gold projects. Also, world wide strategic opportunities with regard to exploration projects will be submitted to NFX by Goldfields on a non-exclusive basis.

The technical exploration and mining consulting services will be overseen by Mr. Bob Annett, Goldfield's Executive Director – Technical. Mr. Annett has been involved in mineral exploration and mining for 25 years since graduating from the Royal School of Mines, London, England in 1978. Mr. Annett has explored for a wide range of commodities including gold, base metals, coal and industrial minerals throughout Australia, South East Asia, North Africa and South America. He will co-ordinate his efforts with Martin Bourgoïn of MRB & Associates of Val D'Or, Quebec, who currently oversees all technical activity on the NFX properties.

The strategic and business opportunities component of the NFX/Goldfields Agreement will be overseen by Mr. Tony Sage, currently Executive Chairman of Goldfields. Mr. Sage has in excess of 20 years experience in the field of corporate advisory services, funds management and capital raising. Mr. Sage has been involved in the management and financing of listed mining companies in Australia and internationally for the last 12 years, including Gabriel Resources Ltd. where he was one of the founding financiers. Mr. Sage will work closely with NFX's management and board of directors with the goal of enhancing NFX shareholder value.

Pursuant to the terms of the NFX/Goldfields Agreement, the contract will expire in 2 years and is valued at CDN\$200,000. NFX will issue to Goldfields 500,000 common shares of NFX at a deemed price of \$0.40 per share, in lieu of cash payments, subject to acceptance by the TSX Venture Exchange Inc. and obtaining all other necessary regulatory approval. The shares issued in connection the NFX/Goldfields Agreement will be subject to a twelve month hold period.

For further information please contact either Thomas G. Larsen, President and Chief Executive Officer, or Jorge Estepa, Vice President, at: telephone: (416) 360-8006; fax (416)361-1333.

The TSX Venture Exchange Inc. has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.