

2005-03-15

AUGYVA ACQUIRES A MAJOR IRON ORE DEPOSIT IN JAMES BAY AREA

Augyva Mining Resources Inc. ("**Augyva**") announces the signing of a Letter Agreement (the "**Letter Agreement**") with Virginia Gold Mines Inc. ("**Virginia**") pursuant to which **Augyva** acquires 100% interest in an Iron Ore property near Lac Duncan, close to the La Grande Airport, in the James Bay area, Quebec.

Salient points of the **Letter Agreement**:

Augyva will issue 1.5 millions shares to **Virginia** within 45 days of the **Letter Agreement**. Upon receipt of the share certificate, **Virginia** will transfer its 100% interest (subject to royalty) in the Iron Ore property.

Augyva will pay a perpetual production royalty to **Virginia** in the amount representing CA\$0.40 per ton of iron concentrate from ore from the property payable on a quarterly basis.

Augyva will have a buyback right to purchase 50% (CA\$0.20 per ton of concentrate) of such royalty for a total payment of CA\$4 million. Furthermore **Augyva** will be granted an additional option of buying back 20% (\$0.08 per ton of concentrate) for an additional payment of CA\$4. Million.

For any other metal than iron, **Virginia** will earn a 2% NSR Royalty and **Augyva** will have a buyback right to purchase 50% (1% NSR) in consideration of CA\$5. Million.

For any additional resources of iron ore covered by any mineral titles, in an area of 1 kilometre surrounding the property, acquired before or after February 2005, **Augyva** shall be subject to the royalty described hereto.

The **Letter Agreement** is subject to the approval of the Regulatory Authorities having jurisdiction over the securities of **Augyva**.

The Ministry of Natural Resources, Wildlife and Park (Quebec) in 1998 has published a report RG-9809 (prior to National Instrument 43-101) that mentioned indicated resources in the Lac Duncan area discovered and evaluated by Duncan Range Iron Mines between 1950 and 1960 for the deposits No 1, 2, 3, 4, 5 and 6 at approximately 1 billion ton of Iron Ore averaging 32% of magnetite (0.97Gt; GM 32503; GM 7692) Ingham & Ross 1958, Grondin 1962, Karma 1974. Since the historical estimates of the Ministry are the only information currently available to **Augyva**, **Augyva** believes that this information is relevant and reliable. The historical estimates used categories that were in compliance with the National Instrument 43-101.

A qualified person under National Instrument 43-101 has not approved this information.

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