

*Kirkham***NEWHAWK GOLD MINES LTD.**September 25, 1989
NEWS RELEASE 89 - 17TSE: NHG
VSE: NHG**Sulphurets Property****UNDERGROUND DRILL RESULTS - 1989 PHASE III RECOMMENDATIONS**

The 1989 Stage II program at the Newhawk/Granduc Sulphurets property was completed on time and under budget. A +23,000 foot underground diamond drilling program, undertaken from the 1250 and 1200 m levels tested the West Zone and additionally, discovered the high grade R-8 Zone.

The detailed drilling within the West Zone has confirmed the continuity of high grade structures to the 1200 m level with similar tons per vertical meter as exists from surface down to the 1250 m level. Two additional holes drilled on the R-8 structure are also reported below. The results tabulated below, follow those reported July 25th, August 15th and August 30th. Additional results are forthcoming.

Underground Drilling

Section	Hole No.	Azimuth	Dip	From	To	Core Length (feet)	Gold oz/ton	Silver oz/ton
51+10S	U-89-302	270	+20°	282.4	337.2	54.8	0.997	29.04
	U-89-303	270°	+5° and	178.1 277.9	198.7 305.8	20.6 27.9	0.100 0.302	5.05 5.65
	U-89-304	270°	0° and and	322.5 347.9 411.7	333.0 352.8 416.6	10.5 4.9 4.9	0.287 6.619 0.875	13.53 5.34 1.73
	U-89-305	270°	-24°	321.4	332.0	10.6	15.807	20.49
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51+50S	U-89-278	90°	+28° and and	166.3 182.0 223.9	172.9 190.5 229.9	6.6 8.5 6.0	0.209 3.183 0.222	53.28 5.67 112.71
	U-89-320	270°	+7°	182.9	198.8	15.9	0.123	6.09
	U-89-326	90°	-57°	168.3	173.2	4.9	1.535	3.57
51+70S	U-89-330	270°	+14° and	175.5 236.9	180.4 241.8	4.9 4.9	0.742 3.162	8.69 118.34
	U-89-331	270°	+4°	163.8	175.5	11.7	0.253	17.35
	U-89-332	270°	-32° and	211.1 269.5	216.5 283.4	5.4 13.9	0.252 0.343	9.92 26.35
199+60	U-89-353	30°	+17°	92.5	99.1	6.6	0.144	7.92
199+50	U-89-350	30°	+14°	103.3	110.8	7.5	0.084	5.88

West Zone Surface Program

Surface geological mapping has discovered several new high grade showings in areas south of the West Zone. A minimum 5,000 foot surface drilling program is now underway to follow up the trenching and grab samples. Results from the surface drilling program will be reported when they are available.

1989 Phase III Recommendations

Decline Extension to Further Test the R-8 Zone

Underground exploration in the Phase II program discovered the high grade R-8 structure, initially in a crosscut and subsequently through several outstanding high grade drill intersections including the most northerly, Hole 292 that intersected 84.6 feet of 7.472 ounces of gold per ton. The zone, which shows promise of additional size, has been partially outlined to date, remaining open at depth and to the north.

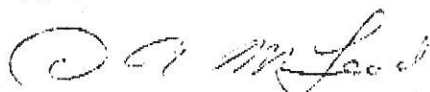
In order to test the zone both to the north and at depth, the decline is currently being extended down a further 50 vertical meters which will allow for detailed drilling of the zone. A 10,000 foot underground diamond drilling program will commence in early November on completion of decline advance. To date, R-8 dimensions outlined, measure 165 feet in length with a vertical extent of 500 feet and an average width of 13 feet.

Approval in Principle has been received from the provincial authorities for Sulphurets property. With this Approval in Principle in hand, Newhawk will proceed immediately with the permitting process.

Preliminary reserve calculations are being completed by Watts, Griffis, McQuat using a data cutoff date of September 4, 1989. Final reserve calculations will be completed when the 1989 Phase III program is concluded. Once the reserve calculations are available, Cominco Engineering Services Limited will incorporate the final components into the Feasibility Study. Newhawk expects the study to be delivered by year end.

NEWHAWK GOLD MINES LTD.

Per:



Donald A. McLeod,
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.