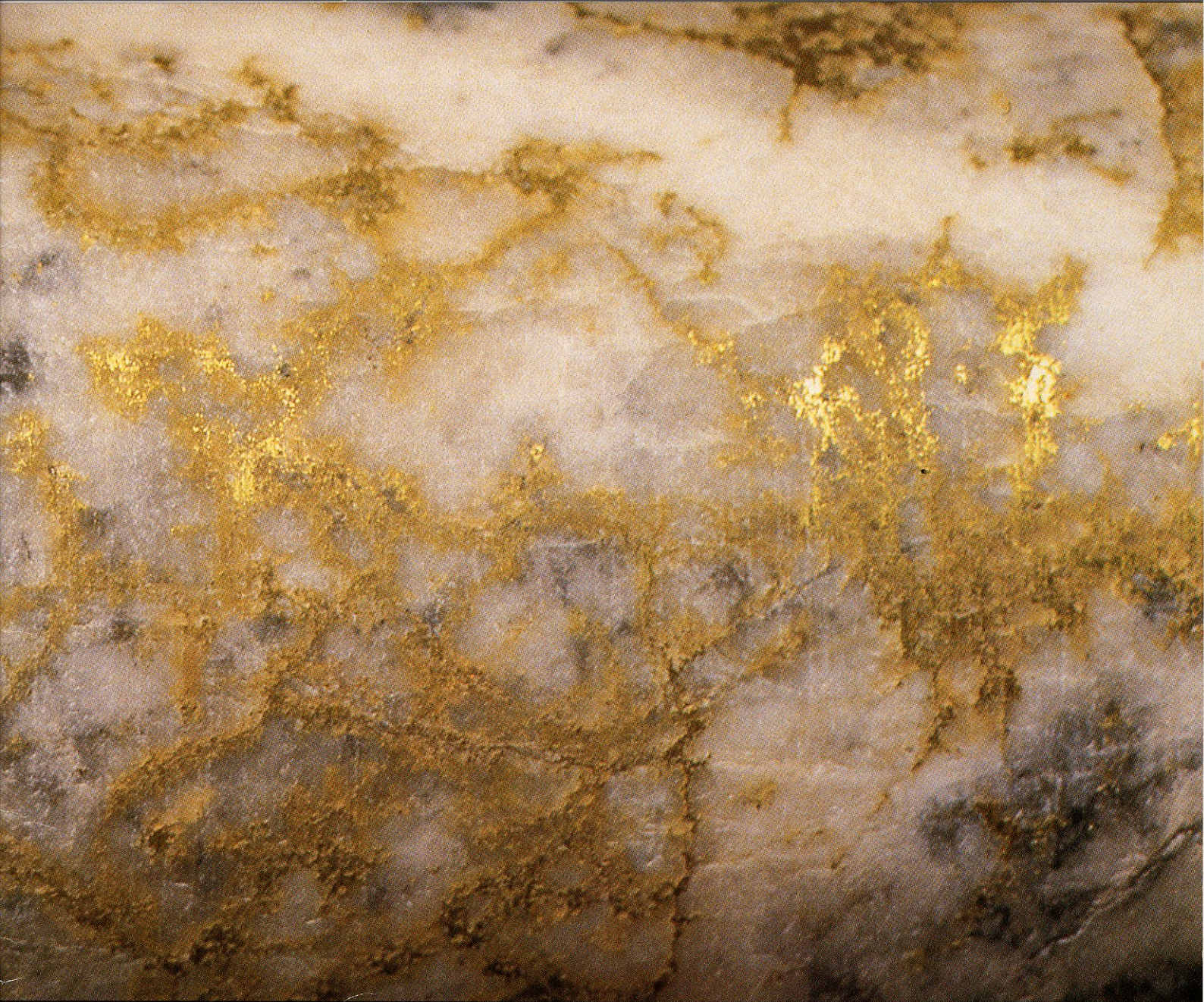


Sulphurets
888177

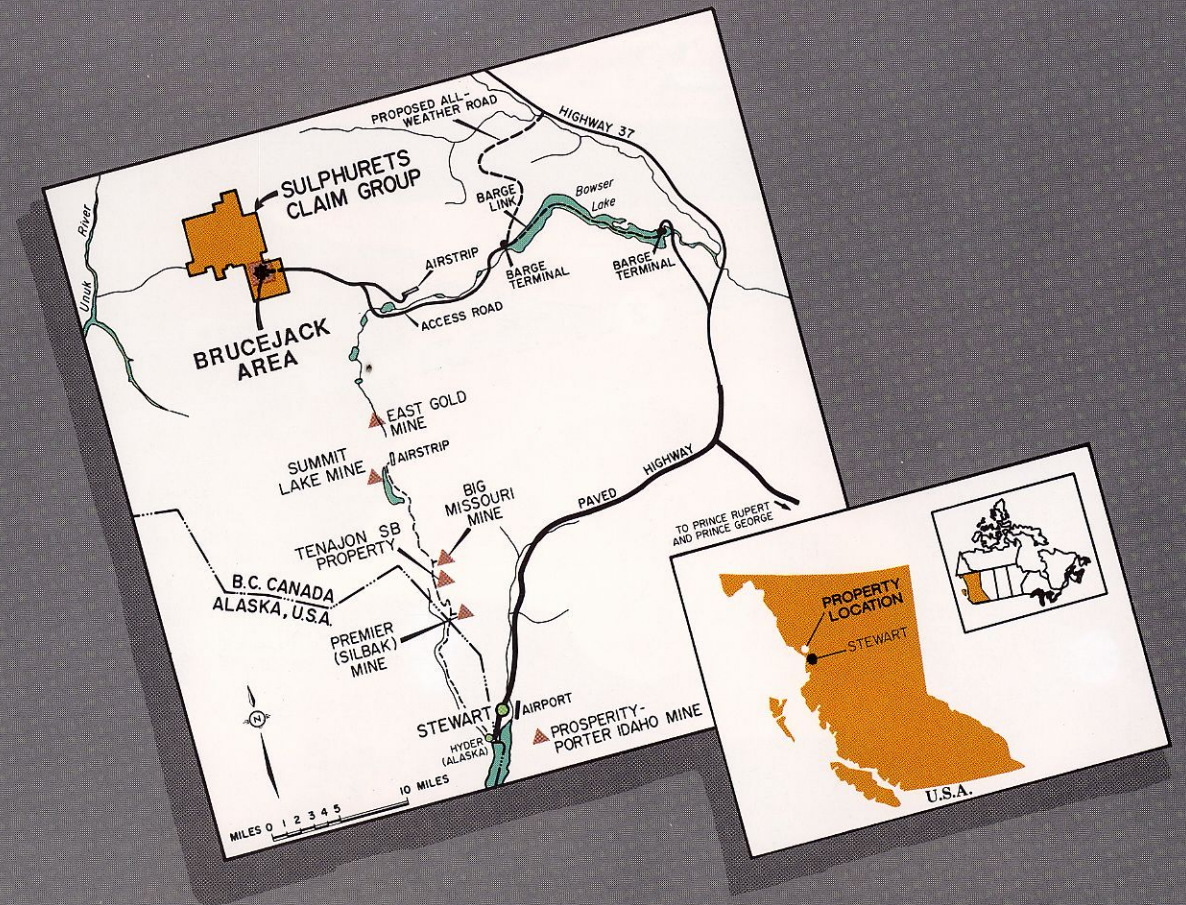
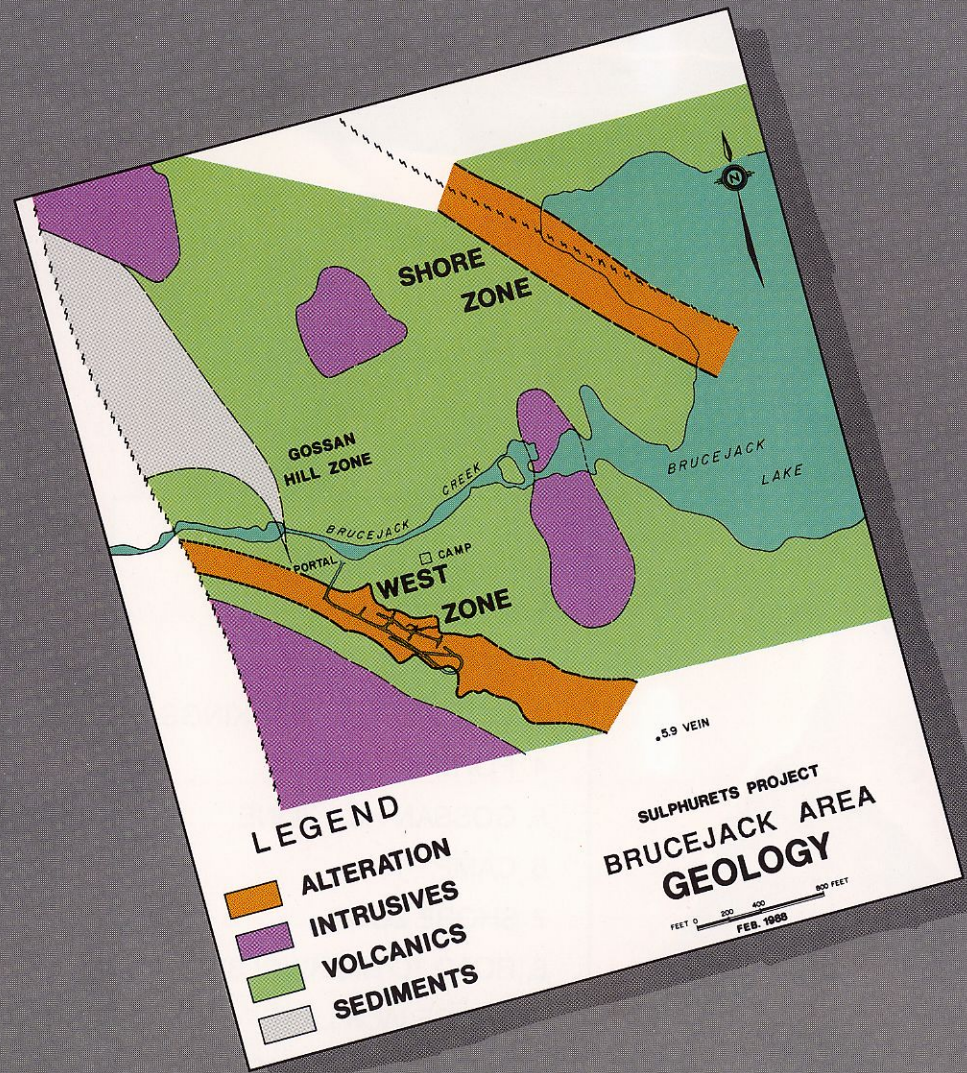
NEWHAWK

GOLD MINES LTD.(N.P.L.)

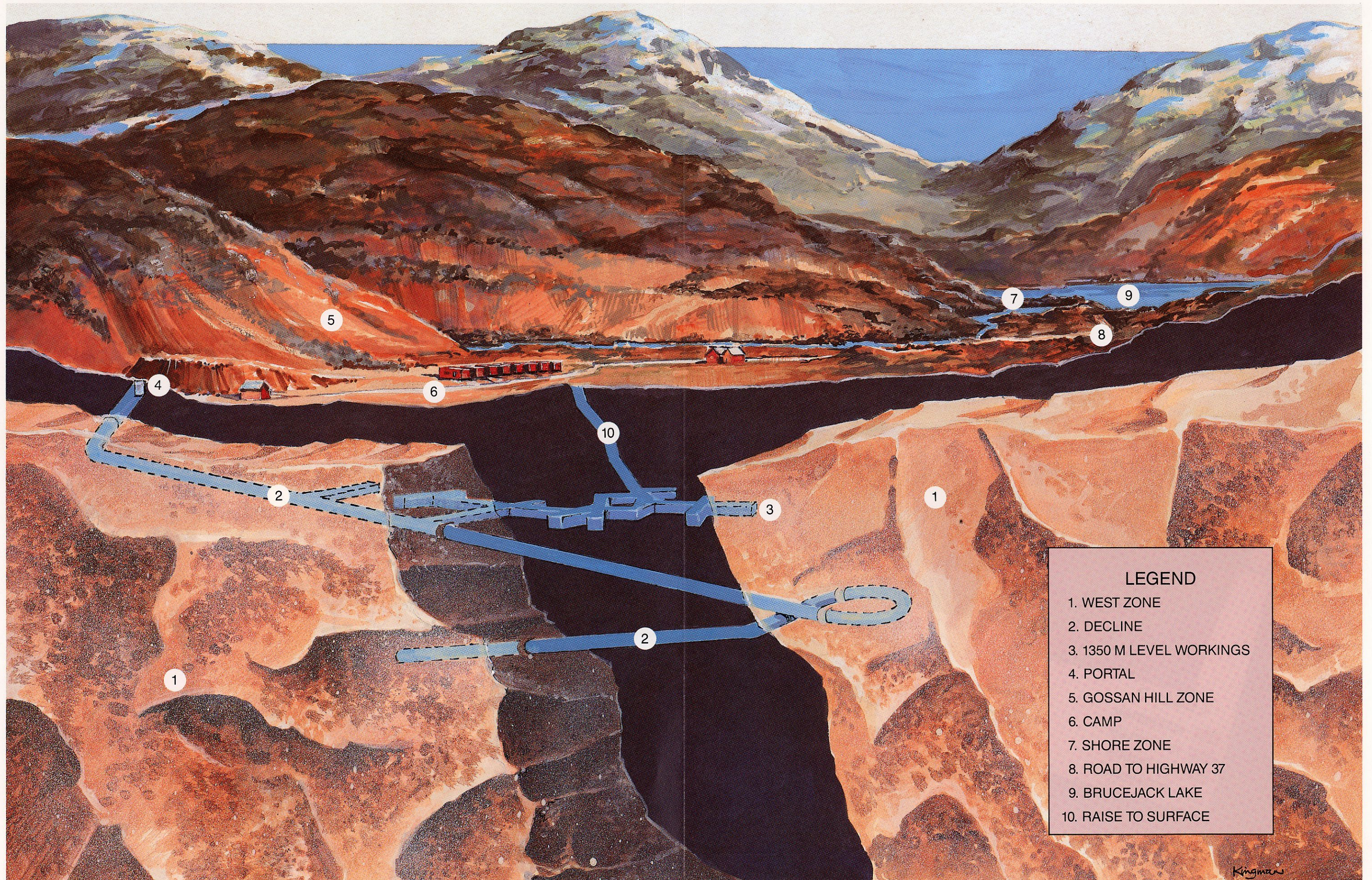


1987 ANNUAL REPORT

COVER: A spectacular example of high grade gold intersected in underground diamond drilling on the West Zone in February 1988. Shown is an enlarged portion of a six inch intersection, included in a 24.9 foot width, encountered in drill hole U-88-98. The six inch intersection is estimated (by weight) to assay 1,928 ounces of gold per ton.



SULPHURETS PROPERTY – BRUCEJACK AREA



LEGEND

1. WEST ZONE
2. DECLINE
3. 1350 M LEVEL WORKINGS
4. PORTAL
5. GOSSAN HILL ZONE
6. CAMP
7. SHORE ZONE
8. ROAD TO HIGHWAY 37
9. BRUCEJACK LAKE
10. RAISE TO SURFACE

Artist conception of the Brucejack Area showing underground development of West Zone looking east towards Brucejack Lake and Shore Zone.

Director's Report to Shareholders

This 1987 Annual Report documents a year of extraordinary achievement and success for Newhawk. Our major exploration thrust for the year, a \$5.5 million, two phase program at the Sulphurets property was an unqualified success, bringing us closer to our goal of commercial production. Our initial program at two new U.S. gold properties returned promising results and our financial statements reflect the positive results of our corporate financial endeavours.

Exploration and Development

The extensive 1987 exploration program at the Sulphurets property, both surface and underground, produced truly outstanding results. New mineral inventory calculations for the West Zone reflect a 42% increase in tonnage and a 52% increase in gold grade from those figures published in 1986.

Temporary overland access was completed in the fall of 1987 and apart from a short Christmas break, our crews have continued working uninterrupted since May of 1987. A \$3.4 million exploration program is now underway for the continued development of the West Zone and this program includes a pre-feasibility study.

The full extent of the Sulphurets property is far from realized - the potential of the West Zone appears greater than was anticipated and several new discoveries this past summer have added to the abundance of further exploration targets on the property. The Sulphurets area is emerging as a potentially significant commercial gold camp.

Initial exploration programs were undertaken under a joint venture agreement, on three gold properties located in the U.S.A. Favourable results were obtained from two programs and further exploration work is planned for 1988.

Corporate

Amalgamation of Lacana Mining Corp.'s and Newhawk's 30% interests in Sulphurets was achieved in November of 1987, when shareholder approval was received for the issuance of 4,025,000 shares of Newhawk in exchange for Lacana's 30% interest in the property.

In addition to attaining a 60% interest in Sulphurets, with joint venture partner Granduc Mines Ltd. holding a 40% interest, three appointments to the Board of Directors were approved.

We are very pleased to welcome to the Board, Mr. N. Goodman, Chairman, Royex Gold Mining Corporation, Mr. G. Leathley, President, Lacana Mining Corporation and Mr. A.P. Walsh, Vice President, Finance, Lacana Mining Corporation. We wish to extend our thanks to retiring director, Mr. George Bleiler for his years of dedication and service to the company.

Financial

A private placement, through the facilities of Richardson Greenshields of Canada (U.K.) Ltd., provided in excess of \$4 million to the treasury. The 1987 exploration program was funded by flow through private placements.

Flow through private placement agreements are also in place to provide up to \$2.12 million to meet 1988 exploration funding requirements.

I would like to extend thanks on behalf of the Board, to our dedicated staff, both head office and field personnel, for their contributions to the success of the past year.

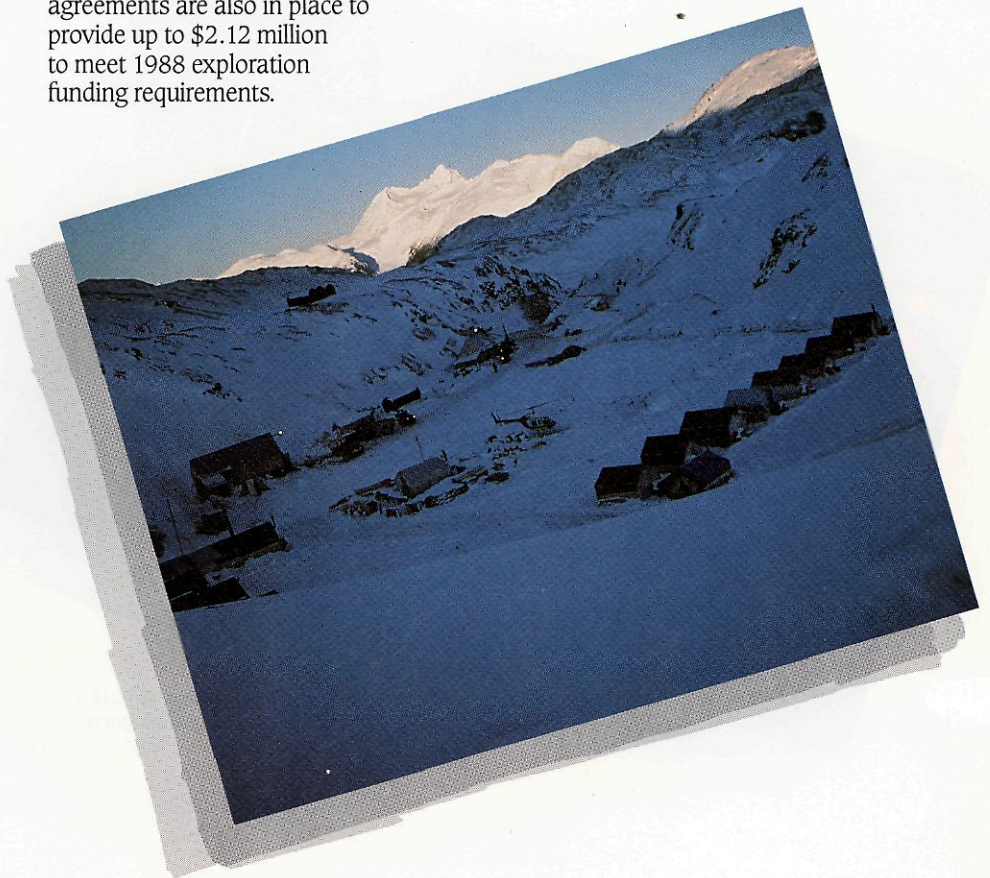
In welcoming new shareholders, and in addressing existing shareholders, I trust the support you have continued to demonstrate will be rewarded in the months ahead. The coming year promises not only to be very active and exciting, but also to bring us to the threshold of joining the ranks of Canada's precious metals producers.

On Behalf of the Board,



Donald A. McLeod
President and Chief Executive Officer

April 25, 1988



The last rays of the afternoon winter sun catch mountain peaks above Brucejack camp.

Exploration Review Sulphurets Property

During the year, a major \$5.5 million surface and underground exploration program was completed on the Sulphurets property, located northwest of Stewart, British Columbia.

Surface Exploration

A large portion of the 1987 exploration program was directed towards surface drilling in the Brucejack Area. Of a total of 94 holes drilled in the 35,000 foot program, 71 were drilled on the West Zone, 12 were drilled on the Shore Zone

and 11 were drilled on the Gossan Hill Zone. Emphasis was placed on providing further West Zone drill data for ore reserve calculations and the initiation of a feasibility study.

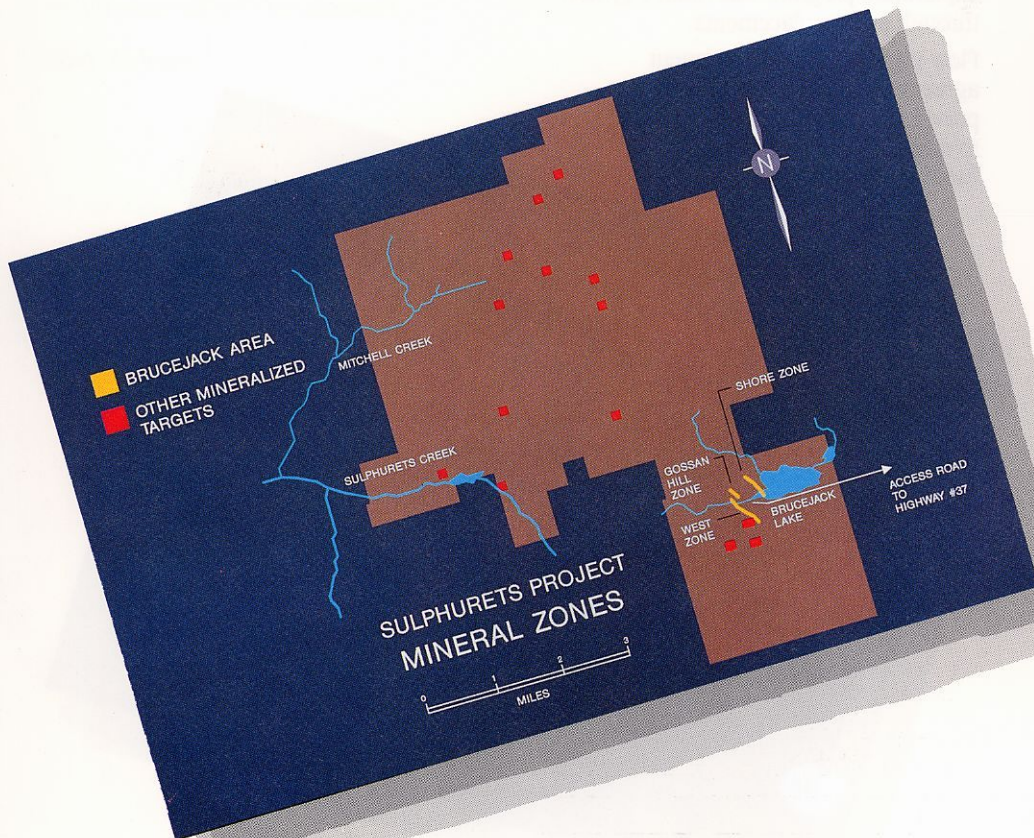
Results from the surface program were excellent with numerous intersections containing values well in excess of one ounce of gold per ton. Of particular importance were those results that indicate continuity of the zone to depth and the successful extension of the zone to the south.

Two holes drilled on the Gossan Hill Zone encountered very significant mineralization and although the program was limited, these holes extended the strike length of the zone by 130 feet. It is anticipated that further drilling will develop an important gold reserve.

The limited drilling on the Shore Zone was also successful in providing confirmation of earlier high grade intercepts. Further work is necessary to develop the full extent of this zone.

Underground Exploration

Underground exploration commenced with the slashing of the existing decline to 10 foot by 13 foot dimensions to allow for larger underground equipment. This work was followed by extending the decline to the 1300 metre elevation to allow for further underground development.



Muck samples from 141 feet of mineralization on the 5100 drift showed excellent correlation with the ore blocks as defined by diamond drilling.

A total of 166 feet of raising was completed. Muck assays from 52.5 feet of raise averaged .840 ounces of gold per ton and 81.82 ounces of silver per ton over the 5.9 foot width of the raise.

Underground Diamond Drilling

A total of 25,900 feet of underground diamond drilling in 170 holes was completed in two phases ending in April of 1988. This detailed underground diamond drilling provided additional information to allow for development planning. Initial indications are that mineralization is increasing in width, with a southeasterly rake.

Reserve Calculations

All surface diamond drilling data and underground diamond drilling data from the first phase 9,000 foot program, was presented to American Mine Services, Inc. of Denver, Colorado who were retained to calculate mineral inventory for the West Zone. A total of 13,011 assay intervals in 351 diamond drill holes formed the basis for the calculations.

American Mine Services, Inc. submitted their report to the company and used a

variety of cut off grades. Using a cut off grade of .15 ounces of gold equivalent per ton, with gold at US\$400 per ounce and silver at US\$6.00 per ounce, West Zone Mineral Inventory reported as at January 1, 1988 is shown on the accompanying table. This mineral inventory represents a 48% increase in tonnage and a 52% increase in gold grade in the West Zone from calculations completed January 1, 1987.



Chris Kelly, mining engineer (left) and Leo Lindinger, geologist (right), holding core from Drill Hole No. S-87-189 that intersected 115.3 feet grading .261 ounces of gold per ton and 31.86 ounces of silver per ton.

West Zone Mineral Inventory as calculated by American Mine Services Inc., January 1, 1988

West Zone	Tons	Gold oz per ton	Silver oz per ton
Proven	300,151	.516	28.28
Probable	324,500	.496	12.67
Inferred	879,837	.506	20.17
Total	1,504,488	.506	20.17

Brucejack Area Mineral Inventory as at January 1, 1988

	Tons	Gold oz per ton	Silver oz per ton
West Zone	1,504,488	.506	20.17
Shore Zone (Inferred)	539,776	.263	27.23
Gossan Hill Zone (Inferred)	27,639	1.940	3.51
Total	2,071,903	.462	21.78

Access

In November of 1987, a temporary access route was completed from Highway 37. Consisting of a tote road and barge link, the route was used to transport the 40 man camp to the mine and for the transportation of large quantities of fuel. At present, the route is utilized to move supplies to camp. A road

report has been presented to the Provincial Government and during the 1988 season, it is expected that construction of a part of the permanent road will commence.

Power Supply

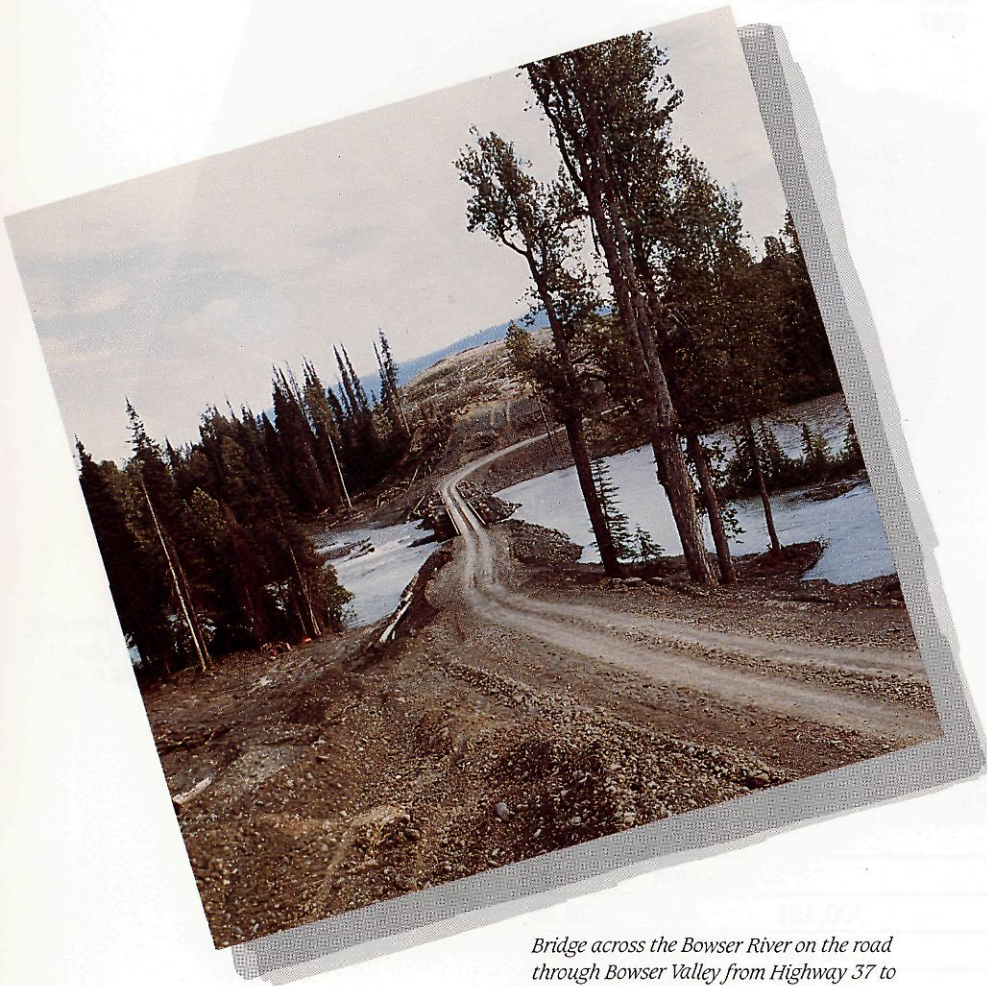
A hydro power study has shown that outflow from Brucejack Lake can be harnessed year round to provide sufficient power year round for a 500 ton per day operation. Capital costs for the facility are estimated to be under \$2 million, with payback in less than two years.

Permitting and Production Planning

The Stage I report, necessary for mine permitting, is being prepared for presentation to the Provincial Government and many components of a feasibility study are well in hand. Several consultants are under consideration for preparing the feasibility report and upon a final decision, these studies will commence. The study will be instrumental in determining mill size and design, and upon its completion, a preliminary production schedule will be outlined.

Other Properties

During the year, Newhawk entered into an agreement to earn interests in three mineral properties located in the U.S.A. There properties are held by Reliant Resources Inc. under option from Nord Resources Corporation.



Bridge across the Bowser River on the road through Bowser Valley from Highway 37 to Brucejack Lake.

Smith Canyon Property

A 35% interest can be earned by Newhawk in the Smith Canyon property, located 60 miles northeast of Wenatchee, Washington.

Earlier drilling had encountered significant gold mineralization and Newhawk conducted a 1,500 foot, eight hole surface diamond drilling program. Of the eight holes, five were completed to depth and results confirmed earlier intersections.

The best results came from holes drilled near an outcrop discovered by Nord Resources and values returned were 7.65 ounces of gold per ton and 5% copper over five feet and 1.94 ounces of gold per ton and 2.2% copper over 4.5 feet. Newhawk will conduct a US\$180,000 staged exploration program on the property in 1988, including geochemical sampling, trenching and 6,000 feet of drilling.

High Grade Property

Earlier work by FMC and Nord Resources on the High Grade Property, northeastern California, identified several anomalous gold targets. Newhawk completed an 810 foot rotary drilling program together with detailed and reconnaissance sampling. Results were disappointing and the property has since been returned to Nord.

Sliderock Property

Newhawk conducted an exploration program on the Sliderock property, 38 miles southeast of Missoula, Montana. Newhawk may earn a 30% interest in the property.

Previous exploration indicated a large gold soil geochemical anomaly. A program of geological mapping and rock

and soil sampling conducted by Newhawk defined a 3,000 foot long, 200 foot wide mineralized structure.

Thirteen vertical rotary drill holes were drilled along 900 feet of the general trend of the zone. Eleven of the thirteen holes encountered gold values in excess of .01 ounces of gold per ton. Two of the holes encountered 20 foot intersections grading .150 ounces of gold per ton and .190 ounces of gold per ton.

The potential exists for a large bulk mineable deposit. A US\$207,000 program is planned for 1988, including several drill holes to confirm the extent of the gold mineralization found last year.



A trench on the Electrum Zone, one of the many virtually unexplored targets at Sulphurets. It was this kind of surface indication that led to the development of the West Zone.

**NEWHAWK GOLD MINES LTD. (N.P.L.)
CONSOLIDATED BALANCE SHEET**

ASSETS	31 December	
	1987	1986
CURRENT		
Cash and bank term deposits	\$ 2,992,969	\$ 562,426
Accounts receivable	173,107	39,116
Prepaid expenses	—	1,260
	<u>3,166,076</u>	<u>602,802</u>
RESOURCE PROPERTIES (Note 3)	25,200,310	1,891,153
FIXED ASSETS (Note 4)	504,424	102,795
INVESTMENTS (Market value - \$170,080)	291,208	—
DEPOSIT	15,000	10,000
	<u>\$ 29,177,018</u>	<u>\$ 2,606,750</u>
 LIABILITIES		
CURRENT		
Accounts payable	\$ 578,233	\$ 16,265
 SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 5)		
Authorized:		
50,000,000 shares of no par value		
Issued and fully paid:		
9,388,380 (3,840,371) shares	32,881,473	6,870,511
DEFICIT	<u>(4,282,688)</u>	<u>(4,280,026)</u>
	<u>28,598,785</u>	<u>2,590,485</u>
	<u>\$ 29,177,018</u>	<u>\$ 2,606,750</u>

ON BEHALF OF THE BOARD:



Director



Director

- See Accompanying Notes -

**NEWHAWK GOLD MINES LTD. (N.P.L.)
CONSOLIDATED STATEMENT OF LOSS AND DEFICIT**

	Year Ended 31 December	
	1987	1986
DEFICIT - Beginning of year	\$ 4,280,026	\$ 4,253,292
Loss for the year, being write off of costs relating to properties abandoned and outside property examinations	2,662	26,734
DEFICIT - End of year	\$ 4,282,688	\$ 4,280,026

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

	Year Ended 31 December	
	1987	1986
WORKING CAPITAL PROVIDED BY (USED IN)		
Investing activities		
Resource property costs	\$ (3,298,528)	\$ (978,468)
Items not affecting working capital		
Depreciation	115,139	22,437
Share capital issued for property options	-	5,450
Share capital issued for services	34,740	20,000
Gain on disposal of fixed assets	(39,636)	(12,963)
	(3,188,285)	(943,544)
Machinery and equipment - net	(365,423)	(85,839)
Deposit	(5,000)	(5,000)
Investments	(291,208)	-
Acquisition of subsidiary	\$20,125,000	
Less: Shares issued therefore	20,125,000	-
	(3,849,916)	(1,034,383)
Financing activities		
Share capital	5,851,222	1,560,265
INCREASE IN WORKING CAPITAL	2,001,306	525,882
Changes in non-cash working capital	429,237	(6,277)
NET INCREASE IN CASH	2,430,543	519,605
Cash position - Beginning of year	562,426	42,821
CASH POSITION - End of year	\$ 2,992,969	\$ 562,426

- See Accompanying Notes -

NEWHAWK GOLD MINES LTD. (N.P.L.)
CONSOLIDATED STATEMENT OF RESOURCE PROPERTY COSTS

	Year Ended 31 December	
	<u>1987</u>	<u>1986</u>
DIRECT		
Sulphurets Joint Venture, B.C.		
Acquisition (Note 2)	\$ 20,013,291	\$ —
Salaries and wages	685,763	228,910
Field supplies and expenses	496,183	181,086
Diamond drilling	483,579	188,136
Equipment rental	406,629	58,102
Transportation	339,685	94,851
Equipment maintenance	228,384	—
Assays and metallurgy	147,051	17,534
Depreciation	109,789	5,968
Other	—	59,344
Option payments	—	45,000
Joint venture's additional contribution	(70,726)	—
Government grant	(50,000)	—
	<u>22,789,628</u>	<u>878,931</u>
Smith Canyon, Washington, U.S.A.	173,572	—
High Grade, California, U.S.A.	98,723	—
Slide Rock, Montana, U.S.A.	74,982	—
Sundry and outside property examinations	2,662	925
Corn Creek, Yukon Territory	160	—
Wheaton River, Yukon Territory		
Option payments	—	5,450
Hawk Claim, B.C.	(3,000)	—
	<u>23,136,727</u>	<u>885,306</u>
INDIRECT AND ADMINISTRATIVE - Schedule	<u>175,092</u>	<u>93,162</u>
COSTS FOR THE YEAR	23,311,819	978,468
Balance - Beginning of year	1,891,153	939,419
Costs related to rights abandoned and outside property examinations written off to deficit	<u>(2,662)</u>	<u>(26,734)</u>
BALANCE - End of year	<u>\$ 25,200,310</u>	<u>\$ 1,891,153</u>

- See Accompanying Notes -

NEWHAWK GOLD MINES LTD. (N.P.L.)
SCHEDULE OF CONSOLIDATED INDIRECT AND ADMINISTRATIVE

	Year Ended 31 December	
	<u>1987</u>	<u>1986</u>
INDIRECT AND ADMINISTRATIVE		
Management and administrative fees and expenses	\$ 186,297	\$ 30,175
Travel and promotion	117,739	63,845
Shareholders' information and meetings	65,543	25,315
Legal fees and expenses	56,942	4,673
Listing and filing fees	49,802	5,349
Office and sundry	39,625	13,419
Salaries	21,162	—
Accounting and audit fees	14,270	3,835
Transfer agent fees	9,872	6,161
Depreciation	5,350	16,469
Finders fee	—	20,000
Rental income - net	(5,714)	—
Gain on disposal of fixed assets	(39,636)	(12,963)
Interest income - net	(147,551)	(6,496)
Recovery of administrative costs	(198,609)	(76,620)
	<u><u>\$ 175,092</u></u>	<u><u>\$ 93,162</u></u>

- See Accompanying Notes -

NEWHAWK GOLD MINES LTD. (N.P.L.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS 31 DECEMBER 1987

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Consolidation

These financial statements include the accounts of the company, its wholly-owned subsidiary (Note 2), Lacana Ex (1985) Inc. ("Lacana Ex") accounted for by the consolidation method and an incorporated joint venture, Bowser Leasing Ltd. ("Bowser"), accounted for by the proportionate consolidation method.

b) Resource Properties

The company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

Mineral exploration and development costs are capitalized on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the ore reserves, while costs for the prospects abandoned are written off.

The recoverability of the amounts capitalized for the undeveloped mineral properties is dependent upon the confirmation of economically recoverable ore reserves, the ability to obtain the necessary financing to complete their development, future profitable production or proceeds from the disposition thereof.

c) Depreciation

The company provides for depreciation on its fixed assets at the rate of 30% for machinery and equipment and 15% for vessels, both on the declining balance method.

d) Segmented Information

The company's only business is exploration for and development of mineral properties in Canada and the United States. Identifiable assets employed in the United States are described in Note 3.

e) Investments

Investments in marketable securities are carried at cost or, where impairment of value is considered other than temporary market value. Interest income is recorded on an accrual basis, dividend income is recorded as received and capital gains are recorded as realized.

f) Loss per Share

Loss per share has not been calculated because it is not considered meaningful at this development stage of operations.

2. ACQUISITION OF SUBSIDIARY

Effective 30 June 1987 the company acquired all the outstanding shares of Lacana Ex (1985) Inc. ("Lacana Ex") by issuing 4,025,000 common shares at a deemed value of \$5 per share. This acquisition has been accounted for under the purchase method. Since the acquisition, Lacana Ex has been inactive.

Net assets acquired consisted of:

30% interest in Sulphurets Joint Venture	
Book value	\$ 1,511,870
Excess consideration on acquisition	18,501,421
	20,013,291
Investment in Bowser - 30%	98,870
Equipment	12,839
	\$20,125,000

The value attributed to the Sulphurets Joint Venture includes \$18,501,421 of consideration given in excess of the book value.

3. RESOURCE PROPERTIES

	<u>1987</u>	<u>1986</u>
Canada		
Sulphurets Joint Venture, B.C.	\$23,905,775	\$ 1,116,147
Other	583,675	586,515
	24,489,450	1,702,662
United States		
Smith Canyon, Washington	173,572	-
High Grade, California	98,723	-
Slide Rock, Montana	74,982	-
Other	1	1
	347,278	1
Indirect and administrative	363,582	188,490
	\$25,200,310	\$ 1,891,153

NEWHAWK GOLD MINES LTD. (N.P.L.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS 31 DECEMBER 1987

3. RESOURCE PROPERTIES - Continued

i) Sulphurets Joint Venture

The company is the operator of the Sulphurets Joint Venture with a 30% direct interest and a further 30% interest through Lacana Ex (Note 2). Administrative costs received from the joint venture under the joint venture agreement are eliminated in these financial statements.

ii) Option Agreements

The company has entered into option/joint venture agreements which, at the option of the company, require further expenditures as follows (at a United States exchange rate of 1.320%):

Smith Canyon	\$ 445,500
High Grade	509,700
Slide Rock	<u>335,300</u>
	<u>\$ 1,290,500</u>

Expenditures required to be made in periods ending 24 June are as follows:

1988	\$ 5,300
1989	427,200
1990	627,000
1991	<u>231,000</u>
	<u>\$ 1,290,500</u>

4. FIXED ASSETS

	1987	1986		
	Costs	Accumulated Depreciation	Net Book Value	Net Book Value
Machinery and equipment	\$ 559,503	\$ 121,944	\$ 437,559	\$ 102,795
Vessels	<u>70,724</u>	<u>3,859</u>	<u>66,865</u>	-
	<u>\$ 630,227</u>	<u>\$ 125,803</u>	<u>\$ 504,424</u>	<u>\$ 102,795</u>

5. SHARE CAPITAL

a) Details are as follows:

Authorized:

Effective 18 June 1987, authorized share capital was increased to 50,000,000 common shares without par value from 10,000,000 common shares without par value.

	Shares	Amount
Issued:		
Balance - 1 January 1986	2,811,463	\$ 5,284,796
Cash	1,009,622	1,560,265
Finders fee	14,286	20,000
Option payments	<u>5,000</u>	<u>5,450</u>
	1,028,908	1,585,715
Balance - 31 December 1986	<u>3,840,371</u>	<u>6,870,511</u>
Cash		
Private placements	1,382,509	5,284,197
Options and warrants	134,500	567,025
Subsidiary	4,025,000	20,125,000
Services	<u>6,000</u>	<u>34,740</u>
	5,548,009	26,010,962
Balance - 31 December 1987	<u>9,388,380</u>	<u>\$ 32,881,473</u>

During 1987, 382,509 shares were issued for cash of \$1,279,196 on a flow-through basis whereby the subscriber receives the benefit for tax purposes of the Canadian exploration expense incurred. (In 1986, 531,622 shares for \$896,765 were issued for cash on the flow-through basis.)

b) Shares Reserved:

At 31 December 1987, shares have been reserved for potential future issues as follows:

Directors' options	379,706
Employees' options	106,000
Warrants	392,500
Employee share purchase plan	442,000
Flow-through agreements	<u>305,063</u>
	<u>1,625,269</u>

NEWHAWK GOLD MINES LTD. (N.P.L.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS 31 DECEMBER 1987

5. SHARE CAPITAL - Continued

Directors and employee options provide cumulative entitlement over the terms of the agreements which expire in 1991 and 1992 to purchase shares at prices ranging from \$1.75 to \$4.20.

Warrants are exercisable at \$4.75 before 2 June 1988.

The employee share purchase plan allows full time employees of the company (or affiliated companies, as approved by the directors) to purchase shares through payroll deductions matched by the company. Shares are issued quarterly based on the average closing price for the quarter and are held in safekeeping for one year. On termination of participation in the plan, shares held in safekeeping for the participants are purchased for cancellation and the participants' and company's contributions are returned.

Flow-through shares are to be issued at prices ranging from \$6.02 to \$8.63 per share.

In connection with the acquisition of Lacana Ex, the company entered an agreement which allows Lacana Mining Corporation to maintain its percentage ownership (42.6% at 31 December 1987) by subscribing for shares on terms no less favourable than the other subscribers. Lacana Mining Corporation has subscribed for 84,474 flow-through shares at an average of \$6.64 to be issued in 1988.

c) Voting Trust Agreement

In connection with the acquisition of a 30% interest in the Sulphurets Joint Venture, the president of the company and Lacana Mining Corporation (Lacana) have agreed to vote their shares to set the number of directors at five, nominate two and three directors respectively and vote for each other's nominees.

The agreement is effective until 12 November 1992, but ceases (at Lacana's option) if the president's employment is terminated or if Lacana is not the largest single shareholder.

6. RELATED PARTY TRANSACTIONS

During the years ended 31 December 1987 and 1986 the company paid \$6,000 for management and consulting fees to a company whose sole shareholder is related to a director of the company.

AUDITORS' REPORT

To the Shareholders of Newhawk Gold Mines Ltd. (N.P.L.)

We have examined the consolidated balance sheet of Newhawk Gold Mines Ltd. (N.P.L.) as at 31 December 1987 and the consolidated statements of loss and deficit, changes in financial position and resource property costs for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the company as at 31 December 1987 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

3 March 1988
Burnaby, B.C.

SMITH, FLYNN, STALEY

Chartered Accountants

CORPORATE INFORMATION

Directors & Officers

D.A. McLeod,* †
President & Chief Executive Officer,
Newhawk Gold Mines Ltd. (N.P.L.)

F.G. Hewett, P.Eng.,*
Vice President, Exploration Manager,
Newhawk Gold Mines Ltd. (N.P.L.)

N. Goodman,*
Chairman,
Royex Gold Mining Corporation

G. Leathley,* †
President,
Lacana Mining Corporation

A.P. Walsh,* †
Vice President, Finance,
Lacana Mining Corporation

G.M. Sharp,
Secretary,
Newhawk Gold Mines Ltd. (N.P.L.)

* Director
† Member Audit Committee

Executive Office

Suite 860 - 625 Howe Street
Vancouver, B.C. V6C 2T6

Telephone (604) 687-7545
Telecopier (604) 689-5041

Solicitors

Boughton & Company
Vancouver, B.C.

Angus, McClellan & Rubenstein
Vancouver, B.C.

Bankers

The Royal Bank of Canada
Vancouver, B.C.

Auditors

Smith, Flynn, Staley
Burnaby, B.C.

Transfer Agent

Canada Trust Company
1055 Dunsmuir Street
Vancouver, B.C. V7X 1P3

110 Yonge Street
Toronto, Ontario M5C 1T4

Registered Office

16th Floor, 1100 Melville St.
Vancouver, B.C.

Common Stock Listed On:

Toronto Stock Exchange
Vancouver Stock Exchange

Stock Symbol: NHG

Annual General Meeting

The annual meeting of shareholders of Newhawk Gold Mines Ltd. will be held in the Shuswap Room, of the Four Seasons Hotel, 971 West Georgia Street, Vancouver, British Columbia, at 10:00 a.m. on June 17, 1988.

NEWHAWK GOLD MINES LTD. (N.P.L.)

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