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GRANDUC MINES LTD.
NEWHAWK GOLD MINES LTD. (NHG-T)
PLACER DOME INC.

AGREEMENTS COMPLETED - Newhawk Gold Mines has closed the sale to Placer Dome Inc. of 100% of the Sulphside portion of the Sulphurets property 40 miles north of Stewart, B.C. Since 1985, the property has been under development by Newhawk as operator, holding a 60% interest and Granduc holding a 40% interest in the entire property. Recently, the property was divided into three distinct areas: the Sulphside, Snowfields and Bruce side areas.

With the completion of these agreements, neither Newhawk nor Granduc retain any interest in the Sulphside area. Newhawk's interest in the Snowfield area increases to 100% without any underlying royalties or interests. Ownership of the Bruce side Area remains unchanged with Newhawk 60% and Granduc holding 40%.

In the agreement with Granduc, Newhawk purchased Granduc's 40% interest in the Snowfields and Sulphside areas for \$3,500,000. In the agreement with Placer, Newhawk sold a 100% interest in the Sulphside area to Placer for \$7,200,000. Newhawk received a net \$3,700,000 from the sale, bringing Newhawk's cash position to over \$7,000,000. The company is debt free.

A 1992 exploration program is being planned for the Bruce side area, which includes the West Zone, Shore Zone and several other surrounding zones, with particular emphasis on the West Zone. The Snowfield area includes the Snowfields zone which holds significant potential to develop into a bulk tonnage open pit gold deposit. Step-out drilling and trenching conducted in 1991 indicate the zone could be increased from the present 7,000,000 tons of 0.075 oz. gold/ton. Newhawk is considering a possible joint venture in the Snowfield area from major mining companies.

Newhawk is searching for mineral project in Mexico and the U.S. Initial field examinations is to start in Feb. (SEE GCNL No.3, 6Jan92, P.1 FOR PREVIOUS DATA)

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