

NO.3(1992)

JANUARY 6 1992

# George Cross News Letter

*Reliable Reporting*

## NEWHAWK GOLD MINES LTD. (NMG-T)

BUY SELL AND EXPLORATION OF - Newhawk Gold Mines has  
SULPHURETS PROPERTIES REVIEWED agreed to sell a 100%  
interest in a portion

of the Sulphurets property, 40 miles north of Stewart,  
B.C., identified as the Sulphside area, for C\$7,200,000  
to Placer Dome Inc. Newhawk has an option from Granduc  
Mines Ltd., effective until 28Feb92, to buy Granduc's  
40% interest in the Sulphside and Snowfield areas of the

Sulphurets property for C\$3,500,000.

Completion of these agreements will bring Newhawk's  
cash position to over C\$7,000,000 and increase Newhawk's  
ownership in the Snowfield Area to 100%. Prior to this  
series of buy/ sell agreements Newhawk had uncommitted  
cash of \$3,500,000. Newhawk continues as operator and  
retains its 60% ownership in the Bruce side Area. (SEE  
AREA IWP OVERLEAF P. 1).

The Snowfield area includes the Snowfield zone  
which holds significant potential to develop into a bulk  
tonnage mineable open pit gold deposit. Step out  
drilling and trenching conducted in 1991 indicates that  
the ultimate tonnage developed on the zone could be well  
in excess of the previously reported reserves of  
7,000,000 tons grading 0.075 oz. gold/t. Newhawk may  
invite joint venture participation from major mining  
companies as one of its strategies for the development  
of the Snowfield Zone.

The planning of exploration and development in 1992  
of the Bruce side area is in progress with particular  
emphasis on the area of the West Zone. Extensive  
underground and surface work has been conducted on the  
Bruce side area since 1985. Geological reserves on the  
West Zone total 826,400 tons grading 0.449 oz. gold/t  
and 18.9 oz. silver/t.

In 1990 a production decision on the West Zone was  
deferred pending a return to higher metals prices.  
However, the addition of reserves in the many promising  
surrounding zones could advance the possibility of  
production for this zone.

Newhawk is seeking new projects in the U.S and  
Mexico.

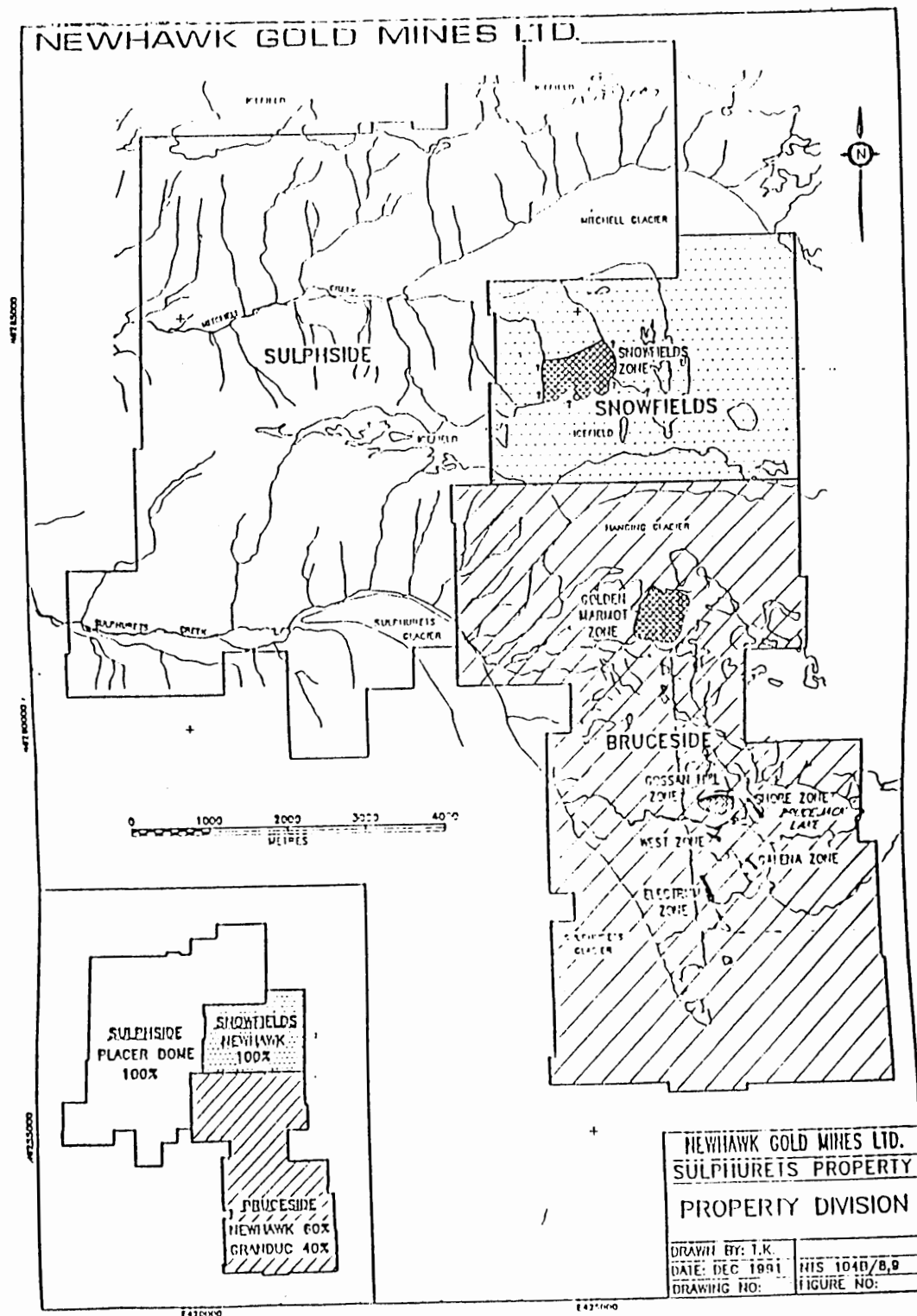
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