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George Cross News Letter

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NEWHAWK GOLD MINES LTD. [NHG-T] GRANDUC MINING CORP. [GDC-T,V] 11,735,439 SHS.

SULPHURETS DRILL RESULTS - Donald A. McLeod, president, Newhawk Gold Mines Ltd., has

reported the field crew mobilized to the Sulphurets property at the end of June, and surface drilling began 9Jul94. The property, located about 60 km north of Stewart, B.C. is a joint venture with Granduc Mining Corp. Newhawk holds 60% of the joint venture and acts as operator. Previous work on the claims defined numerous significant zones including the West Zone with a geologic resource of 825,000 tons averaging 0.450 oz. gold/ton with 18.89 oz. silver/ ton.

To date, this year, a total of 3,273 metres of diamond drilling in nine holes has been completed, with two holes on the West Zone, two to test R-8 extensions, one on the Bielecki Zone and four at Gossan Hill. Values reported are all uncut.

Results have been received for the two West Zone holes, which were drilled to test the zone at 50 and 100-metre step-outs to the northwest of previous drilling at about the 1,100-metre level.

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|----------------|-------------------|--------|-------|--------|
| HOLE | INTERVAL | LENGTE | @OLD | SILVER |
| NO. | MRTRES | METRES | OZ/T | OZ/T |
| 394-442 | 219.4-222.7 | 3.3 | 0.150 | 10.21 |
| | 241.6-243.6 | 2.0 | .188 | . 15 |
| | 247.6-250.6 | 3.0 | .142 | 1.37 |
| | 269.5-273.6 | 4.1 | .702 | . 92 |
| incl. | 272.0-272.5 | . 5 | 5.062 | 5.89 |
| | 299.9-301.1 | 1.1 | .219 | .40 |
| | 315.0-318.8 | 3.8 | . 235 | 14.49 |
| OR | 219.4-318.8 | 99.4 | . 075 | 1.26 |
| S94-443 | 248.8-249.8 | 1.0 | .114 | 2.20 |
| | 272.6-273.6 | 1.0 | .108 | 7.45 |
| | 363.8-364.8 | 1.0 | .185 | 4.28 |

Hole 442 is significant in that it is the most western hole drilled on the West Zone at this depth. The hole intersected a wide, low grade halo, with higher grades within it, that indicates new ore shoots may be present to the west. Further drilling is planned to test this interpretation. Partial results have been received from 3 holes spaced 100 metres apart on the PM and Tommyknocker zones at Gossan Hill, 150 and 50 metres respectively, north of the West Zone.

| HOLE | INTERVAL | LENGTH | GOLD | SILVER |
|---------|-------------|--------|--------------|--------------|
| NO. | METRES | METRES | 0 Z/T | OZ/T |
| 894-447 | 127.5-128.5 | 1.0 | 1.939 | _ PM 1/2 |
| 594-448 | 408.0-411.1 | 3.1 | . 809 | Tommyknocker |
| incl. | 408.0-409.0 | 1.0 | 2.318 | |
| S94-449 | 426.3-427.0 | .7 | 45.865 | Tommyknocker |

As only selected assays have been received from the above

holes, further results are necessary to establish the total width of the above zones, and other zones that may occur in the holes.

On the Tommyknocker the high grade intersections in holes 448 and 449 are at 200 and 225 metres below surface respectively, and are interpeted to be part of the same zone intersected near surface in earlier drill holes that reported similar high grades. Further drilling is planned to test the potential for significant ounces in the Tommyknocker system.

Three holes (S94-444 to 446) tested prospective R-8 and Bielecki zones with no significant results. Further drilling is planned to test the down plunge and along strike extension of the R-8 zone. Drilling on the property is planned to continue until late September. (SEE GCNL NO.116, 17Jun94, P.3 FOR PREVIOUS PROJECT INFORMATION AND MAP)

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