

NEWHAWK GOLD MINES LTD. (NHG-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 Bruceside Area. (SEE AREA MAP 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 Bruceside area is in progress with particular emphasis on the area of the West Zone. Extensive underground and surface work has been conducted on the Bruceside 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.

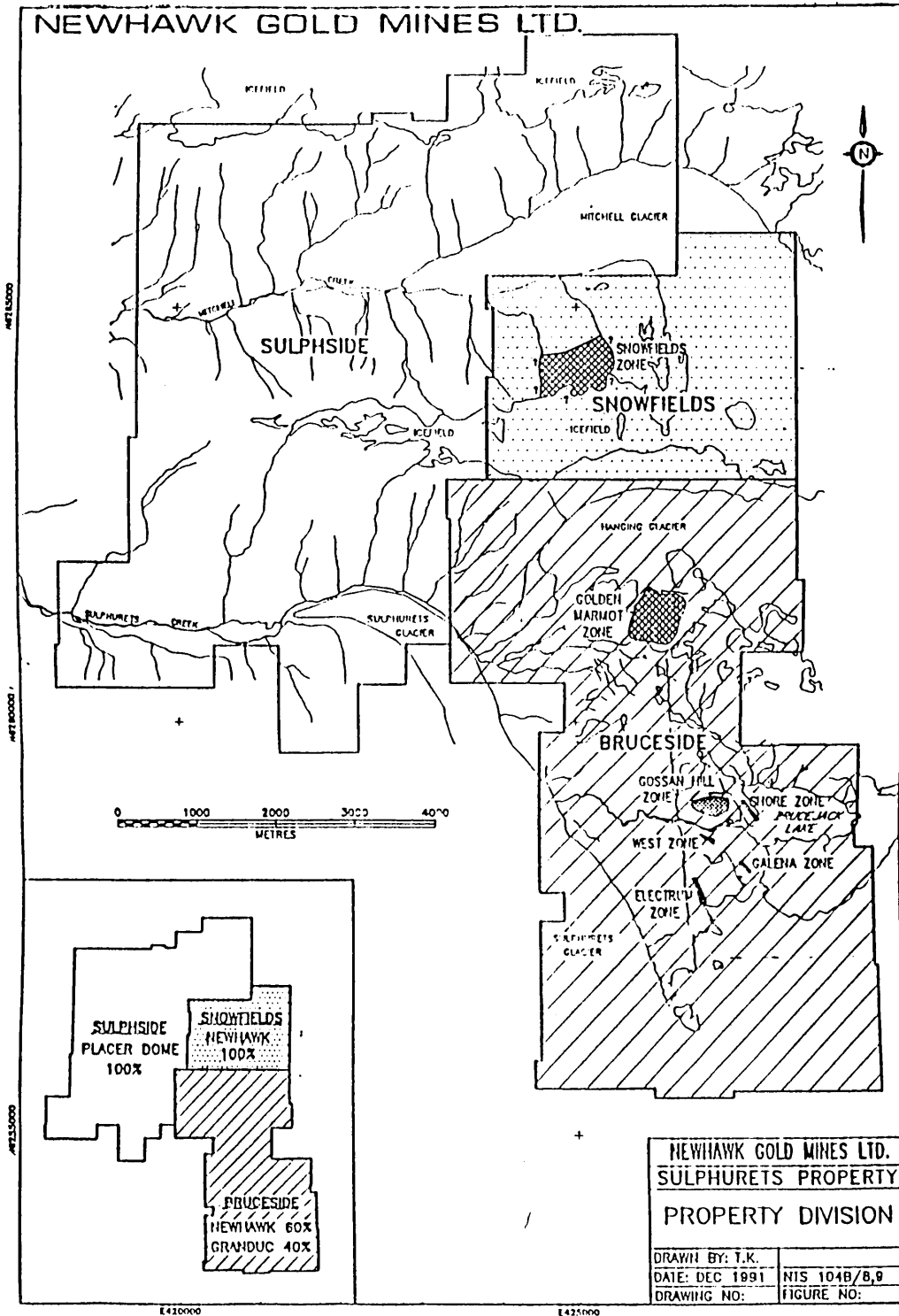
In 1990 a production decision on the West Zone was deferred pending a return to higher metals prices. However, the addition of reserves in the many promising surrounding zones could advance the possibility of production for this zone.

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

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# George Cross News Letter

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