



MIRAMAR MINING CORPORATION

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Miramar Signs Agreement in principle on Northern Orion - Restructuring would allow both Companies to Maximize value of their Assets -

VANCOUVER -- Miramar Mining Corporation today announced that it has an agreement in principle with 1341180 Ontario Limited ("Ontario Ltd."), a private company owned and controlled by Robert Cross, former Vice Chairman of Yorkton Securities, in respect of Miramar's equity and debt holdings in Northern Orion Explorations Ltd.

Under the terms of the agreement in principle, Ontario Ltd. will provide immediate working capital of \$1.5 million to Northern Orion by private placement, Miramar will restructure its debt and equity position in Northern Orion, and Ontario Ltd. will have an option to acquire the majority of the Northern Orion debt and equity held by Miramar for a period up to June 30, 2002. If the option is fully exercised, Miramar would realise proceeds of approximately \$4.8 million, retain 10 million shares in Northern Orion and the existing Net Smelter and Proceeds Royalty.

"This agreement in principle provides Miramar with the potential to realise significant value on its investment in Northern Orion, while eliminating the need for any additional funding from Miramar," said Miramar's President & CEO, Tony Walsh. "This is part of our continuing efforts to maximize the value of Miramar's assets so that we can focus on the development of our Northern Platform: Hope Bay and our Yellowknife operations." This agreement in principle is the result of efforts over the past year to realise value from Miramar's holdings in Northern Orion. "Northern Orion has required significant funding and management time from Miramar over the past several years, value that we believe is better invested in our Northern Platform," said Mr. Walsh. "Northern Orion is no longer a strategic asset for Miramar and this transaction will eliminate the need for additional support from Miramar." As a result of the proposed transaction, Northern Orion would become fully independent of Miramar.

Proposed Transaction

As at September 30, 2000, Miramar owned approximately 55.7 million of the approximately 89.4 million shares issued in Northern Orion, representing 62.4% of the issued capital. Further, Miramar holds a Convertible Debenture with a convertible value of approximately \$21.2 million, notes and loans totaling approximately \$6.8 million due from Northern Orion and a net smelter and proceeds royalty over Northern Orion's copper properties.

Under the terms of the agreement in principle, Miramar, Northern Orion and Ontario Ltd. agree to the following:

1. Ontario Ltd. will purchase by private placement \$1.5 million Northern Orion units at \$0.15 per unit, each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable to acquire an additional common share for two years at a price of \$0.175 in the first year and \$0.20 in the second year.

2. Miramar will convert the convertible portion of its Convertible Debenture (estimated at \$21.2 million at January 31, 2001) into common shares of Northern Orion at \$1.47 per share as provided for under the terms of the Convertible Debenture, resulting in approximately 14.4 million new shares of Northern Orion being issued to Miramar, for a total of 70.0 million shares held.
3. Miramar will restructure the remaining debt it holds in Northern Orion into a New Note in the amount of \$6.8 million, which will be convertible into common shares of Northern Orion at \$0.15 per share of Northern Orion.
4. Miramar will provide Ontario Ltd. with an option to acquire on or before June 30, 2002:
 - a. All Northern Orion shares held by Miramar, excluding 10 million shares which Miramar will retain, at a price of \$0.08 per share in blocks of 5 million shares or more;
 - b. 50% of the New Note for \$10 once Ontario Ltd. has purchased at least \$3 million in Northern Orion shares from Miramar in (a) above;
 - c. The remaining 50% of the New Note for \$10 once Ontario Ltd. has purchased 80% of the NNO shares held.
5. Miramar will reduce the maximum payable under its net smelter and proceeds royalty from \$18 million to \$15 million but will retain the right to receive 50% of the proceeds of the sale of any interests in the Agua Rica and Mantua properties, and a 2.5% net smelter royalty on Northern Orion's share of any production from the Agua Rica and Mantua properties.
6. During the period of the option, Miramar's shares in Northern Orion will be subject to a voting trust and a first right of refusal in favour of the management of Northern Orion, and Miramar will retain two members on the board of Northern Orion subject to the level of its shareholdings in Northern Orion.
7. Execution of final agreements between the parties is subject to, among other things, any required board, shareholder, exchange and regulatory approvals.

"This agreement allows both companies to go forward and pursue their goals," said Mr. Walsh. "I believe this is the best way for Miramar to maximize the value of its holdings in Northern Orion while avoiding the need to continually invest significant cash and management time. Should Northern Orion be successful, then Miramar has the potential to realise significant future benefit from its remaining share position and net smelter and proceeds royalty."

Final agreements and required approvals are in process and these are expected to be completed on or about March 14th, 2001.

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†This News Release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 concerning the proposed reorganization of the Company's interest in Northern Orion Explorations Ltd.. These forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in this forward-looking statement, including, without limitation, the failure of the parties to agree on the specific terms of formal agreements required to effect the transactions contemplated; board of directors, shareholder or regulatory approvals not being obtained by either the Company or Northern Orion; any party failing to perform any of the agreements required to effect the transactions contemplated; and other risks and uncertainties, including those described in the Company's Annual Report on Form 20-F for the year ended December 31, 1999 and Reports on Form 6-K filed with the Securities and Exchange Commission.

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