



# HOPE BAY JOINT VENTURE

Miramar Mining Corporation - Hope Bay Gold Corporation Inc.



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HGC - TSE  
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MAENF-OTC Bulletin Board

## *Miramar Mining & Hope Bay Gold Agree to Sell Elu Belt near Hope Bay*

**VANCOUVER** –Miramar Mining Corporation and Hope Bay Gold Corporation today reported that they have agreed to sell to Sherwood Petroleum Corporation (“Sherwood”), approximately 10,000 hectares in 11 Crown mineral claims on the Elu greenstone belt in Nunavut Territory. The Elu Property is located approximately 30 kilometres northeast of the Hope Bay belt, an 80km long greenstone belt where Miramar and Hope Bay Gold currently have a major exploration program underway to potentially expand a previously announced gold resource\*.

“Once finalized, this agreement will result in each of Miramar and Hope Bay Gold holding 27% of the issued and outstanding shares of Sherwood\*. This provides Miramar and Hope Bay Gold with the opportunity for a separate company to focus entirely on the potential of the Elu belt.” said Tony Walsh, Miramar’s President and CEO. “With the abundance of opportunities on the Hope Bay belt, the Elu belt was not a priority for the Hope Bay Joint Venture. This agreement will allow Miramar and Hope Bay Gold to benefit from any potential discoveries on the Elu belt, without diverting energies and financial resources from exploration at Hope Bay\*.”

The Elu belt is a typical greenstone belt, comprised of mafic and felsic volcanics with minor sediments, and is transected by a north trending iron carbonate altered shear zone. This geologic setting is analogous to that of the Hope Bay belt and the two belts may be geologically related\*. Reconnaissance exploration of the Elu belt by the Hope Bay Joint Venture during 2000 identified several targets prospective for the discovery of gold mineralization\*. However, given the large number of prospective targets identified within the Hope Bay belt, no work was planned for the Elu belt in 2001 and Miramar and Hope Bay Gold determined that the potential of the Elu belt could be better evaluated by separately funding these activities.

“We have just begun the evaluation of the potential of the Elu belt,” reported David Fennell, Hope Bay Gold’s Chairman and CEO. “The geologic similarities between the Hope Bay and Elu belts suggest potential for the discovery of gold deposits in settings similar to those discovered at Hope Bay and Sherwood will now give the Elu Belt the attention it deserves\*.” Following closing of the purchase agreement, Sherwood proposes to undertake a significant summer exploration program to evaluate the potential of the Elu belt\*.

### **Terms of Sale**

Sherwood has agreed to acquire all of Miramar’s and Hope Bay Gold’s rights in the Elu Property in consideration of the issuance by Sherwood of 10,000,000 units of Sherwood (5,000,000 units to each of Miramar Hope Bay Ltd. (the subsidiary that owns Miramar’s interest in Hope Bay) and Hope Bay Gold) at a deemed price of \$0.25 per unit. Each unit will be comprised of one common share in the capital of Sherwood and one common share purchase warrant of Sherwood. Each warrant will entitle the holder to

purchase one additional common share during the period expiring two years from date of the issuance of the warrants at a price of \$0.40 per common share, payable in cash.

Sherwood will have the right to acquire any additional mineral claims staked within a perimeter of 7km east and west and 20km north and south of the Elu property, but Sherwood cannot acquire any properties within 10km of the existing Hope Bay properties.

This agreement is subject to, among other things, approval by the shareholders of Sherwood and to regulatory approval. Closing of the agreement is targeted to allow a summer work program to be undertaken.

### **Sherwood**

Sherwood is a CDNX listed company with approximately 5.1 million shares issued. As a condition of closing, Sherwood must raise \$800,000 primarily to fund work at Elu and for general corporate purposes. Sherwood intends to complete a brokered private placement of a minimum of 3,200,000 units at a price of \$0.25 per unit for minimum gross proceeds of \$800,000.

### **Map**

A map locating the areas described herein is attached to this news release. If you are missing this map, please download this news release from Miramar's or Hope Bay Gold's websites at <http://www.miramarmining.com/> or <http://www.hbgold.com/>, to which they are attached, or contact us at the numbers listed below.

*\*The statements contained in this News Release relating to the agreement with Sherwood Petroleum Corporation are forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. 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: required shareholder or regulatory approvals of the agreement not being obtained; Sherwood being unable to raise the financing required to complete future work on the Elu belt; changes in planned work resulting from weather, logistical, technical or other factors; the results of work not fulfilling expectations and not realizing perceived potential; Sherwood in future pursuing business opportunities other than exploration of the Elu belt accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; and other risks and uncertainties, including those described in the Miramar'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 and Hope Bay Gold's Annual Information Form ("AIF") filed with the Ontario Securities Commission, the Quebec Securities Commission, and other regulatory authorities, respectively. Hope Bay Gold Corporation's AIF was filed under the previous name of Cambiex Exploration Inc.*

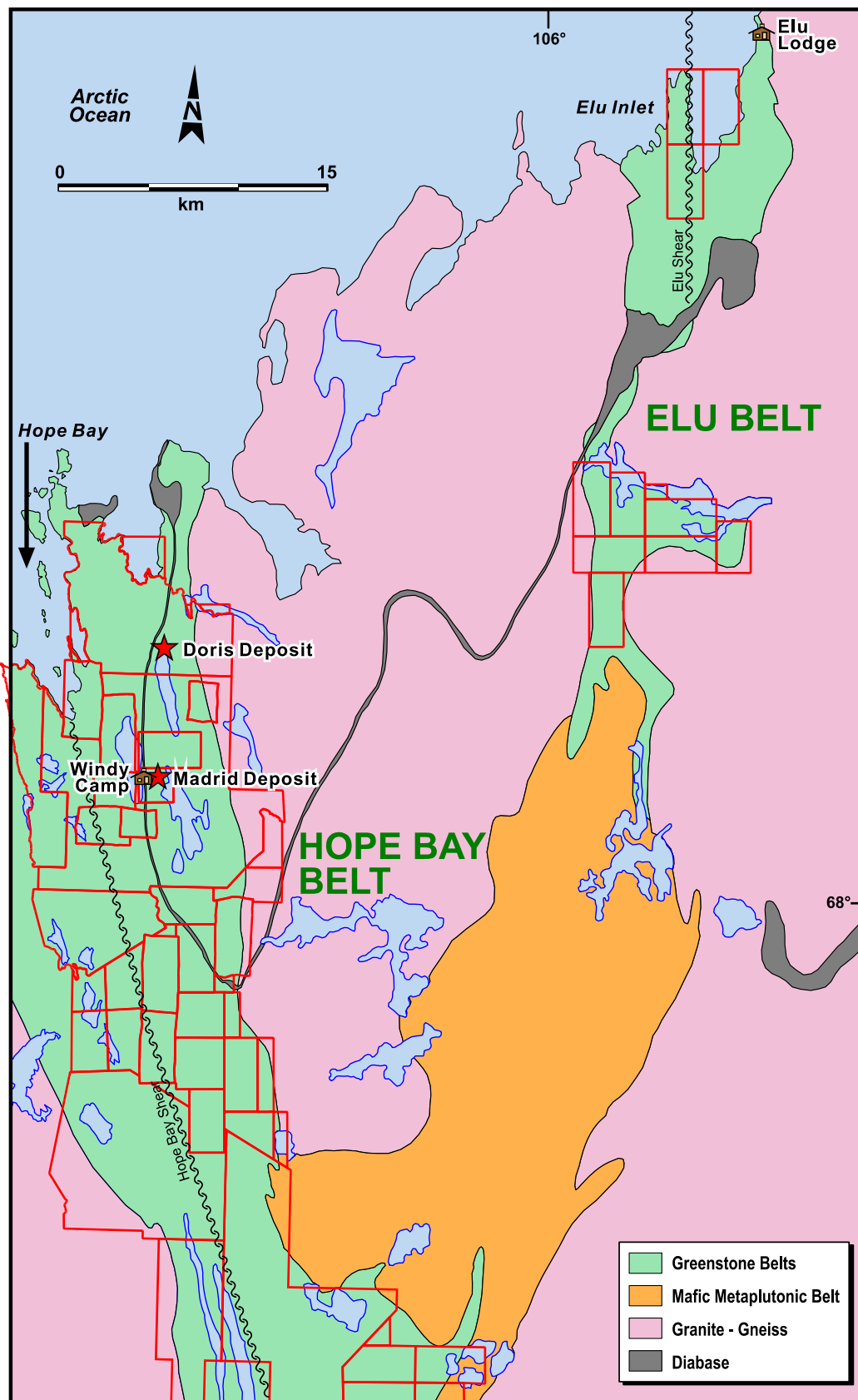
*All resource estimates reported in this disclosure are calculated in accordance with the Toronto Stock Exchange national Instrument 43-101 and the Canadian Institute of Mining and Metallurgy Classification system. These standards differ significantly from the requirements of the United States Securities and Exchange Commission, and resource information reported in this disclosure may not be comparable to similar information reported by United States Companies. The terms "Resource(s)" does not equate to "reserves" and normally may not be included in documents filed with the Securities and Exchange Commission. "Resources" are sometimes referred to as "mineralization" or "mineral deposits". Certain forward-looking statements in this news release are indicated with a "\*".*

This news release has been authorized by the undersigned on behalf of Miramar Mining Corporation and Hope Bay Gold Corporation Inc., respectively.

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Elu Belt and Surroundings

