MIRAMAR MINING CORPORATION

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Miramar's Yellowknife Operations Meet Third Quarter Expectations

- Operations remain cash positive while making significant reductions to the arsenic liability -

VANCOUVER -- Miramar Mining Corporation announced today that its Yellowknife operations, the Con and Giant Mines, produced and shipped a total of 32,023 ounces of gold at a cash cost of US$248 per ounce during the third quarter of 2001, versus 29,998 ounces of gold at a cash cost of US$260 per ounce in the same period of 2000. This brings nine month 2001 production to 97,960 ounces of gold at a cash cost of US$256 per ounce versus 86,216 ounces at a cash cost of US$272 per ounce during the same period in 2000.

“Production at the Yellowknife operations achieved third quarter expectations,” said Tony Walsh, Miramar's President and CEO. “We expect to meet or exceed our production forecast for 2001 of 125,000 ounces of gold at cash costs of US$260 per ounce. Moreover, our operations continue to deliver on our strategy of generating free cash flow at current commodity prices while completing concurrent reclamation,” added Mr. Walsh. Collectively the Con and Giant Mines generated approximately $1.6 million in free cash flow during the quarter, after accounting for all direct site mining, milling and administrative costs, all mine development and capital expenditures and all concurrent arsenic remediation and reclamation activities. As a result of the projected cash flow generation in Yellowknife, the Company expects that its net cash balance at the end of the third quarter will decrease only modestly versus that at June 30, 2001.

Production

During the quarter, the Con Mine delivered 77,271 tons grading 0.35 oz/ton gold, while the Giant Mine delivered 18,118 tons grading 0.40 oz/ton gold for processing. Combined, the mines delivered 32,023 shipped ounces of gold, which was in line with expectations. Free mill grades at the Con Mine were more in line with the reserve grade for areas mined, averaging approximately 0.37 oz/ton gold.

Outlook

“Sustained positive performance from the Yellowknife operations bodes well for the remainder of the mine life,” said Mr. Walsh. The outlook for 2002 is for a production level slightly higher than that forecast for 2001, but with a further reduction in net costs, and similar levels of production and low costs through most of 2003. At current Canadian dollar gold prices, it is anticipated that the Yellowknife operations should generate significant free cash flow towards the funding of the Company’s activities in 2002, including Miramar’s share of the Hope Bay project. Management continues to evaluate ways to further enhance operating performance and to potentially extend the operating life.

Accelerated Arsenic Treatment

Considerable progress was made during the quarter to reduce the environmental liability at the Con Mine. Independent engineering consultants, Fluor Daniel Wright, oversaw arsenic reclamation efforts and were successful in achieving targeted treatment rates. For the quarter a total of 4,555 tons of arsenic wastes were treated in the autoclave, leaving an estimated 18,000 tons to be treated. Based on the performance of the autoclave to date, all of the Con arsenic wastes would be processed by the end of 2002, well ahead of the original scheduled completion in early 2004. In addition, an excess of arsenic was reclaimed and stockpiled during the quarter to provide sufficient autoclave feed over the winter months.

Giant Mine Agreement

On August 2, 2001, Miramar announced that it's wholly owned subsidiary, Miramar Giant Mine Limited, had reached an agreement in principle with the Federal Department of Indian Affairs and Northern Development (DIAND) to extend operations at the Giant Mine. Commencing December 14, 2001 and throughout the period of extended operations, DIAND has agreed to fund $300,000 per month towards property costs that DIAND would have been responsible for, including environmental compliance and holding at the Giant Mine, had operations ceased and the property been returned to DIAND. Under the previous agreement these costs had been borne by Miramar as part of the operating costs. The extended agreement benefits all parties: DIAND realizes lower annual holding costs as a result of sharing holding costs with an ongoing operation, Miramar continues to provide low cost incremental ore to its Con milling facilities, and the City of Yellowknife and the Government of the NWT continue to realize the benefits derived from local employment. The existing environmental indemnity from DIAND and reclamation security provisions of the existing agreements between Miramar Giant and DIAND will continue unaffected by the new agreement. The agreement in principle is expected to be finalized by the end of October, subject to the execution of formal documentation satisfactory to both parties.

For further information on this news release or other Miramar news please see our website at www.miramarmining.com.

This News Release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 concerning the Company's plans for the operation of the Con and Giant Mines, projected production, cost and cash flow information, projected ability of cash flow to cover anticipated cash costs, projected arsenic sludge treatment the Company's cash balance at the end of the third quarter of 2001 and completion of the agreement in principle with DIAND respecting the Giant Mine 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 these forward-looking statements, including, without limitations, risks and uncertainties relating to fluctuating precious and base metals prices; uncertainties in interpreting drilling and other test results; uncertainty as to the actual ore grade and recovery rates; accidents, equipment breakdowns, labour disputes and severance costs or other unanticipated difficulties with or interruptions in production; possible problems with the arsenic waste processing program; the possibility of unexpected costs and expenses, including costs and expenses relating to environmental issues, the possibility that the Company will change existing plans and embark on new initiatives requiring additional cash expenditures; uncertainties relating to the need for government approvals and the cooperation of DIAND and other government agencies in regards to the environmental liabilities of returning the Giant mine to DIAND and other risks and uncertainties, including those described in the Company's Annual Report on Form 20-F for the year ended December 31, 2000 and Reports on Form 6-K filed with the Securities and Exchange Commission.

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