



# MIRAMAR MINING CORPORATION

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## ***Miramar Mining Reports Third Quarter Financial Results***

*Mining Operations continue to Generate Free Net Cash*

**Vancouver, BC** – Miramar Mining Corporation today announced the financial results of the third quarter of 2001. Mining operations in Yellowknife continued to generate free net cash despite continued weak gold prices. As a result of the solid performance by the Miramar's operations, Miramar's balance sheet remains strong with working capital of \$16.4 million at September 30, 2001.

"During the third quarter of 2001 our Yellowknife mining operations continued to deliver solid results, once again generating free net cash at current commodity prices while doing concurrent reclamation," said Mr. Walsh, President & CEO. "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, our Yellowknife operations generated \$1.6 million in free net cash. These funds were available to fund Miramar's other activities, and maintain the strength of our balance sheet," said Mr. Walsh.

### ***Operations***

During the third quarter of 2001, 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, versus 29,968 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 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. It is expected that Miramar should meet or exceed production targets of 125,000 oz at a cash cost of US\$260 per ounce for the year. The outlook for 2002 for the combined Yellowknife operations is for a production level slightly higher than 125,000 ounce of gold and for cash operating costs less than the US\$240 per ounce. For further details on Miramar's third quarter operations, please see the news release dated October 23, 2001 at [www.miramarmining.com](http://www.miramarmining.com)

### ***Financial Results***

Miramar's consolidated loss of \$0.7 million (\$0.01 per share) in the third quarter of 2001 compares to a loss of \$34.7 million (\$0.66 per share) for the same period in 2000. The loss during 2000 was primarily a result of a write-down in mineral properties of \$32.7 million associated with the Company's Northern Orion subsidiary. The loss before write-downs in the third quarter of 2000 was \$1.9 million (0.03 per share). Losses in the third quarter of 2001 are essentially as expected with the exception of the ongoing reclamation costs in Nevada and arsenic remediation costs at the

Con Mine. During the three-month period ending September 30, 2001, Miramar reported consolidated cash flow from operations of \$2.7 million compared to \$0.95 million in the second quarter of 2001 and \$1.5 million for the third quarter of 2000. Corporate overhead levels continue to fall, down to \$0.7 million from \$1 million in the third quarter of 2000. During the second quarter of 2001, Miramar ceased to account for its investment in Northern Orion Explorations Ltd on a consolidation basis as the result of Northern Orion's completion of a refinancing, but continues to report its share of Northern Orion's losses on an equity basis.

Miramar ends the period to September 30, 2001 with a working capital of \$16.4 million, compared to \$17.1 million at June 30, 2001. Of the \$16.4 million, \$11.5 million is cash and cash equivalents and is essentially unchanged from the cash and cash equivalent position of \$11.6 million at June 30, 2001.

In the third quarter, Miramar realized an average selling price of C\$426 per ounce of gold, which compares favourably to the average spot price of C\$424 for the quarter. Miramar realized an average exchange rate of 1.553 Canadian on US dollar revenues during this period.

### ***Hedging***

As at September 30, 2001, the Company had the following gold contracts outstanding:

	Ounces	Average price per ounce	Anticipated delivery/expiry
Gold forward sales contracts	27,900	US\$282	Q4 2001
Gold call options sold	5,000	US\$280	Q4 2001
Gold call options sold	5,000	US\$300	Q4 2001
Gold call options sold	18,000	US\$285	2002
Gold call options sold	18,000	US\$285	2003

### ***Hope Bay Joint Venture ("HBJV")***

The Phase 3 work program at Hope Bay was conducted from July through September 2001 and evaluated a number of exploration opportunities on the belt. The Phase 3 budget also includes funding for a preliminary assessment or scoping study to evaluate alternative development scenarios for the Hope Bay project to guide future activities. The results of this study, along with a new geological resource calculation, should be completed by year-end.

Also during the quarter, the Hope Bay Joint Venture completed the sale of its claims on the Elu Greenstone belt in Nunavut Territory to Sherwood Mining Corporation. The agreement gives each of Miramar and Hope Bay Gold Corporation approximately 27% of the issued and outstanding shares of Sherwood, a company now focused on developing the potential of the Elu belt, an area in which the HBJV had no immediate plans to explore. Sherwood has reported results indicating potential for volcanogenic massive sulphide mineralization in two separate trends in the Elu belt.

For further information on this news release or other Miramar news please see our website at [www.miramarmining.com](http://www.miramarmining.com).

All financial results in this news release are reported in accordance with Canadian Generally Accepted Accounting Principles and all dollar amounts are quoted in Canadian dollars unless otherwise indicated.

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 and cost information, 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 the forward-looking statements, including, without limitation, 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; the possibility of cost overruns and unexpected costs and expenses, including costs and expenses relating to environmental issues; 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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# MIRAMAR MINING CORPORATION

Consolidated Balance Sheets  
(expressed in thousands of dollars)

September 30, 2001 and December 31, 2000

	2001 (unaudited)	2000
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$11,534	\$17,670
Accounts receivable	1,809	1,967
Inventory	9,751	9,207
Prepaid expenses	990	1,065
	24,084	29,909
Capital assets	69,156	117,859
Cash collateral deposits	4,528	4,546
Equity investment in Northern Orion Explorations Ltd. (note 3)	5,179	0
Other assets	14	203
	\$102,961	\$152,517
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$7,698	\$8,711
Reclamation liability	7,951	7,689
Deferred post-retirement benefits	1,700	1,556
Future income tax liability	3,360	1,680
Future income tax liability of subsidiary	0	15,990
Non-controlling interest	0	32,142
	20,709	67,768
Shareholders' equity:		
Share capital	233,251	231,282
Deficit	(150,999)	(146,533)
	82,252	84,749
	\$102,961	\$152,517

# MIRAMAR MINING CORPORATION

Consolidated Statements of Operations and Deficit  
(expressed in thousands of dollars except share amounts)

For the three month and nine month periods ended September 30, 2001 and 2000

	Three months ended 30-Sep-01 (unaudited)	Three months ended 30-Sep-00 (unaudited)	Nine months ended 30-Sep-01 (unaudited)	Nine months ended 30-Sep-00 (unaudited)
Revenue:				
Sales	13,778	12,191	40,804	36,455
Other income	344	377	721	1,141
	14,122	12,568	41,525	37,596
Expenses:				
Cost of sales	11,353	11,317	35,169	31,768
Depreciation and depletion	2,222	2,125	7,021	7,052
General and administration	646	989	2,027	2,861
Administration costs in Northern Orion	-	-	180	-
Exploration	69	14	81	94
Foreign exchange loss	(154)	(160)	(151)	(72)
Reclamation	608	383	1,317	970
Severance and terminations	-	-	93	-
Write down of mineral properties	-	32,720	-	33,036
	14,744	47,388	45,737	75,709
Loss from operations before non-controlling interest and equity loss of Northern Orion	622	34,820	4,212	38,113
Equity in loss of Northern Orion	105	-	363	-
Non-controlling interest	-	(102)	(109)	(555)
Loss for the period	727	34,718	4,466	37,558
Deficit, beginning of period	150,272	105,982	146,533	103,142
Deficit, end of period	150,999	140,700	150,999	140,700
Loss per share - basic and diluted	\$0.01	\$0.61	\$0.07	\$0.66
Weighted average number of common shares outstanding	60,212,541	56,704,454	60,195,953	56,704,454

# MIRAMAR MINING CORPORATION

Consolidated Statements of Cash Flows  
(expressed in thousands of dollars)

For the three month and nine month periods ended September 30, 2001 and 2000

	Three months ended 30-Sep-01 (unaudited)	Three months ended 30-Sep-00 (unaudited)	Nine months ended 30-Sep-01 (unaudited)	Nine months ended 30-Sep-00 (unaudited)
Cash provided by (used in):				
Operations				
Loss for the period	(\$727)	(\$34,718)	(\$4,466)	(\$37,558)
Items not involving cash				
Depreciation and depletion	2,222	2,125	7,021	7,052
Write-down of mineral properties	-	32,720	-	33,036
Reclamation	346	126	262	209
Other	146	224	335	554
Equity in loss of Northern Orion	105	-	363	-
Non-controlling interest	-	(102)	(109)	(555)
Net change in non-cash working capital				
Increase in restricted cash	-	-	-	(2,000)
Decrease (increase) in accounts receivable	(254)	(363)	158	(285)
Decrease (increase) in inventories	(223)	283	(544)	(1,681)
Decrease (increase) in prepaid expenses	(56)	10	75	494
Increase (decrease) in accounts payable and accrued liabilities	1,186	1,173	(1,013)	1,715
	2,745	1,478	2,082	981
Financing:				
Issue of common shares for cash, net	(23)	3,545	3,649	3,545
	(23)	3,545	3,649	3,545
Investments:				
Expenditures on mine, plant and deferred exploration	(2,845)	(5,493)	(11,884)	(13,069)
Proceeds on sale of short-term investments		5,766		6,292
Collateral deposits	29	(498)	16	(840)
Other assets	-	-	-	(1,321)
	(2,816)	(225)	(11,868)	(8,938)
Decrease in cash and cash equivalents	(94)	4,798	(6,136)	(4,412)
Cash and cash equivalents, beginning of period	11,628	16,527	17,670	23,737
Cash and cash equivalents, end of period	11,534	21,325	11,534	19,325
Supplementary information:				
Income taxes paid	113	23	139	33

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**Notes to Consolidated Interim Financial Statements**

(Tabular Dollar Amounts Expressed in Thousands of Dollars)

**1. Interim Financial Statements:**

These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report for the year ended December 31, 2000. Full notes to these financial statements together with management's discussion and analysis of financial results is attached to the Third Quarter Report found on the Company's website under "Investor Relations / Financial Statements or Reports and other filings" at [www.miramining.com](http://www.miramining.com) or can be obtained from the Company.