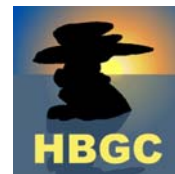




Miramar Mining Corporation

Hope Bay Gold Corporation Inc.



February 18, 2002

NEWS RELEASE 02-04

MAE - TSE
MAENF-OTC Bulletin Board
HGC - TSE

Miramar Mining & Hope Bay Gold announce Agreement to Combine Companies

- Creation of a larger, more liquid gold mining company controlling 100% of the Hope Bay Project -
- Miramar plans \$4 million flow through financing to meet additional financial obligations -

VANCOUVER – Miramar Mining Corporation (MAE-TSE) and Hope Bay Gold Corporation Inc. (HGC-TSE) announced that they have reached an agreement in principle to combine the two companies on the basis of 0.263 of a Miramar share per one Hope Bay Gold share. Completion of the transaction will be subject to, among other things, regulatory approval and all required shareholder and court approvals.

“The combination of Miramar and Hope Bay Gold is a strategic step that creates a larger, more liquid gold mining and exploration company focused on the Canadian North,” said Tony Walsh Miramar’s President & CEO. “Our Yellowknife operations should continue to generate cash flow which, combined with our balance sheet, will support the continued advancement of the Hope Bay greenstone belt. We also expect the combined company to realize significant reductions in administrative costs through the transaction, allowing more of our dollars to be put in the ground.”

“There are very few opportunities to acquire an interest in a project like Hope Bay and this transaction brings 100% of the prospective Hope Bay belt under common ownership,” said David Fennell, Hope Bay Gold’s Chairman & CEO. “Hope Bay Gold is getting together with a financially stronger partner with extensive operating experience in the Canadian North and, combined, the companies should have improved access to capital to continue to develop the potential of what we believe is one of the most prospective undeveloped greenstone belts in Canada.”

Transaction Details

The transaction will take the form of a court-approved amalgamation between a Miramar subsidiary and Hope Bay Gold. Currently Miramar has approximately 63.3 million shares issued and outstanding while Hope Bay Gold has approximately 150.0 million. Under the amalgamation, Miramar will issue 0.263 of a Miramar common share for each Hope Bay Gold common share, resulting in Miramar and Hope Bay Gold shareholders holding, respectively, approximately 62% and 38% respectively of the approximately 102.7 million shares to be outstanding on completion of the transaction. The French Guiana assets of Hope Bay Gold are not intended to be included in this transaction. Hope Bay Gold intends to distribute the shares of a company formed to hold these assets to the shareholders of Hope Bay Gold immediately prior to the completion of the transaction. Details regarding this new company will follow in due course.

“Increased share liquidity and market capitalization should result in a broader base of potential investors for the combined companies,” said Mr. Walsh. “We see this combination as a logical development in our ‘*Strategy for Growth*’. With 100% ownership of the Hope Bay project, Miramar will have increased flexibility in how it proceeds with the continued exploration and development of the Hope Bay project and will be in a better position to take full advantage of this tremendous asset.”

On completion of the transaction, the board of directors of Miramar will consist of five nominees from Miramar and four nominees from Hope Bay Gold. Tony Petrino will continue as non-executive Chairman, David Fennell will become Vice Chairman and Tony Walsh will remain as President & CEO. Miramar’s management will continue as currently structured.

Miramar has signed commitment agreements with certain shareholders and management of Hope Bay Gold who hold approximately 41% of Hope Bay Gold's shares and who have agreed to vote in favour of the transaction, subject to a right on the part of mutual fund shareholders only to withdraw their support in favour of a superior proposal.

Fairness opinions regarding the combination will be provided by Canaccord Capital Corporation on behalf of Miramar and Griffiths, McBurney & Partners on behalf of Hope Bay Gold.

Conditions

Completion of the transaction is subject to the usual terms and conditions for such a transaction including, but not limited, to the following:

1. Completion of due diligence reviews to the satisfaction of each company.
2. Receipt of opinions from qualified investment dealers that the transaction is fair to the respective shareholders of Miramar and Hope Bay Gold.
3. Receipt of all required regulatory and court approvals.
4. Approval of the shareholders of Hope Bay Gold by April 28, 2002 (the transaction would close shortly after). No approval by Miramar's shareholders is required.
5. No material adverse changes in the financial condition of either company occurring.

"The management and directors of Hope Bay Gold see this as a positive transaction for its shareholders and for the future of the Hope Bay project," said Mr. Fennell. "Subject to the agreed conditions being met, Hope Bay Gold's board of directors plans to recommend this transaction to its shareholders."

Financial Support

Miramar has agreed to provide Hope Bay Gold with a \$2.0 million line of credit to allow Hope Bay Gold to meet its financial obligations until the completion of the transaction. The line of credit may be drawn against an approved budget and contains customary terms and conditions, including an interest rate of LIBOR plus 3%, with security against Hope Bay Gold's interest in the Hope Bay property. The loan will be repayable within 30 days should Hope Bay Gold's shareholders vote against the transaction. In lieu of repayment, Hope Bay Gold could elect to dilute its interest in the Hope Bay project in accordance with the terms of the Hope Bay Joint Venture agreement.

Break Fee

In certain circumstances, such as in the event of a competing offer for Hope Bay Gold or its asset, which the board of directors of Hope Bay recommends its shareholders accept, or if less than 55% of the shares issued vote in favour of the transaction, Hope Bay Gold will be required to pay to Miramar a break fee of \$1.5 million plus its costs up to a maximum of \$200,000. If Hope Bay Gold were unable to pay all or some of the break fee, any outstanding amount would be added to the principal of the line of credit. Miramar has and will continue to invest significant time and effort in completing this proposed transaction and this amount attempts to compensate Miramar for a decision by Hope Bay Gold to withdraw from the proposed business combination.

Miramar Financing

Miramar Mining Corporation also announces that it has engaged two Canadian investment dealers as its agents to offer on a best efforts basis to Canadian investors by way of private placement approximately 2,666,667 flow through common shares at a price of \$1.50 per common share to raise gross proceeds of approximately \$4.0 million (the "Offering").

"This funding will be used by Miramar to fund our expanded obligations at the Hope Bay project in Nunavut," said Tony Walsh, Miramar's President & CEO. "As detailed above, a component of the transaction with Hope Bay Gold is that Miramar provide Hope Bay Gold with a \$2 million line of credit to allow it to meet its

expenditure requirements at the Hope Bay project and other corporate expenses. Given the timing of the anticipated expenditures at Hope Bay in 2002 relative to the cash flow from Miramar's Yellowknife operations, this financing would allow Miramar to maintain its strong working capital position and to be in a position to fund the planned 2002 work programs aimed at continuing to explore and develop the full potential of the Hope Bay belt," said Mr. Walsh.

The common shares to be issued under this offering will be sold on a private placement basis and will not be qualified by a prospectus. As a result they will be subject to the applicable statutory hold periods.

In consideration for its services, the agents will receive a 6.5% cash commission and an agent's option to acquire shares in an amount equal to 7% of the number of flow through common shares sold. The agent's option will be exercisable within two years at \$1.50 per share

These securities have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to US persons unless an exemption from registration is available.

The Offering is subject to receipt by Miramar of all necessary regulatory approvals, including the approval of The Toronto Stock Exchange.

Hope Bay Project

Miramar Mining Corporation, through its wholly owned subsidiary Miramar Hope Bay Ltd., and Hope Bay Gold are in a 50-50 joint venture at Hope Bay and control virtually the entire 80km long Hope Bay Archean greenstone belt. This and other news releases can be down loaded from Miramar's or Hope Bay Gold's websites at <http://www.miramarmining.com/> or <http://www.hbgold.com/>, or contact us at the numbers listed below.

Forward Looking Statements

Statements relating to the completion of the contemplated transaction between Miramar and Hope Bay Gold. The operation of Miramar after completion of the transaction and the proposed private placement by Miramar 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 the forward-looking statements, including, the contemplated transaction not being completed as a result of a number of factors including, without limitation, the shareholders of Hope Bay Gold not approving the transaction or required regulatory or court approvals not being obtained, the possible failure to realize anticipated synergies, expense reductions or other benefits of the transaction, the Canadian investment dealers not completing the sale of flow through common shares or conditions to the closing of the sale thereof not being met, and other risks and uncertainties, including those described in the Miramar'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 and Hope Bay Gold's Annual Information Form ("AIF") filed with the Ontario Securities Commission, the Quebec Securities Commission, and other regulatory authorities, respectively.

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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