



Black Hawk Mining Inc.

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**Material Change Report**

**Section 118(1)(b) of the Securities Act (Alberta)**  
**Section 67(1)(b) of the Securities Act (British Columbia)**  
**Section 76(2) of the Securities Act (Newfoundland)**  
**Section 81(2) of the Securities Act (Nova Scotia)**  
**Section 75(2) of the Securities Act (Ontario)**  
**Section 73 of the Securities Act (Québec)**  
**Section 84(1)(b) of the Securities Act (Saskatchewan)**

**Item 1. Reporting Issuer:**

The reporting issuer filing this material change report is Black Hawk Mining Inc. (“Black Hawk”), Suite 2000, 95 Wellington Street West, Toronto, Ontario, M5J 2N7.

**Item 2. Date of Material Change:**

January 14, 2003

**Item 3. Press Release:**

A press release was issued in Toronto on January 15, 2003 on a national dissemination basis.

**Item 4. Summary of Material Change:**

On January 14, 2003, Triton Minera S.A. a 95% owned subsidiary of Black Hawk entered into a new two-year agreement with the Union “Pedro Roque Blandon” representing the workers at its Limon Mine in Nicaragua. The signing of the new agreement brings about an end to a series of illegal strike actions.

## **Item 5. Full Description of Material Change:**

On January 14, 2003, Triton Minera S.A. a 95% owned subsidiary of Black Hawk entered into a new two-year agreement with the Union "Pedro Roque Blandon" representing the workers at its Limon Mine in Nicaragua.

The new agreement is effective January 14, 2003, and replaces the old agreement that expired in October 2001. The new agreement provides for a two-year contract with no wage increase in the first year and a possible increase in the second year subject to negotiations between Triton and the Union. In addition, the new agreement accommodates a 30% reduction in the workforce with the laid off personnel to be rehired on an as needed basis and in preference to new hires.

The signing of the new agreement brings about an end to a series of illegal strike actions. As a result of the illegal activities Triton terminated 206 employees. Matters culminated in an illegal blockage of access to the mine on January 4, 2003, by a dissident group of the dismissed employees and Union leadership who were protesting Triton's refusal to rehire all of the 206 dismissed employees. Triton management determined that a downsizing of 30% of the workforce was required and the Union agreed to Triton's offer to rehire 70% of the former employees. Operations at the mine resumed on January 11, 2003, and Black Hawk expects mining operations to return to normal shortly. The Company expects to produce 58,000 ounces of gold in 2003 at a cash cost at the mine site of less than \$200 per ounce of gold.

Black Hawk Mining Inc. is an international mining and exploration company that operates the Limon Mine in Nicaragua and holds prospective gold/silver exploration properties in Nicaragua and Canada. Black Hawk is listed on the Toronto Stock Exchange under the symbol BHK.

## **Item 6. Reliance on Section 67(2) of the Securities Act (British Columbia); Section 118(2) of the Securities Act (Alberta); Section 84(2) of the Securities Act, 1988 (Saskatchewan); Section 75(3) of the Securities Act (Ontario); Section 74 of the Securities Act (Quebec); Section 81(3) of the Securities Act (Nova Scotia) and Section 76(3) of the Securities Act (Newfoundland):**

None

## **Item 7. Omitted Information:**

No information has been omitted in this Material Change Report.

**Item 8. Senior Officer:**

Paul D. Caldwell  
Controller and Secretary, (416) 363-6526

**Item 9. Statement of Senior Officer:**

The foregoing accurately discloses the material change referred to herein.

Dated at Toronto, Ontario, this 27<sup>th</sup> day of January, 2003.

“Paul D. Caldwell” (signed)

Paul D. Caldwell  
Controller and Secretary