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MAY 17 1973

**REPORT OF THE
ANNUAL MEETING
OF SHAREHOLDERS
MAY 8, 1973**

✓	J.H.S.
	P.M.K.
✓	G.M.H.
	R.D.S.
	B.C.B.
	I.D.B.
✓	M.D.R.
	J.H.F.
✓	L.M.
	(E.C.I.)

WESTERN MINES LIMITED

870 - ONE BENTALL CENTRE
505 BARRARD STREET, VANCOUVER 1, B.C.

WESTERN MINES LIMITED

Report of the Annual Meeting of Shareholders

May 8, 1973

To the Shareholders:

This brief report has been prepared for the benefit of shareholders who were unable to attend the Annual General Meeting of Shareholders which convened at 11:00 a.m., on Tuesday, May 8, 1973 in the Hotel Vancouver, Vancouver, B.C.

There were 2,559,855 shares represented at the meeting in person or proxy in the hands of fifty-three registered shareholders. The total number of shares represented is approximately 49% of shares issued and outstanding.

The Annual Report including the financial statement for the year 1972 was submitted to the meeting and approved.

Mr. W. G. Jewitt, President of the Company addressed the meeting as follows:

"You presumably have received and read our Annual Report and I have prepared a short statement bringing you up to date regarding our present situation at the mine which I shall read shortly. However, I should like first to emphasize the comment in the Annual Report where I refer to the difficulty of cost control in face of the continued escalation of wages and the cost of supplies.

The projection into the future of a continued escalation of this nature, added to the present trend towards restrictive legislation, shows that within a few years the exploitation of Canada's so-called unlimited mineral resources by underground mining methods will cease, since such methods will be uneconomic. The difficulty in planning because of uncertainties caused by the present Provincial Government's mining and taxation policies will intensify this situation.

Probably the general public do not realize that exploitation of ore deposits by surface mining, itself under severe criticism by ecologists and others, can represent only a small percentage of the total potential mineral wealth of our country. If we eliminate underground mining we are inevitably leading to down grading our present Canadian standard of living.

Production for the first three months of 1973 continued normally with the Myra mine contributing about 14% of the total feed and 26½% of the estimated net return. April results will be along the same lines. The average prices for both copper and zinc continue to be well above the averages for last year but costs are substantially higher.

Intensive exploration continues in and around the mine, including a low level adit now being driven from the east side of the Price property to connect with 13 level in the Myra mine.

Active outside exploration is being maintained with several properties currently under examination. Geological mapping the Cosala, Mexico property, referred to in the Annual Report, has clarified the structural problems and diamond drilling will be considered when certain legal matters are settled."

The following shareholders were elected Directors of the Company, namely:

D. E. Grimm
R. T. Hager
E. C. Hammond
W. G. Jewitt
H. R. Logan
I. E. McKeever
J. A. McLallen
J. B. Magee
P. M. Reynolds
J. E. R. Wood
H. M. Wright.

Coopers & Lybrand, Chartered Accountants, were appointed Auditors for the ensuing year.

At a meeting of the Board of Directors immediately following this meeting, W.G. Jewitt was appointed President, R.T. Hager Vice President, F.A. Robertson Secretary-Treasurer and R.O. Hampton Assistant Secretary-Treasurer of the Company. W.G. Jewitt, R.T. Hager, P.M. Reynolds and H.M. Wright were appointed to the Executive Committee.

The Board also authorized the payment of regular dividend number 6 for ten cents per share plus extra dividend number 2 for five cents per share both payable June 15, 1973 to shareholders of record as of May 31, 1973.

W. G. Jewitt
President

Vancouver, B.C.
May 14, 1973