



WESTERN MINES LIMITED

870 One Bentall Centre, Vancouver, B.C.

NOTICE OF ANNUAL GENERAL MEETING OF MEMBERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Members of Western Mines Limited (hereinafter called the "Company") will be held in the Social Suite West of the Hotel Vancouver, 900 West Georgia Street, Vancouver, British Columbia on Monday, May 13, 1974 at the hour of 11:00 o'clock in the forenoon (local time) for the following purposes:

1. To receive and consider the report of the Directors containing the Comparative Financial Statements of the Company and Auditors' Report thereon;
2. To elect members of the Board of Directors;
3. To appoint Auditors and authorize the Directors to fix the remuneration to be paid to the Auditors;
4. To consider and, if deemed advisable, pass a special resolution deleting the present Articles of the Company and adopting new Articles;
5. To consider and, if deemed advisable, to pass a resolution determining that the period during which records, documents or instruments of the Company may be examined at the records office of the Company be restricted to 2:00 p.m. to 4:00 p.m. on normal business days.
6. To transact such other business as may properly come before the meeting or any adjournment thereof.

The special resolution required for Item 4 above will take effect when a certified copy of the resolution has been accepted for filing by the Registrar of Companies.

A copy of the report of the Directors, the Comparative Financial Statements and Auditors' report to be presented to the meeting is enclosed herewith. An Information Circular will be found on pages 2 and 3 of this folder.

Members who are unable to attend the meeting in person are requested to complete and sign the attached form of Proxy. A proxy will not be valid unless it is deposited at the office of Canada Permanent Trust Company, 455 Granville Street, Vancouver, B.C., V6C 1V2 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the person named therein purports to vote in respect thereof.

DATED at Vancouver, British Columbia, this 9th day of April, 1974.

BY ORDER OF THE BOARD

R.O. Hampton
Secretary

INFORMATION CIRCULAR

As of April 9, 1974 for the Annual General Meeting to be held on Monday, May 13, 1974.

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation by the management of Western Mines Limited (the "Company") of proxies to be used at the Annual General Meeting of Members of the Company to be held at the time and place and for the purpose set forth in the Notice of Meeting on page 1 of this folder. The cost of solicitation by the management will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are the President and the Vice-President of the Company. A MEMBER DESIRING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A MEMBER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY and, in either case delivering the completed proxy to the office of CANADA PERMANENT TRUST COMPANY, 455 GRANVILLE STREET, VANCOUVER, B.C., not less than 48 hours (excluding Saturdays, Sundays and holidays) before the person named therein purports to vote in respect thereof.

A member who has given a proxy may revoke it by an instrument in writing delivered to the registered office of the Company or to the said office of Canada Permanent Trust Company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, or to the Chairman of the meeting on the day of the meeting or any adjournment thereof, or in any other manner provided by law.

EXERCISE OF DISCRETION BY PROXIES

If the instructions to the nominee contained in the proxy are certain, the shares represented by the proxy will be voted on any poll and, where the member specifies a choice with respect to any matter to be acted upon, the shares will be voted on any poll in accordance with the specifications so made. IN THE ABSENCE OF SUCH SPECIFICATION, SUCH SHARES WILL BE VOTED FOR THE ELECTION OF DIRECTORS, FOR THE APPOINTMENT OF AUDITORS, FOR THE ADOPTION OF NEW ARTICLES AND FOR THE RESTRICTIONS ON RECORD OFFICE HOURS. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the meeting or any adjournment thereof. At the time of printing this circular the management of the Company knows of no such amendment, variation or other matter.

ADVANCE NOTICE OF MEETING

Pursuant to Section 133 of the British Columbia Companies Act, advance notice of the meeting has been published in "The Province" and "Vancouver Sun" newspapers, published in Vancouver, British Columbia on March 14, 1974.

VOTING SHARES

At the date hereof the Company had outstanding 5,210,616 ordinary shares of a par value of \$2.00 each, each carrying the right to one vote per share. The Directors and Senior Officers of the Company do not know of any person or company beneficially owning, directly or indirectly, shares carrying more than 10% of the voting rights attached to all shares of the Company except W.R. Grace & Co., who hold, directly or indirectly, 1,296,771 shares of the Company, being approximately 24.8% of the outstanding shares. Any registered shareholder of the Company at the date of mailing this notice will be entitled to vote at the meeting. However, a person appointed under the form of proxy will be entitled to vote the shares represented by that form only if it is effectively delivered in the manner set out under the heading "Appointment and Revocation of Proxies".

ELECTION OF DIRECTORS

The Board consists of eleven Directors to be elected annually. The persons named in the enclosed form of proxy intend to vote for the election of the nominees whose names are set forth below, all but one of whom are now members of the Board of Directors and have been since the dates indicated. The management does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each Director elected will hold office until the next Annual General Meeting or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company.

The following table and the notes thereto state the names of all the persons proposed to be nominated for election as Directors, all other positions and offices with the Company now held by them, their principal occupation, the year in which they became Directors of the Company, country of residence, and the approximate number of shares of each class of the Company beneficially owned directly or indirectly by each of them, namely:

Nominee for Director and Present position with Company	Principal Occupation	Served as Director continuously since	Country in which ordinarily resident	Shares held beneficially as of April 9, 1974
A. JOHN ELLIS Director	Vice-Chairman and Director, Bank of Montreal	February 11, 1974	Canada	1,000
DONALD E. GRIMM Director	Vice-President, W.R. Grace & Co.	November 17, 1971	U.S.A.	1,000
ROGER T. HAGER Director & Vice-President	Chairman of the Board and Chief Executive Officer, The Canadian Fishing Company Limited	September 26, 1951	Canada	35,050
WILLIAM G. JEWITT	President of the Company	May 22, 1967	Canada	3,700
HAROLD R. LOGAN Director	Executive Vice-President, W.R. Grace & Co.	November 17, 1971	U.S.A.	1
IRA E. McKEEVER, Jr. Director	President of Mining Division, W.R. Grace & Co.	October 27, 1972	U.S.A.	100
JOHN A. McLALLEN Director	Managing Director, Capilano Timber Company Limited	July 24, 1961	Canada	46,000
WILLIAM H. McLALLEN, Jr.	General Manager, Capilano Timber Company Limited, Sawmill Division	--	Canada	--
JAMES B. MAGEE Director & General Manager	General Manager, Western Mines Limited	December 18, 1968	Canada	8,500
PATRICK M. REYNOLDS Director	President and Chief Executive Officer, Bethlehem Copper Corporation Ltd.	December 29, 1966	Canada	12,500
HAROLD M. WRIGHT Director	President, Wright Engineers Ltd.	September 26, 1951	Canada	186,000

3 J. Grace
Directors

NOTE: The information as to shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective persons.

Mr. A.J. Ellis has been with the Bank of Montreal since 1933. He served as Senior Vice-President from May, 1967 to May, 1971 and Executive Vice-President from June, 1971 to February, 1973 when he assumed his present position. On April 1, 1974 he was appointed Chairman and Director of Canada Development Corporation.

Mr. W.H. McLallen, Jr., has been with Capilano Timber Company Limited as Assistant General Manager from January, 1968 to March, 1973 and Secretary-Treasurer and Director of Capilano Timber Company and General Manager of the Sawmill Division, since March, 1973.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

Aggregate direct remuneration, including Directors' fees paid or payable to the Company for the fiscal period ended December 31, 1973 to the Directors and Senior Officers of the Company totalled \$237,220. Senior Officers as defined by the British Columbia Companies Act include Officers, and the five highest paid employees.

The cost to the Company of that portion of the Company's pension plan which applies to Senior Officers was \$6,674. Under a deferred compensation plan for certain of its key employees the Company will guarantee to the said key employees a retirement allowance of up to 60% of the average earnings in their last five years of employment if they remain with the Company until normal retirement age and meet certain commitments after retirement. The cost for 1973 applicable to Senior Officers was \$16,318.

During the year an Officer and full time employee was granted an option to purchase shares pursuant to the Company's employee stock option plan.

<u>No. of Shares</u>	<u>Date Granted</u>	<u>Price Per Share</u>	<u>Expiry</u>	<u>Share Price Range 30 days prior</u>
5,000	December 3, 1973	\$2.45	December 2, 1978	\$2.81 – \$3.50

Stock options exercised during the year by Senior Officers are as follows:

<u>No. of Shares</u>	<u>Price Per Share</u>	<u>Share Price Range 30 days prior</u>
600	\$2.00	\$2.90 – \$3.20
1,000	\$2.75	\$2.70 – \$3.20

In August, 1973, the Company agreed to sell to a Senior Officer of the Company, a house at Campbell River, British Columbia, for his own occupation, and in connection with this purchase, the employee became indebted to the Company in the amount of \$17,600, repayable \$175.00 per month without interest. The present amount outstanding is \$13,825.

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to vote for the reappointment of Coopers & Lybrand, Chartered Accountants, Vancouver, as Auditors of the Company, to hold office until the next Annual Meeting of Shareholders and to authorize the Directors to fix the remuneration to be paid to the Auditors. Coopers & Lybrand have been Auditors of the Company for more than five years and were first appointed on October 1, 1964.

ADOPTION OF NEW ARTICLES

The Companies Act of British Columbia was revised effective October 1, 1973 and certain items were in conflict with the Company's Articles. Management is recommending approval of a special resolution to adopt new Articles to be compatible with the Act.

The form of proposed Articles shall be available for inspection by the members and other interested persons at the Company's Head Office (870 - 505 Burrard Street, Vancouver, B.C.) at any time during business hours up until May 13, 1974, and will also be available for inspection at the Meeting. A copy of the proposed Articles will be sent to any member requesting a copy.

EXAMINATION AT RECORDS OFFICE

The Companies Act of British Columbia provides in effect that the Company may, by ordinary resolution restrict to not less than two consecutive hours in each business day the period allowed for examination of certain records, documents or instruments of the Company at its records office. Management is proposing an ordinary resolution to restrict this period to the hours of 2:00 p.m. to 4:00 p.m. on normal business days.

DATED at Vancouver, British Columbia, this 9th day of April, 1974.

BY ORDER OF THE BOARD

R.O. Hampton
Secretary