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Bralorne



INTERNATIONAL AVINO MINES LTD.

(formerly Avino Mines & Resources Limited)

New Symbols: Vancouver, IVV.V, NASDAQ OTC Bulletin Board, IVVRF

Shareholder Update - March 1996

RECORD PRODUCTION IN MEXICO ■ BRALORNE MINE TO OPEN IN 1996

Mexico

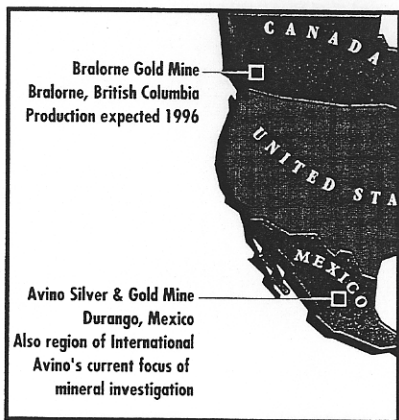
The Avino Mine in Mexico reported another record year of production in 1995. Silver and copper figures were significantly higher than in the previous year. Our Mexican partner Cia Minera Mexicana de Avino (in which International Avino Mines holds a 49% interest) achieved record profits through November of 1995, with final year-end figures expected shortly.

Silver production, at 1,069,200 ounces, was up 17% from 1994. Copper production rose 81%, from 1,527,600 pounds in 1994 to over 2,700,000 pounds in 1995. Gold production dropped slightly, from 9,641 ounces in 1994 to 9,253 ounces in 1995.

The increases resulted primarily from the continuing shift to underground production, presently on schedule with the mine's long-term objectives. Approximately 79% of production now comes from the underground operation.

Plant and mine improvements have boosted mine throughput to record levels as well. In 1995 the plant processed 325,000 metric tonnes of ore, compared with 1994 (also a record year) at 287,600 tonnes. This represents an increase of 13%.

The combination of production increases and strong metal markets has produced record revenues and profits for Cia Minera. As of November, 1995, the



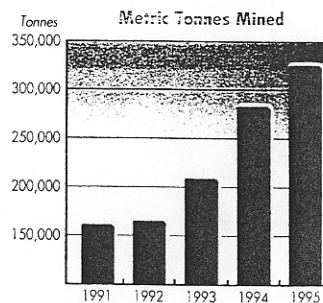
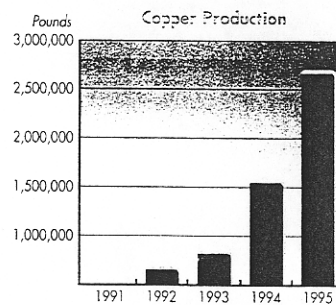
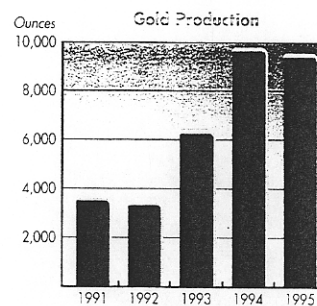
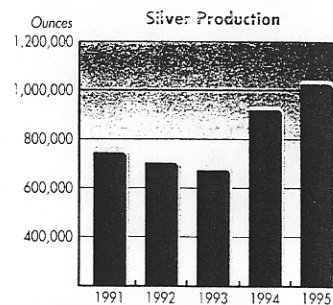
Highlights

Mexico

- ☐ Net sales reach US\$9.7 million.
- ☐ Silver production exceeds 1,069,000 ounces.
- ☐ Gold production at 9,253 ounces.
- ☐ Copper production tops 2.7 million pounds.

Canada

- ☐ Recent private placement financing generates US\$2.0 million for mine & mill construction at Bralorne Pioneer gold mine.
- ☐ Plant construction underway.
- ☐ Mine expected to open in 1996.
- ☐ New high grade discoveries should extend mine life significantly.



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Mexico (continued from front)

company had generated revenues of US\$9.7 million, resulting in a net profit of US\$2.8 million. This strong performance has allowed our Mexican partners to upgrade mine equipment and improve maintenance procedures, resulting in higher metals recoveries.

Although year end production figures have been finalized, year end financial figures for the Mexican operation will be reported as soon as available.

Unusually dry weather late in 1995 created a temporary water shortage in the Durango area, forcing a reduction in milling operations. As a result, production figures will be lower for the first few months of 1996.

Metal markets remain strong. As of January, 1996, the mine was receiving an average of US\$5.48 per ounce of silver, US\$399 per ounce of gold and US\$1.30 per pound copper. The outlook is for higher prices to continue for at least the next several months.

The investment climate in Mexico continues to improve. Foreign businesses have gained confidence in the country's economy, and major mining companies have stepped up exploration expenditures.

Within this improving investment climate, the enormous mineral wealth of Mexico remains largely untapped. Recognizing this, International Avino continues to investigate new exploration opportunities with Cia Minera, particularly in the mineral-rich Durango region surrounding the Avino mine.

Canada

Working with our joint venture partner Bralorne Pioneer Gold Mines Ltd., significant progress was reported at the Bralorne gold mine in southwestern British Columbia. The mine is expected to open in 1996 at an initial rate of 150 tons per day, gradually increasing to 450 tons per day. Based on a US\$350 per ounce gold price, the mine is projected to generate net income of US\$2.7 million in its first year. In subsequent years, annual net income should reach US\$5.0 million.

A recent private placement financing raised US\$2.0 million. A portion of these funds were used to purchase an existing mill facility that had sustained very little use. This equipment is now being shipped to Bralorne and assembled on site.

While the known block of mineable ore is expected to provide significant production, we are most excited about the exploration potential from at least three key zones discovered over the past several years—particularly the Peter, Big Solly, Millchuck and, most recently, the Maddy.

These are rich finds, with some areas averaging more than one ounce of gold per ton. Perhaps most exciting is the fact that we are finding completely new veins—areas of gold that extend onto ground never explored by the original miners. These discoveries offer vast potential for new ore and may expand the mine for many years to come.

CORPORATE INFORMATION

Shares Listed:

Vancouver Stock Exchange

Symbol - IVV

U.S. NASDAQ System

Symbol - IVVRF (OTC Bulletin Board)

Head Office:

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Officers:

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Ernest Calvert, Vice-President

Andrea D. Regnier, Secretary

Directors:

Louis Wolfin

Ernest Calvert

William Glasier

Michael Baybak

David Wolfin

George Scott

Wayne Armitstead

U.S. Market Maker:

Herzog, Heine, Geguld, Inc.

Jersey City, NJ

Share & Earnings Data:

Recent Share Price C\$3.10

52-Week Range C\$2.15 - \$3.95

Shares Outstanding 3,543,727

Earnings Per Share* US\$0.38

* EPS data represents International Avino's 49% share of Cia Minera Mexicana de Avino's earnings to November, 1995, calculated in U.S. dollars.

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