

CONSOLIDATED STATEMENT OF EARNINGS

	Three Months Ended March 31	
thousands	1992	1991 unaudited
Revenue		
Mining	\$ 24,443	\$ 26,988
Investment and other income	5,720	5,815
	30,163	32,803
Expenses		
Operating	22,554	25,797
Administration	392	492
Mineral exploration	136	221
Depletion and depreciation	6,102	7,427
Interest	4,088	3,967
	33,272	37,904
Loss before taxes	(3,109)	(5,101)
Income and resource taxes	124	81
Net loss	\$ (3,233)	\$ (5,182)
Loss per common share (see notes)	\$ (.16)	\$ (.23)



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CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

	Three Months Ended March 31	
thousands	1992	1991 unaudited
Operating Activities		
Cash provided from operations	\$ 3,416	\$ 590
Mineral exploration expenditures	136	221
Changes in non-cash working capital	(7,388)	(1,975)
	(3,836)	(1,164)
Financing Activities		
Long-term debt	13,800	35,200
Repayment of gold loan	-	(25,267)
Preferred shares redemption	(4,771)	(4,757)
Common share capital	1,488	1,426
Dividends	(5,484)	(5,915)
Other	165	36
	5,198	723
Investment Activities		
Property, plant and equipment	(1,240)	(285)
Mineral exploration	(136)	(221)
	(1,376)	(506)
Cash and short-term investments		
Net increase (decrease)	(14)	(947)
Balance		
Beginning of period	113	952
End of period	\$ 99	\$ 5

CONSOLIDATED CONDENSED BALANCE SHEET

	March 31	December 31
thousands	1992	1991 unaudited
ASSETS		
Cash and short-term investments	\$ 99	\$ 113
Other current Investments	22,772	17,884
Property, plant and equipment	262,892	263,086
	168,552	173,432
	\$ 454,315	\$ 454,515
LIABILITIES & SHAREHOLDERS' EQUITY		
Current liabilities	\$ 73,631	\$ 65,181
Long-term debt	139,700	136,850
Deferred credits	500	-
Shareholders' equity	240,484	252,484
	\$ 454,315	\$ 454,515

NOTES TO FINANCIAL STATEMENTS For the Three Months Ended March 31, 1992

These financial statements are unaudited, but include all adjustments which in management's opinion are necessary for a fair presentation.

Certain of the 1991 balances have been reclassified to conform to the presentation adopted in the current year.

Earnings per common share have been calculated after deducting dividends paid on preferred shares.

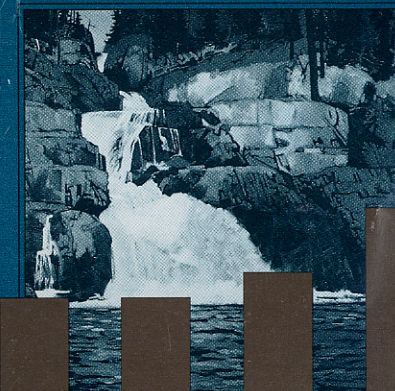
Shareholders, who are Canadian residents, have the choice of receiving dividends on their common shares as cash dividends or may elect to reinvest cash dividends in new shares equivalent in value to the cash dividends. If you wish to participate in the dividend reinvestment plan, contact the R-M Trust Company, Corporate Trust Department Services, Mall Level, 1177 West Hastings Street, Vancouver, B.C. V6E 2K3.



Premier
886469

FIRST QUARTER REPORT

March 31, 1992



TO THE SHAREHOLDERS

The improvement at Myra Falls which started in the latter part of 1991 continued in 1992 and Westmin achieved its best quarterly result since the second quarter of 1990. During the first quarter of 1992, Westmin recorded a net loss of \$3,233,000 compared to a net loss of \$5,182,000 during the same period last year. After provision for preferred dividends, loss per common share was \$0.16 for 1992, an improvement over the \$0.23 loss in 1991.

Gross revenues for the first quarter were \$30,163,000 down from \$32,803,000 a year earlier. Cash provided from operations was \$3,416,000 compared to \$590,000 for the first quarter of 1991.

MYRA FALLS OPERATIONS

At Myra Falls, the first quarter recorded an operating loss of \$3,413,000 compared to an operating loss of \$6,630,000 in the corresponding period of 1991. While revenues were slightly better than the first quarter of 1991, Myra Falls costs were \$3,160,000 (16.5%) less at \$49.72 per tonne vs \$64.64 per tonne last year. Total property costs including capital were \$17,100,000, significantly lower than the \$19,441,000 recorded in the first quarter last year.

The key operating statistics are presented below:

	First Quar 1992	1991
Tonnes ore milled	321,966	296,581
Ore Grades		
Gold (g/tonne)	2.00	2.22
Silver (g/tonne)	26.54	33.40
Copper (%)	1.97	1.68
Zinc (%)	2.78	3.67
Tonnes concentrates produced		
Copper	22,053	18,709
Zinc	13,833	17,270

In March, the Canadian Autoworkers (CAW) were officially certified as the bargaining unit for the unionized employees.

MYRA FALLS EXPLORATION

Exploration success achieved in 1991 continued in the first quarter of 1992. Three machines continued drilling on the Battle Zone and by the end of the quarter proven and probable reserves on this zone exceeded 1.5 million tonnes. The H-W 18 Level drift being driven west to access the Battle and Gap zones is progressing steadily and by March 31 had been completed more than 40 per cent of the distance to the Battle Zone. It is also providing exploration drilling access for the H-W west extension which is being drilled as the drift advances.

Other exploration encouragement has been received on the Trumpeter Zone, located on the eastern end of the property, underlying Thelwood Valley. A program of surface diamond drilling in January and February intersected this new zone with two holes which encountered high grade copper. This discovery is considered highly significant because although it is only about 1 km from existing H-W workings in 43 Block it is the first ore discovered east of the Myra-Price fault and north of the North-Down-Drop fault.

PREMIER GOLD OPERATIONS

Premier Gold's operating loss this quarter was \$2,130,000 compared with a loss of \$808,000 for the same quarter last year.

Premier milled 140,244 tonnes (which includes 2,001 tonnes of custom ore) in the first quarter of 1992 compared with 179,401 tonnes last year, a decrease of 21.8 per cent due to scheduling milling only 10 out of every 14 days. An improvement in gold grades over the first quarter of 1991 meant that metal production fell by only 10.3 per cent from 11,234 to 10,082 gold equivalent ounces.

PREMIER (continued)

The Province of British Columbia persisted in the first quarter of 1992 with its environmental charges against Westmin. Although the charges related to minor, historic, pollution from old Premier mine drainage which had predated Westmin's involvement by 50 years, because Westmin was a few months late in correcting this problem, the Company was found guilty and fined \$26,000.

Westmin has announced to employees and government agencies that it will be terminating full scale mining and milling operations at Premier on June 30, 1992. Despite high employee productivity continuing declines in the open pit ore tonnes and grades and the low gold price are resulting in increasing losses which means the operation cannot continue at full production past mid year. The Company intends to operate the mill whenever viable quantities of Premier underground or custom ore are available. Westmin will also continue exploration in the area to try to augment the known underground ore.

OTHER

Operating profit from the coal and industrial mineral leases was \$1,313,000 during the quarter compared to \$1,189,000 in 1991. Investment and other income was \$5,720,000 compared to \$5,815,000 in the first quarter of 1991. Interest expense for the quarter was \$4,088,000 or \$121,000 more than the previous year reflecting higher debt levels that were partially offset by lower interest rates. Cost reductions continue to be made in corporate overhead which dropped 20% to \$392,000 for the quarter. Mineral exploration costs totalled \$136,000 compared to \$221,000 in 1991.


OUTLOOK


Although the Premier announcement was disappointing, the outlook for the Company remains positive with the continued exploration successes and the impressive productivity achievements at Myra Falls. There are also signs of an economic recovery with the continuing firm copper and zinc prices, and the weakening Canadian dollar. Copper concentrate markets are still weak and Westmin is experiencing difficulty in obtaining favourable long term copper concentrate sales. The Company is optimistic that the required sales can be made in the second half of this year.

Westmin will be reviewing various alternatives for financial restructuring later in the year because of the loan payments due on the Myra Falls non-recourse loan and the anticipated retraction of the Class A Preferred shares in September, 1992.

DIVIDENDS

A dividend of \$0.53 per share has been declared payable June 30, 1992 to Class B Series 1 Preferred shareholders of record June 5, 1992.


Paul Marshall
Chairman of the Board


Walter T. Segsworth
President

Vancouver, British Columbia
May 13, 1992.