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NO.147(1989)

AUGUST 1, 1989

CHENI GOLD MINES INC. (CZG-V,T,M)

<u>SIX MONTHS ENDED JUNE 30,</u>	<u>1989</u>	<u>FIRST SIX-MONTH</u>
Gold Production	oz. 16,335	EARNINGS REPORT
Silver Production	oz. 254,232	Paul Girard, presi-
Revenues	\$9,381,000	dent of Cheni Gold
Cash Flow	2,360,000	Mines Inc. reported
Net Earnings	901,000	the results of the
Per Share	8¢	the Laywers gold-

silver mine in the
Toodoggone area, about 280 miles north of Smithers, B.C.,

since opening March 1, 1989. The mill processed 58,974 tons containing 0.30 oz.gold/ton, 5.8 oz.silver/t. The daily average of 483 tons milled per day was lower than expected, primarily because of 7 days production lost to a strike. During June the mill reached full capacity of 545 tons per day. Metal recoveries averaged 92% for gold and 77% for silver since start-up, and 95% for gold and 79% for silver in June. Cash operating cost was US \$268 per ounce of gold. (SEE GCNL No.99, 24May89, p.1, for much detail on mine start-up and operations).

At the annual meeting Maurice Allegre, Alain L. Dangeard, Paul Girard, Francois Jonathan, Edmond A. Lemieux, Jean Lespine, Rene Michel, Edwin C. Phillips and Malcolm A.Taschereau were elected as directors.

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