

George Cross News

"Reliable Reporting"

NO. 35(1991)
FEBRUARY 19, 1991

WESTERN CANADIAN INVESTM

<u>GIBRALTAR MINES LTD. (GBM-V,T)</u>		
<u>THREE MONTHS ENDED DECEMBER 31</u>	<u>1990</u>	<u>1989</u>
Revenues	\$24,127,000	\$26,399,000
Expenses Before Taxes	19,698,000	17,550,000
Net Earnings	2,404,000	5,236,000
Net Earnings Per Share	20¢	44¢
Dividends	5¢	\$1.20
<u>PRODUCTION STATISTICS</u>		
Ore Milled (Tons)	3,308,000	3,311,000
Average Daily Tons	36,400	36,000
Copper - Grade (%)	0.33	0.28
- Recovery (%)	83.23	82.08
Production: Copper Conc. (Tons)	31,200	25,400
Concentrate Grade (% Cu)	27.22	29.80
Copper in Concentrate (Lbs.)	16,952,000	15,124,000
Cathode Copper (Lbs.)	1,988,000	2,128,000
Molybdenum (Lbs.)	346,000	449,000
Sales - Copper Conc. (Tons)	36,100	29,800
Cathode Copper (Lbs.)	2,071,000	2,763,000
Copper Conc. Inventory (Tons)	7,900	7,400
Production Costs - US\$ per pound produced*		
Cash	85¢	81¢
Total	91¢	88¢
Average Prices - US\$ per pound		
Copper (London Metal Exchange)	\$1.18	\$1.19
Molybdenum (Metals Week)	\$2.63	\$2.77
<hr/>		
<u>YEAR ENDED DECEMBER 31</u>	<u>1990</u>	<u>1989</u>
Revenues	\$84,558,000	\$104,712,000
Expenses Before Taxes	64,925,000	64,980,000
Net Earnings	9,888,000	24,310,000
Net Earnings Per Share	82¢	\$2.02
Dividends	50¢	\$2.90

93B 12

p. 1 of 3

George Cross News

Reliable Reporting

NO.35(1991)
FEBRUARY 19, 1991

WESTERN CANADIAN INVESTA

PRODUCTION STATISTICS

Ore Milled (Tons)	12,899,000	13,206,000
Average Daily Tons	35,400	36,200
Copper - Grade (%)	0.30	0.29
- Recovery (%)	83.97	80.14
Production - Copper Conc.(Tons)	112,800	103,700
Concentrate Grade (% Cu)	28.11	29.72
Copper in Concentrate (Lbs.)	63,434,000	61,636,000
Cathode Copper (Lbs.)	7,969,000	14,527,000
Molybdenum (Lbs.)	1,463,000	1,196,000
Sales - Copper Conc. (Tons)	112,300	107,100
Cathode Copper (Lbs.)	7,969,000	14,527,000
Copper Conc. Inventory (Tons)	7,900	7,400
Production Costs - US\$ per pound Produced*		
Cash	85¢	78¢
Total	91¢	87¢
Average Prices - US\$ per pound		
Copper (London Metal Exchange)	\$1.21	\$1.29
Molybdenum (Metals Week)	\$2.81	\$3.34

* Includes smelting & refining charges and credits for molybdenum, which are included in concentrate sales revenues. 1989 restated to conform with 1990 calculations.

YEAR END REPORT - Gibraltar Mines Ltd. reports earnings for the year ended 31Dec90 declined as a result of lower copper prices and a reduction in cathode sales volume from an exceptionally high volume in 1989. The company owns and operates a copper/molybdeum mine in the McCleese Lake area of central B.C. Production of copper in concentrate was higher than in 1989 due to increased sales and recoveries. Molybdenum production increased in 1990 due not only to circuit modifications, but also higher recoveries and head grades. Cathode copper production fell by 7%, reflecting lower feed grades from leach dumps which have been partially depleted.

As a protection against the possibility of lower copper prices, a program of forward selling was continued. At 31Dec90, forward sales contracts totalled 27,600,000 pounds of copper at prices averaging US \$1.07 per pound covering the period to Nov/91.

Cash generated from operations amounted to

93B 12
p. 2 of 3

NO.35(1991)
FEBRUARY 19, 1991

George Cross News

"Reliable Reporting"

WESTERN CANADIAN INVESTA

\$6,800,000 compared to \$47,900,000 in 1989. The company's cash and short-term investments decreased by \$5,800,000 to \$31,300,000, after capital expenditures of \$5,600,000 and dividend payments totalling \$6,000,000. In 1990, the company spent \$3,900,000 on new mining equipment for development of Stage 3 of the Gibraltar East pit and additional expenditures of \$13,000,000 are committed for this purpose in 1991.

Under the B.C. Mines Act, the company is required to provide \$10,000,000 in security deposits to meet post-closure requirements. To date, \$6,000,000 has been deposited, \$5,000,000 in 1989 and \$1,000,000 in 1990. The balance will be provided in four installments of \$1,000,000 each, in the years 1991 to 1994 inclusive. (SEE GCNL No.213, 1Nov90, P.2 FOR THIRD QUARTER REPORT)

93B 12
p. 3 of 3