

1710 - 609 GRANVILLE ST
PO BOX 10363
VANCOUVER BC
CANADA V7Y 1G5
(604) 683-7265 FAX 683-5306

George Cross News Letter

"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS AUG 5 1993

LIBRARY

COPYRIGHT
ALL REPRODUCTION
RIGHT RESERVED
PUBLISHED DAILY
SUBSCRIPTION RATE
\$315.00 PER YEAR

NO. 164 (1993)
AUGUST 26, 1993

NO. 164 (1993)
AUGUST 26, 1993

AVINO MINES & RESOURCES LTD.

[AVO-V;AVMRF-NASDAQ]

PLANS FOR TWO - Avino Mines & Resources has been a gold and
MINES REVIEWED silver producer in Mexico for the last 19 years
and has acquired the Bralorne Pioneer gold mine

in southern B.C. and is evaluating the possible re-opening of the mine.

Mines such as the Bralorne-Pioneer, located 50 miles north of
Vancouver, stand out as fabulously rich. Old timers who worked there
still talk excitedly about the clumps of gold as big as man's fists, and
ore grades, which averaged more than half-an-ounce of gold per ton,
were sometimes measured in many ounces per ton. In its glory days, the
mine supported a town of 10,000 residents and provided hundreds of
high-paying jobs at the height of the great depression. Low gold prices
forced the operation to shut down in 1971, after production of
4,100,000 oz. gold.

In 1989, Avino Mines & Resources acquired claims adjoining the
northwest boundary of the King Mine, one of the richest of Bralorne's
three operations (along with Bralorne and Pioneer). Most of these
claims are situated on the north side of the Fergusson fault where
miners have speculated the extensions of the veins might be found.
Avino began prospecting, using modern methods unavailable in the
early days. The initial discoveries were encouraging. The new zones,
one of which was named the Peter vein, showed characteristics similar
to those of the King and Bralorne mines suggesting they might be the
faulted extension.

Avino by drifting along the Peter vein, the largest of the new
discoveries, encountered a 215-foot section assaying 0.38 oz. gold per
ton, with a 105-foot section that assayed 0.611 oz. gold per ton over
an average width of 3.4 feet. The vein material opened in the drift is
geologically similar to that in the King Mine.

Underground drilling from the 800 level of the King Mine
extended the Peter and Millchuk veins at least 1,200 feet down dip from
surface, and other veins on the Loco property showed similar
characteristics. Continued surface prospecting turned up even more
anomalies, indicating that many more vein extensions could be found
north of the Fergusson fault. The initial veins persisted and proved
open to a combined strike length exceeding 4,500 feet.

In late 1991, Avino acquired 100% interest in the entire Bralorne

92JNE1
p. 10 of 3

1710 - 609 GRANVILLE ST
PO BOX 10363
VANCOUVER BC
CANADA V7Y 1G5
(604) 683-7265 FAX 683-5306

George Cross News Letter

"Reliable Reporting"
WESTERN CANADIAN INVESTMENTS

LIBRARY

COPYRIGHT
ALL REPRODUCTION
RIGHT RESERVED
PUBLISHED DAILY
SUBSCRIPTION RATE
\$315.00 PER YEAR

NO. 164 (1993)
AUGUST 26, 1993

NO. 164 (1993)
AUGUST 26, 1993

operation from Corona Corporation et al. Between 1981 and 1989, Corona had focused on developing reserves in the central Bralorne-Pioneer mines blocking out 1,000,000 tons grading 0.27 oz gold/ton.

With the higher-grade discoveries in the Peter vein on the Loco property, Avino holds a key ingredient for the re-opening of the Bralorne-Pioneer operation.

Avino has identified several ore blocks by combining the new discoveries, their connections with the present mine workings and two new veins in the King Mine. Plans are underway to secure permits to re-open the mine at a production rate of 300 tons per day. Enough ore is available, averaging 0.50 oz gold/t, to operate the mine for a minimum of three years.

Avino's planned exploration work will take place mainly on the north side of the Fergusson fault and consist of geochemistry, trenching and drilling to extend the known veins and locate new veins. Development will focus on the King Mine's 400, 500 and 800 underground levels and the 51b Footwall vein of Bralorne, from which most of the initial production will take place.

The present program centers on seven known veins. Bench tests of material from the Peter and Millchuk veins showed gold recoveries of 92.4% with a coarse virtually identical to Bralorne recoveries.

Corona discovered two veins, named the "Prince" and "New," while drilling in the King Mine. In addition, the King Mine contains the King, Shaft, Woodchuck and C veins, which are all accessible from the 400 and 800 levels. These will be explored by underground sampling and diamond drilling.

Geochemistry now being completed north of the Fergusson fault has indicated the presence of additional zones. These will be confirmed by trenching and drilling.

The area of interest in the near term is the 51b Footwall vein of the Bralorne Mine, which exceeded 2,500 feet in length. Present calculations show this vein contains approximately 122,000 tons grading about 0.36 oz gold per ton. The vein is accessible from the 400 and 800 levels and continues with depth. Both the 400 and 800 levels are in excellent condition, with track and timbers in place. Some rehabilitation is required, but the extensive completed workings already in place will save Avino millions in development expenses.

A new company, **BRALORNE-PIONEER GOLD MINES LTD.** was formed to fund this exploration work. The new company will acquire 50% interest in the mine and fund this work to the feasibility stage.

92 JUNE 1
p. 203

AVINO MINES & RESOURCES LTD.

[AVO-V:AVMRF-NASDAQ]

CONTINUED FROM PAGE TWO - Present plans call for an initial milling rate of 200 tons per day, escalating to 500 tons per day as reserves are blocked out. Development costs to production are estimated at \$3,000,000 for mill facilities and tailings ponds, and \$2,000,000 for underground development. The major expense will be the purchase of a mill. Several existing mills have been identified as suitable, and purchase negotiations are in progress.

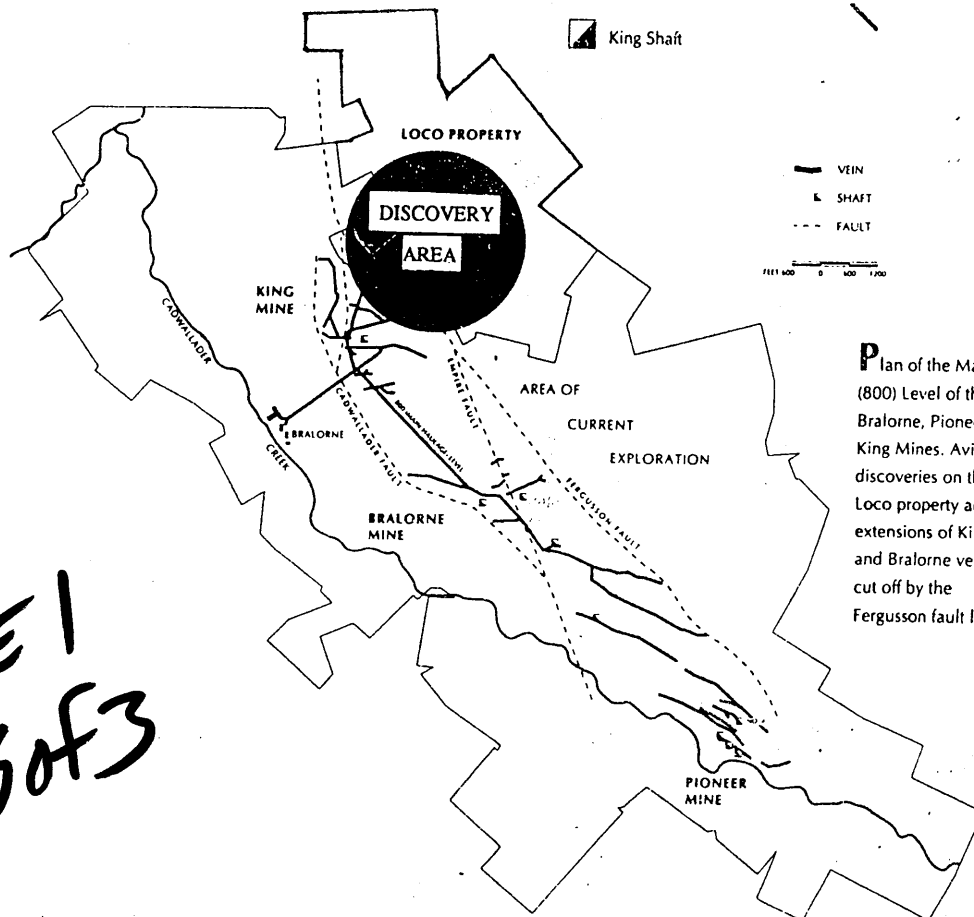
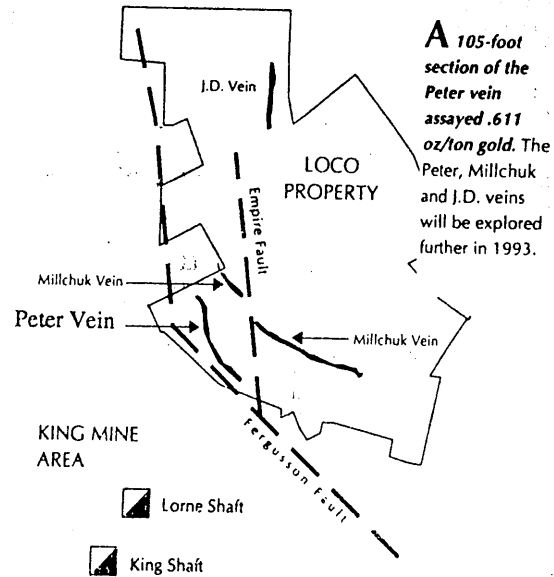
The Avino mine in Mexico achieved record monthly silver production of 104,000 ounces in October of 1992. The mine has operated continuously for the past 19 years with production increasing 300% and costs remaining low, generally under US \$4.00 per ounce of

silver. Prior to Avino, the mine operated sporadically for more than 400 years, even back to the time of the Spanish Conquistadors. What is remarkable about the Avino mine is the large reserves. Since the mine opened in 1974, production has been by open pit methods. In 1991, directors began a long range plan to shift to underground production. Although production reached record high levels in 1992, lower silver prices and the changeover to new equipment in 1993 produced lower income, lower production and an operating loss.

In 1988, the Mexican government provided assistance for construction of a reservoir to eliminate the mine's chronic water shortages. In addition, the government loaned Cia Minera U.S. \$1,400,000 for purchase of new equipment and mine expansion. (SEE GCNL NO.138, 20Jul93, P.3 FOR PREVIOUS PROJECT DETAILS)

AVINO MINES & RESOURCES LTD.

BRALORNE-PIONEER AREA, B.C.



92LINE 1
P. 3 of 3