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George Cross News Letter

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WESTERN CANADIAN INVESTMENTS

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ALL REPRODUCTION
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PUBLISHED DAILY
SUBSCRIPTION RATE
\$315.00 PER YEAR.

NO. 36 (1994)
FEBRUARY 22, 1994

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EQUITY SILVER MINES LTD.

(EST. A-V) 33,097,225 shs.

THREE MONTHS ENDED DECEMBER 31, 1993		1992
Revenues	\$7,597,000	\$10,215,000
Expenses	8,432,000	11,508,000
Net Earnings (Loss)	1,084,000	(1,098,000)
Earnings (Loss) Per Share	3¢	(3¢)
Dividends	5¢	5¢

YEAR ENDED DECEMBER 31,		1993	1992
Revenues	\$18,499,000	\$34,103,000	
Expenses	21,408,000	45,378,000	
Net Earnings (Loss)	3,762,000	(3,881,000)	
Earnings (Loss) Per Share	12¢	(12¢)	
Dividends	20¢	20¢	

YEAR-END REPORT - Equity Silver Mines Ltd. reports fourth quarter and year-end financial and production results ended 31Dec93; see tables above and overleaf P.3. Earnings improved in 1993 principally as a result of the absence of depreciation and depletion expenses, reduced provisions for reclamation and closure costs and the recovery of taxes on reclamation expenditures made in the year. In 1993, sales revenues declined by 46% as a result of lower sales volumes. Metal production declined due to an 84% reduction in mill throughput, reflecting the depletion of ore reserves at its polymetallic mine, 30 km south of Houston, B.C.

An orderly closure and reclamation has been implemented. Reclamation work in 1993 involved the continued resloping of the waste dumps and a compacted till cover. Acid drainage generated in the mine's waste dumps continues to be collected and treated as a cost of \$1,200,000 in 1993, compared with \$1,000,000 the previous year.

In June 1992, Equity Silver issued a fully collateralized letter of credit for \$37,500,000 as security for long-term acid drainage treatment, including \$5,500,000 for other reclamation costs. Of this \$5,500,000, \$3,300,000 is designated for the placement of till cover on the waste dumps and 42,200,000 is related to site rehabilitation. During 1993, as a result of expenditures for site restoration, \$510,000 of the collateralized \$2,200,000 recoverable deposit was released. Starting in 1993, expenditures for long-term acid drainage treatment costs have been charged against the accrued liability.

All mining and milling operations ceased at the end of January 1994. The remaining concentrate inventory is expected to be sold by April 1994. With the cessation of mining operations, the 1994 earnings and cash flow will be affected primarily by the after-tax returns achieved through the investment by a wholly-owned foreign subsidiary of the company's cash and securities pledged under the reclamation letter of credit. Also affecting earnings and cash flow will be the reclamation and closure activities.

During the fourth quarter of 1993, management examined various options available to the company. An independent committee of the board was appointed to carry out this evaluation and the first phase has been completed with the assistance of a financial advisor. While a limited number of viable options were identified for further study, it was agreed they could not be pursued properly until the liability for long-term acid drainage treatment could be better established. To this end, the study of long-term treatment costs conducted in 1991 will be updated to reflect current information and it is expected that this work will be completed in the third quarter of 1994. Until the strategic direction of the company has been determined, the board has decided not to consider the payment of future dividends. Arthur W. Brown retired as director 16Feb94.

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EQUITY SILVER MINES LIMITED

STATISTICS
(in thousands, except grades and metals prices)

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REPRODUCTION
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PUBLISHED DAILY
SUBSCRIPTION RATE
\$500 PER YEAR

	Fourth Quarter		Years Ended December 31	
	1993	1992	1993	1992
Ore milled				
Tons	109	441	465	2,909
Average daily tons	1.2	4.8	1.3	7.9
Silver ozs./ton	2.92	1.92	4.23	2.14
Gold ozs./ton	0.066	0.040	0.085	0.031
Copper %	0.41	0.25	0.58	0.26
Production				
Silver - ozs.	231	380	1,617	3,117
Gold - ozs.	3.1	10.3	16.3	49.2
Copper - lbs.	700	1,342	4,604	10,168
Sales				
Silver - ozs.	804	1,008	1,982	2,881
Gold - ozs.	7.5	14.6	21.9	47.1
Copper - lbs.	2,674	3,327	6,312	8,373
Inventory				
Silver - ozs.	724	1,089	724	1,089
Gold - ozs.	4.8	10.4	4.8	10.4
Copper - lbs.	1,866	3,574	1,866	3,574
Average metals prices - US\$				
Silver (London Spot) - oz.	4.26	3.97	4.31	3.95
Gold (London) - oz.	358	345	360	344
Copper (London Metal Exchange)-lb.	0.88	1.04	0.87	1.04

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PLACER DOME INC.
(PDG-V.T.M) 236,705,566 shs.

PLACER DOME INC.

GOLD PRODUCTION AND OPERATING SUMMARY (1)

Mine	% of mine production	Year	Milled (000's tonnes)	Cost per tonne milled	Grade (g/t)	Recovery (%)	Production (oz)	Production per ounce (oz)	Cost per ounce cash ^{1,2}	Cost per ounce total ^{1,2}	Mine operating earnings ¹
Australia and Papua New Guinea											
Misima	100%	1993	6,641	\$11	1.7	93.3	10,458	336,231	\$141	\$212	\$50
		1992	6,928	14	1.8	92.9	11,642	374,300	178	255	\$35
Porgera	25/30%	1993	625	118	16.0	90.3	9,360	300,946	150	246	39
		1992	320	270	36.0	94.7	13,857	445,523	104	194	64
Kidston	100%	1993	5,653	11	1.5	82.1	6,959	223,728	234	283	17
		1992	4,146	14	1.7	85.9	5,890	189,359	245	311	5
Granny Smith	60%	1993	1,721	17	2.2	86.7	3,189	102,524	194	288	7
		1992	1,769	20	1.9	87.4	2,879	92,568	254	375	(3)
Big Bell ⁷	50%	1992	776	16	2.8	84.4	1,799	57,839	188	218	7
Canada											
Campbell	100%	1993	474	105	21.9	93.8	9,346	300,472	147	166	60
		1992	461	113	23.4	92.8	9,295	298,829	156	175	49
Dome	100%	1993	1,466	34	4.1	96.1	5,757	185,082	227	272	12
		1992	1,368	38	4.2	95.2	5,381	172,997	251	298	8
Detour Lake	100%	1993	953	48	5.0	93.2	4,412	141,840	250	319	6
		1992	873	53	4.9	93.5	4,029	129,550	281	357	(2)
Kiena	100%	1993	511	50	5.0	95.4	2,458	79,034	215	325	3
		1992	502	53	5.3	95.8	2,525	81,195	240	327	1
Sigma	100%	1993	469	54	5.3	95.7	2,378	76,450	317	331	3
		1992	445	58	6.1	96.3	2,610	83,909	288	305	(1)
Dona Lake ⁸	100%	1993	94	97	8.0	96.9	724	23,273	204	391	(1)
		1992	204	77	7.3	96.4	1,431	46,004	283	343	-
Equity Silver	100%	1993	422	•	2.9	42.7	508	16,334	•	•	•
		1992	2,639	•	1.1	53.4	1,531	49,216	•	•	•
United States											
Bald Mountain	100%	1993	1,958	12	2.0	- (9)	2,818	90,612	212	263	8
		1992	2,955	7	1.4	- (9)	2,537	81,582	195	266	5
Golden Sunlight	100%	1993	2,312	16	2.0	81.5	3,783	121,618	165	296	7
		1992	2,214	16	1.8	80.8	3,231	103,870	186	334	-
Cortez	60%	1993	352	47	4.3	75.5	1,248	40,111	308	409	(2)
		1992	362	47	4.4	77.1	1,417	45,553	286	371	(2)
Marigold ⁷	23.3%	1992	33	57	3.5	92.8	145	4,659	243	406	-
Chile											
La Coipa ¹⁰	50%	1993	2,839	19	1.7	84.9	4,015	129,100	142	255	23
		1992	2,478	19	1.5	83.9	3,051	98,091	142	248	18
Hedging revenue¹¹											
		1993									6
		1992									65
Total gold											
		1993					67,413	2,167,355	183	254	238
		1992					73,250	2,355,044	187	260	249
Other metals											
		1993									(10)
		1992									(7)
Total											
		1993									\$228
		1992									\$242

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\$15.00 PER YEAR

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