

A three-year collective agreement was concluded with the USWA on April 13, 1990. It covers approximately 170 employees and will expire on October 30, 1992.

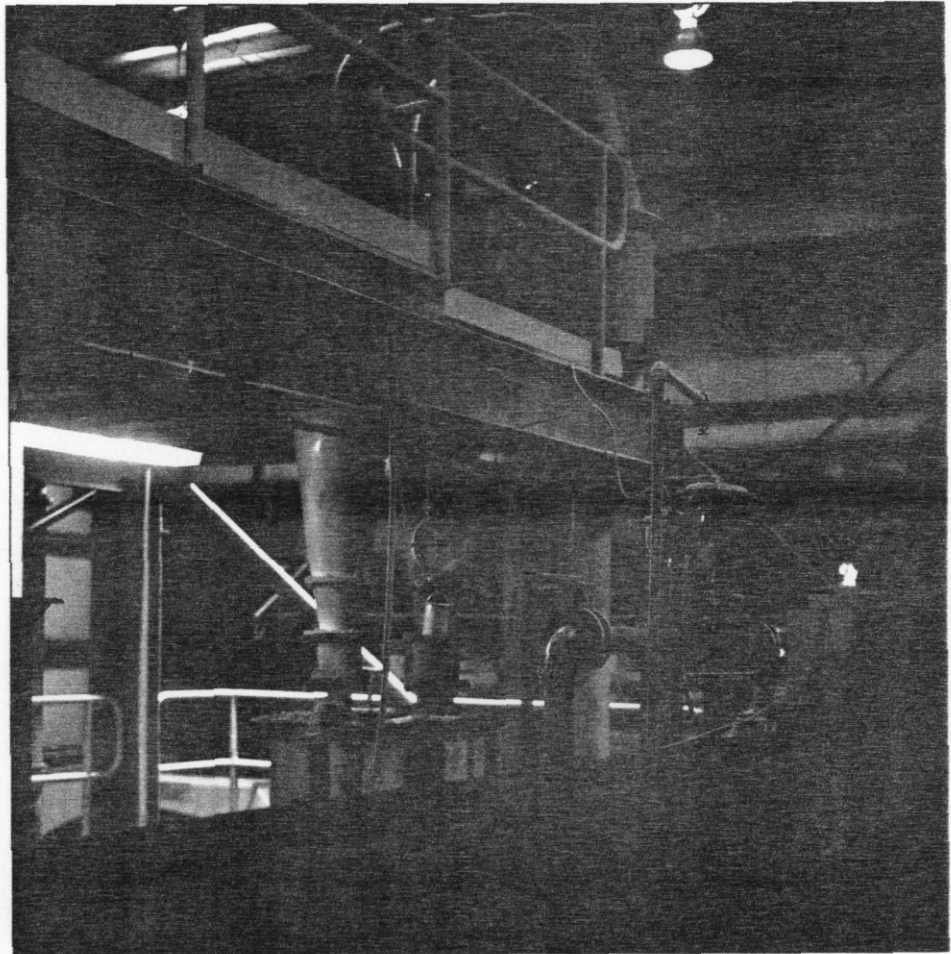
In addition to production from the David Bell mine, Teck and Corona share 50% of the net revenue generated from a quarter claim which is being mined and processed by Hemlo Gold. Production from the quarter claim in 1990 was 84,061 ounces of gold, which was also a record high, up from the previous year's 81,719 ounces.

The quarter claim contributed \$5.6 million to Teck's operating profit for the year, compared with \$5.4 million in 1989. Quarter claim reserves are estimated to be 2.0 million tonnes averaging 0.34 ounces of gold per tonne.

HIGHLAND VALLEY COPPER (copper, molybdenum, gold, silver)

Highland Valley Copper is a large open-pit operation located approximately 50 kilometres south of Kamloops, British Columbia. The mine is owned and operated by a partnership in which Teck holds a direct 14% interest, in addition to a net indirect interest of 11% through its equity in Cominco.

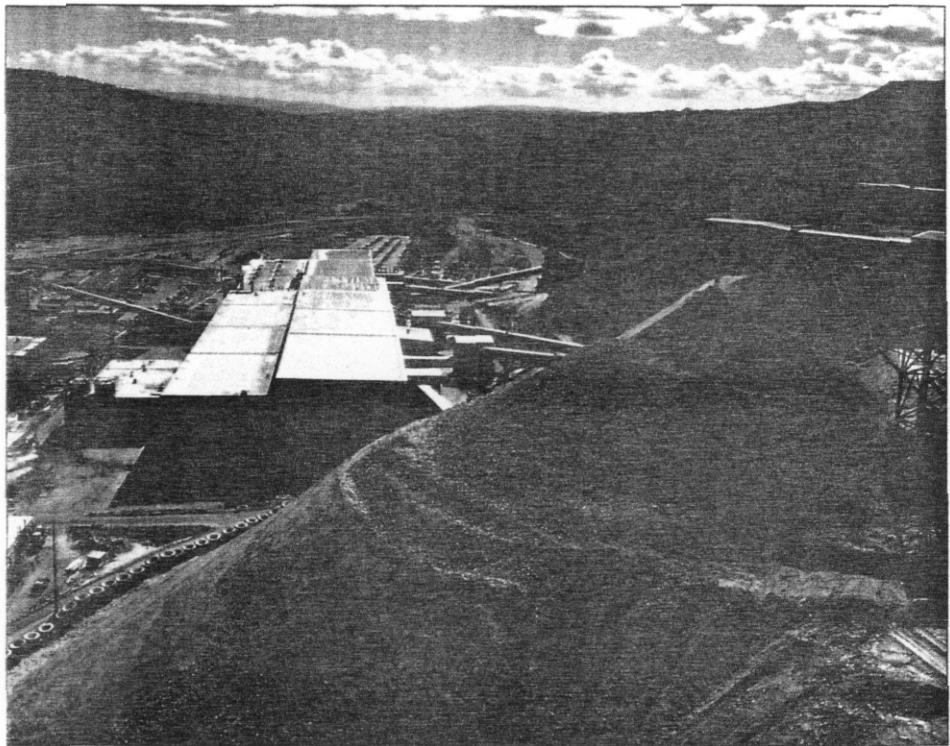
The mine complex includes two large open pits and a single expanded mill facility which combines the old Lornex mill with the Highmont mill formerly operated by Teck. The relocation of the Highmont facility was completed in 1989 at a cost of \$78 million and added 45,000 tonnes per day to the plant



Ore being conveyed to grinding circuit, David Bell gold mine, Hemlo, Ontario.

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OPERATIONS



Coarse ore stockpiles with plantsite in background, Highland Valley Copper mine, B.C.

capacity. Highland Valley is now the world's second largest copper milling complex.

1990 was Teck's first full year of copper production from Highland Valley, since acquiring a direct interest at the start of 1989. The mine was shut down in 1989 for three months due to a strike.

The mine produced a record 361 million pounds of copper in 1990, up from 250 million pounds the year before. In addition, Highland Valley produced 4.2 million pounds of molybdenum, 2 million ounces of silver and 13,000 ounces of gold from 46.3 million tonnes of ore. Although copper prices were slightly lower than in 1989, Highland Valley contributed \$27.2 million to Teck's operating profit for the year,

an increase of \$5 million from the prior year.

In order to feed the increased mill capacity resulting from the relocation of the Highmont mill, a record amount of material had to be moved during the year. One of the factors in achieving this was the commissioning of two 33-cubic yard shovels and 26 new 170-tonne haulage units in 1989. Also, in 1990, a new computer-assisted mine dispatch system became operational and has measurably increased truck productivity.

Highland Valley Copper was honoured for being the safest large metal mining operation in British Columbia in 1989 and will likely receive similar recogni-

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tion from the provincial government for 1990. The workforce stood at 1,227 at year end, which is a reduction of 15% since 1987. The current collective agreement with USWA will expire on September 30, 1991.

Highland Valley's measured and indicated ore reserves at year end were estimated to be 761 million tonnes averaging 0.41% copper and 0.007% molybdenum, and are sufficient for a projected mine life of 16 years.

KLONDIKE (gold)

Teck's 100%-owned Klondike mine is a placer gold operation located in the historic Klondike district near Dawson City, Yukon Territory. It was developed by Teck in 1980 and is a seasonal operation due to the harsh climate.

The operation uses the same principle of sluicing as was used by Klondike miners near the turn of the century. Permafrost (permanently frozen ground) is stripped and pay gravel washed through a sluice box. A total of 23 people are employed to produce an average of 7,000 ounces per season, making this mine one of the largest and most successful alluvial mining operations in Yukon.

In 1990, a total of 1.1 million cubic yards of material was moved on Gold Run Creek, of which 228,000 were sluiced to produce 8,286 ounces of raw gold. This material yielded 7,000 ounces of fine gold which generated an operating profit of \$1.1 million. The average recovered grade was 0.03 ounces of gold per cubic yard.



Sluice box where placer gold is concentrated, Klondike mine, Yukon Territory.

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Aerial view of Highland Valley Copper mill, Logan Lake, B.C. A-frame building in foreground is copper concentrate storage and loadout point.

HIGHLAND VALLEY COPPER MINE

	1988	1989	1990	1991	1992
Tonnes mined (000's)	83,976	60,599	95,986	94,006	96,269
Tonnes milled (000's)	44,109	32,324	46,263	46,292	44,064
Tonnes per day	120,516	124,802	126,749	126,827	120,394
Grade (% copper)	0.471	0.425	0.428	0.441	0.451
Mill recovery (%)	84.5	85.2	85.4	86.9	89.0
Copper (000's lbs)	374,340	249,578	360,859	378,377	376,982
Reserves (million tonnes)	768	777	761	692	633
Grade (% copper)	0.400	0.410	0.410	0.414	0.414

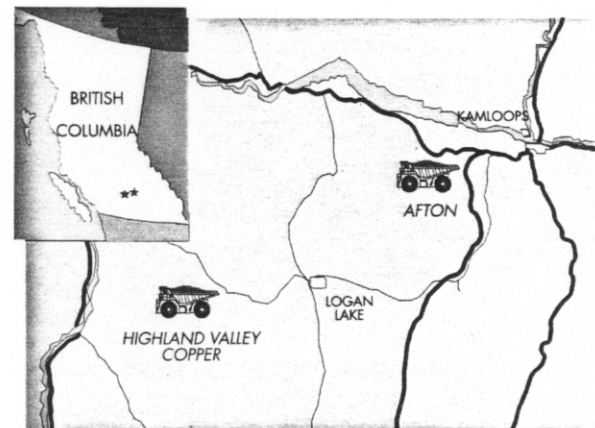
COPPER

Highland Valley Copper Mine

Highland Valley Copper, in which Teck has a 14% direct interest as well as an 11% indirect interest through Cominco, operates the second largest copper concentrator in the world, after Chuquibambilla in Chile. It is located south of Kamloops, British Columbia.

The mine contributed \$21 million towards Teck's operating profit, compared to \$18 million last year.

Highland Valley achieved three significant milestones during the past year. It mined a record 96 million tonnes of ore and waste rock, achieved a record 89% copper recovery in the processing plant, and for the third consecutive year received the John Ash Award which is given to the safest large mining operation in the province.



The tonnage milled decreased slightly in comparison to 1991 because the ore from the Valley pit was harder to grind. Copper production was close to the record level achieved in 1991 due to a higher recovery rate and slightly higher ore grade.

Ore reserves of 633 million tonnes grading 0.414% Cu are sufficient for another 14 years of operation.

Employee training, the integration of reclamation into mine operations, replacement of older equipment and enhancement of environmental safeguards all contributed to improvement in the operation during 1992.

Highland Valley employed 1,190 people and experienced a 3.8% turn-over. The collective agreement with the United Steelworkers expires on September 30, 1993.

Afton Mine

The open pit mine and concentrator facilities are located just west of Kamloops in the south-central interior of British Columbia. Afton is wholly owned by Teck.

Operations at Afton were suspended in August 1991 because of low copper prices. The facilities are being maintained so that production can resume if prices improve.

Mineable reserves remain unchanged from last year at 14.1 million tonnes averaging 0.46% copper.

ZINC, LEAD

Polaris Mine

Polaris is an underground mine located on Little Cornwallis Island in the Arctic Islands and is the most northerly of all Canadian mines.

Teck holds an 11.2% direct interest in addition to an indirect interest of 17% through Cominco.

The mine contributed \$4 million to Teck's operating profit this year in comparison to \$5 million in 1991.

Operating highlights in 1992, which was the mine's tenth anniversary year, included a mill throughput tonnage that was just under the record established in 1991, and an impressive 98.6% operating availability in the concentrator.

Ore reserves at year end were 9.5 million tonnes grading 13.9% zinc and 3.7% lead, sufficient for 10 years of production at the present rates.



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VCS → Highland Valley

erating costs were below the prior year's level. The high level of productivity matched the level established in 1992, and the mine was profitable for the year despite low zinc and lead prices.

Shipments of zinc and lead concentrates, totalling 234,000 tonnes, were made to Europe between July 15 and October 29.

A water licence was renewed, which will cover the operation to near the end of its life. Exploration efforts were reduced in 1993 due to financial considerations, but work did continue on defining targets for future drilling.

POLARIS

		1993	1992
Ore milled ¹	tonnes	1,026,800	1,066,700
Zinc			
Average ore grade		12.3%	13%
Concentrate	tonnes	151,200	168,900
Average concentrate grade		62.3%	61.8%
Lead			
Average ore grade		3.5%	4.1%
Concentrate	tonnes	31,700	40,100
Average concentrate grade		78.8%	78.8%
No. of employees at year-end		227	239

¹ Ore milled is reported at 100 percent. Concentrate production data represent Cominco's 77.5 percent share.

Highland Valley Copper

The Highland Valley Copper mine is in southern British Columbia near Kamloops. The Highland Valley Copper partnership comprises Cominco (50 percent), Rio Algom Limited (33.6 percent), Teck Corporation (13.9 percent, including 2.5 percent from Highmont) and Highmont Mining Company (2.5 percent, excluding Teck's 2.5 percent).

Mining was carried out in both the Valley and Lornex pits, with 87 percent of the ore coming from the former. The mill processed 44,473,000 tonnes during 1993, achieving an average daily throughput of 121,800 tonnes, slightly above last year's level of 120,300 tonnes. Total production of copper contained in concentrate was 156,800 tonnes, of which Cominco's share was 78,400 tonnes. Copper production was lower than in previous years due to lower grade from the ore mined on the periphery of the orebody where oxidation has occurred. This also

pared with a record recovery of 89 percent in 1992. However, productivity improvements were achieved through the use of larger equipment, relocation of the in-pit crushers and an upgrade of the mine dispatch system.

Cominco's share of Highland Valley Copper's earnings was \$5 million, compared with \$58 million in 1992. The reduction in earnings was due to the decline of the price of copper from U.S. 103.5¢/lb. in 1992 to U.S. 86.8¢/lb. in 1993.

For the fourth consecutive year, Highland Valley Copper was awarded the John Ash Trophy for being the safest large mining operation in British Columbia.

The collective agreement with the United Steelworkers expired on September 30, and at year-end negotiations were continuing.

HIGHLAND VALLEY COPPER

		1993	1992
Ore milled ¹	tonnes	44,473,000	44,064,000
Copper			
Average ore grade		0.42%	0.45%
Contained in concentrate	tonnes	78,400	85,500
Molybdenum			
Average ore grade		0.009%	0.009%
Contained in concentrate	tonnes	800	900
Silver	kilograms	29,700	32,600
Gold	kilograms	200	215
No. of employees at year-end		1,140	1,190

¹ Ore milled is reported at 100 percent; the metal contained in production reported is Cominco's 50 percent share.

Snip

The Snip gold mine is on the Iskut River, 100 kilometres northwest of Stewart, B.C. This underground operation is a joint venture between Cominco Ltd. (60 percent) and Prime Resources Group Inc. (40 percent).

An average of 468 tonnes per day were milled in 1993, with emphasis being placed on development of more narrow conventional stopes to balance the wider mechanized stopes. Ore grade was slightly higher than the reserve grade of 28.5 grams per tonne. Metallurgical recovery increased to 91.7 per-

an improved recovery in the gravity circuit. Snip was profitable for the year.

In-mine exploration again resulted in adding new ore to the mineable reserves. Mine life at current production rates is estimated at five years.

SNIP

		1993	1992
Ore milled ¹	tonnes	170,930	164,700
Gold			
Average ore grade	g/tonne	29.7	31.7
Concentrate	tonnes	5,340	5,000
Average concentrate grade	g/tonne	317	417
Gold Production			
Concentrate	kilograms	1,700	2,100
Bullion	kilograms	1,090	760
No. of employees at year-end		131	125

¹ Ore milled is reported at 100 percent; the metal contained in production reported is Cominco's 60 percent share.

Magmont

The Magmont underground lead-zinc-copper mine is at Bixby, Missouri. It is a 50:50 joint venture between Cominco American Incorporated and Dresser Industries, Inc.

In 1993, Magmont celebrated 25 years of operation and 25.5 million tons of ore mined at a grade of 7.5 percent lead, 1.2 percent zinc, and 0.3 percent copper.

Pillar and sill recovery accounted for the bulk of mine production at Magmont, which was insufficient to operate the mill at capacity. Fifty percent of the lead concentrate was sold in Missouri, with most of the remainder stockpiled. A small portion was sold to foreign smelters. Prolonged low metal prices resulted in a loss for the year.

Due to orebody depletion, the workforce at Magmont has been reduced to a minimum. Shutdown due to ore exhaustion will occur in 1994.

MAGMONT

		1993	1992
Ore treated ¹	tonnes	631,100	872,800
Lead			
Average ore grade		7.0%	6.1%
Concentrate	tonnes	27,800	33,300
Average concentrate grade		77.1%	77.8%
Zinc			
Average ore grade		1.2%	1%
Concentrate	tonnes	5,300	6,400
Average concentrate grade		58.4%	57.9%
Copper			
Average ore grade		0.3%	0.3%
Contained in concentrate	tonnes	500	700
No. of employees at year-end		124	126

¹ Ore treated is reported at 100 percent; the concentrate tonnage reported is Cominco's 50 percent share of production.

María

The María copper mine and concentrator is near Cananea in the State of Sonora, Mexico. It is owned and operated by Minera María S.A. de C.V., which in turn is owned 49 percent by a wholly owned subsidiary of Cominco Resources International Limited, with the remainder owned by the mine operator Empresas Frisco, S.A. de C.V.

The María mine and concentrator had another profitable year in 1993, although mining of the high-grade ore was almost completed. During the year, 214,900 tonnes of ore with an average grade of 7.2 percent copper were mined. The concentrator treated 227,400 tonnes of ore grading 7.4 percent copper, producing 51,600 tonnes of concentrate grading 30.4 percent copper. Cominco Resources' share of copper in concentrate was 7,700 tonnes.

New equipment was installed in the concentrator to allow the production of molybdenum concentrate. Additional mine development started during 1993 to prepare for extraction of copper-molybdenum ore. This ore is significantly lower grade than the high-grade copper ore that has been mined to date, but, depending on metal prices, it is expected operations will continue at María into the second half of 1995.

Cominco and Cominco Resources are also in a joint venture with a third company to drill a promising gold property on an island of Vanuatu in the South Pacific. Jointly sponsored Cominco Resources—

Cominco Ltd. programs are also planned in Argentina, Greenland and Germany, while developments in China and the Commonwealth of Independent States will be monitored for opportunities.

Ore Reserves – 1993

(Metric units)

Operating Mines (Measured and Indicated Ore unless otherwise noted¹)

	Cominco Ltd. Interest	1993				1992			
		Ore Tonnes × 1000	Pb %	Zn %	Ag g/t	Ore Tonnes × 1000	Pb %	Zn %	Ag g/t
Sullivan	100	14,800	4.7	8.0	26	15,800	4.7	7.9	26
Polaris	77.5	8,600	3.7	13.4		9,500	3.7	14.0	
Magmont	50	2,500	8.3	1.2		2,600	8.5	1.3	
Red Dog	100 ²	56,800	5.5	18.4	93	58,200	5.5	18.4	93
		14,100 ²	2.7	10.0	41	14,100 ²	2.7	10.0	41
Glenbrook	79.6	466	1.27% Ni			650	1.25% Ni		
Highland Valley	50	595,000	0.42% Cu			633,000	0.41% Cu		
		32,000 ²	0.45% Cu			35,000 ²	0.45% Cu		
Owens Lake	100	30,000	Na ₂ CO ₃ equiv.			30,000	Na ₂ CO ₃ equiv.		
Snip	60	655	27.0 g/t Au			641	28.5 g/t Au		
		156 ²	23.7 g/t Au			230 ²	26.7 g/t Au		
María	29	41	7.0% Cu, 0.4% Mo			250	7.9% Cu, 0.4% Mo, 42 g/t Ag		
		250	1.7% Cu, 0.65% Mo			215 ²	1.8% Cu, 0.7% Mo, 10 g/t Ag		

Advanced Projects (Measured and Indicated Ore unless otherwise noted¹)

	Cominco Ltd. Interest	1993		1992	
		Ore Tonnes × 1000	Grade	Ore Tonnes × 1000	Grade
Quebrada Blanca Enriched Zone	43.6	89,000	1.3% Cu	89,000	1.3% Cu
Mariquita	59.2	33,000	0.47% Cu	21,000	0.53% Cu
Alder	35.5	30,000	4.0% Garnet	30,000	4.0% Garnet
Cerattepe	59.2	1,100	10.0% Cu	1,200	10.0% Cu
		1,600	5.2 g/t Au, 200 g/t Ag		

¹ Mineral reserves of Cominco and Associated Companies are classified as measured, indicated and inferred. The reserves are reviewed annually by the Company's engineering and geological staff and are based upon individual evaluations of operating results, drilling, other engineering data, and long-term metal price forecasts. The term "measured" is limited to those reserves at a mine that can be projected from one or more exposed faces on the basis of actual operating results. Reserves are classified as "indicated" where there is sufficient information about the deposit or a portion of it to form the basis of a mine production forecast. Reserves computed on the basis of more limited information but adequate geological data to form the basis of a preliminary mine production plan are classified as "inferred." Ore reserve figures are total reserves at the mines and are not limited to Cominco's interest.

² Inferred Ore.

³ Subject to escalating royalty.

Other Resources

	Cominco Ltd. Interest	1993		1992	
		Ore Tonnes × 1000	Grade	Ore Tonnes × 1000	Grade
Pebble Copper (Probable Resource)	100	420,000	0.35% Cu, 0.4 g/t Au	420,000	0.35% Cu, 0.4 g/t Au
Quartz Hill (Probable Resource)	100	210,000	0.22% MoS ₂	210,000	0.22% MoS ₂
(Possible Resource)		1,100,000	0.12% MoS ₂	1,100,000	0.12% MoS ₂
Quebrada Blanca Protore (Possible Resource)	46.1	225,000	0.5% Cu	225,000	0.5% Cu
Sheep Creek (Possible Resource)	59.2	4,000	4.0% Cu	4,000	4.0% Cu
Pinchi (Possible Resource)	100	1,100	3.2 kg/t Hg	1,100	3.2 kg/t Hg
Cerattepe (Possible Resource)	59.2	3,800	2.0% Cu	3,800	2.1% Cu
Mariquita (Possible Resource)	59.2	10,000	0.43% Cu		

⁴ The term "resource" is used for an estimate of mineralization of expected economic merit, but before complete geological, mine, metallurgical and cost data are available. The term "probable resource" is used when sufficient information is known about the geology, thickness, grade, continuity and extent of the deposit to permit defined grade and tonnage figures. "Possible resource" is a projection of mineralization computed on the basis of limited drilling but a reasonable understanding of the geology and the distribution and correlation of metal values.