



Premier Gold Project

The Premier Hardrock Miner

TGS -> PREMIER

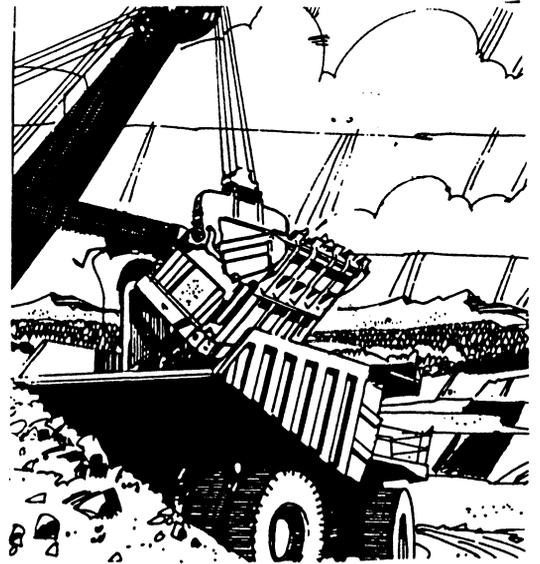
886513

STEWART, B.C.

FEBRUARY, 1992

BASIC FACTS: JANUARY/92 MONTH

	ACTUAL	BUDGET
PREMIER GOLD TONNES MILLED	45804	50600
CUSTOM TONNES MILLED	2001	-
PGP GRADES:		
GOLD g/mt	2.02	2.36
SILVER g/mt	28.9	28.46
METAL PRICES (U.S. \$)		
GOLD \$/oz	\$354	\$370
SILVER \$/oz	4.12	4.20
DORE PRODUCTION		
GOLD oz	2425	3517
SILVER oz	24975	15125
REVENUES (CAN. \$)	1,191,071	1,543,700
OPERATING COSTS (CAN. \$)		
MINE	615,017	566,000
MILL	464,780	541,900
PLANT & GENERAL	527,280	669,800
ADMINISTRATION	71,066	55,600
TOTAL	(487,072)	(289,600)



UNDERGROUND UPDATE:

BRIAN MILLER, PROJECT CO-ORDINATOR

The underground operation is now approximately 2 weeks away from producing ore on a regular basis.

Walter & his crew have been working hard to establish a manway from 6 level to 5 level (250') and a service compartment to hoist materials from 6 to 5 level. At the same time a crew is preparing an orepass to move muck from 5 to 6 level.

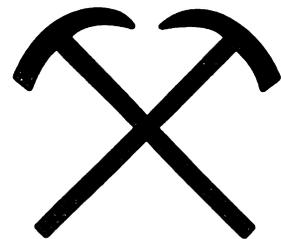
Wayne & his electricians have the 4 ton battery loco ready for us & Terry has 6, 4 ton cars ready to go.

A whole group of people from Premier Surface & down at Myra Falls have put in a lot of extra effort to get the Project off the ground & to all those we give our sincerest thanks.

The Vancouver Explor. group is arriving on Saturday to formalize an exploration programme underground off of 5 level. The target areas they have selected are within present possible mining areas & Walker & his crews will be watching results with great interest. As Walter would say, "give me stope instead of Mickey Mouse pillars & I will show you how we mine in B.C."

On a more serious note, the underground operation is very dynamic. We have to, change daily mining plans as conditions warrant. As such we must know where all people are at all times in the underground. For this reason we've made it a standard policy that no one is allowed into any part of the underground unless

authorized by B. Miller or W. Rusinek. Anyone going underground must be equipped with hardhat, safety boots, safety glasses, belt light & self-rescuer. All persons not directly associated with the underground must have a guide to their workplace. This policy will apply to all underground openings including the 2 level & Northern Lights portal.



ATTENDANCE 1991

The following employees are to be congratulated for their 1991 attendance. Only those employees who were on payroll for all of '91, and who were absent for 3 days or less because of illness or accident, are recorded below. They account for 51% of the workforce; and 21% did not miss any time at all.

Any employee, who may be interested, is welcome to check his absentee record. The files are kept at Employee Relations.

<u>NAME</u>	<u>SECTION</u>	<u># OF SICK DAYS</u>
BOIVIN, Daniel	Pit	2
BOYCE, Rob	Geology	1 (0 in 1989, 1990)
BRYAN, Marty	Mill	0
BUDISELICH, Darcy	Pit	0
BURNETT, Chris	Mill	2
BURRI, Leona	Assay	0 (0 in 1989, 1990)
BURRI, Rudy	Pit	1
CALLIHOO, Rick	Pit	1
CAMERON, Charles	Mill	0 (since hire 89-03-01)
CAMPELL, Bob	Pit	1 (0 in 1990)
CARTER, Stephen	Pit	0 (since hire 89-05-01)
CLARY, Rod	Mill	2
COLE, Wayne	Mill Mtce.	0 (since hire 89-03-01)
CORBEIL, Pierre	Pit Shop	0
CRAVEIRO, Rosa	Assay	1
DAMGAARD, Niels	Pit Shop	0
DIRKSEN, Frank	Mill Mtce.	1
DIXON, Bill	Pit	2 3/4
DRZIMOTTA, John	Pit	0
ELLIOTT, Lewis	Blast Crew	2 1/3
ERVEN, Wayne	Pit	0
FIETZ, Dale	Pit	0 (since hire 90-03-25)
FRIEDRICHS, Robin	Assay	0 (since hire 90-05-02)
HALLBAUER, Tom	Pit	2
HOYER, Joy	Assay	0 (since hire 90-03-06)
HYDE, Lorne	Mill	0 (since hire 90-07-02)
KING, Nigel	Eng.	0
LACROIX, Linda	Assay	1
LOW, Ivan	E.R.	0 (since hire (88-10-17)
LOZA, O'Neil	Mill Mtce.	2 7/8
McALLISTER, Don	Pit	3
McKENNA, Lynda	Admin.	3
MANN, Brian	Mill Mtce.	1 3/4
MOHART, Peter	Pit	0
OLIVER, Robin	Pit Shop	1
PIERCEY, Brian	Pit Shop	0
REICHERT, Lee	Mill	1 (0 in 1990)
ROBINSON, Lance	Pit	1 7/12
RYDER, Candi	E.R.	2
SORENSEN, John	Mill	0
STEINKE, Don	Mill	1 (0 in 1990)
STRATING, Gord	Pit	2
TAYLOR, Glen	Pit	1 3/4
THERIAULT, Jacques	Pit	1 11/12
WALKER, Jim	Pit	1
WATSON, Derek	Eng.	2
WILLAN, David	Whse	1 1/4 (0 in 1989, 1990)
WILLIAMS, Wayne	Pit	1 (0 in 1990)

COMPRESSED GAS CYLINDERS:

Anyone who has ever witnessed a compressed gas cylinder on a rampage will quickly admit that it is a frightening experience. There is a very sound & logical reason why these cylinders must be properly supported in the upright position when charged & in use. The following true story drives this point home:

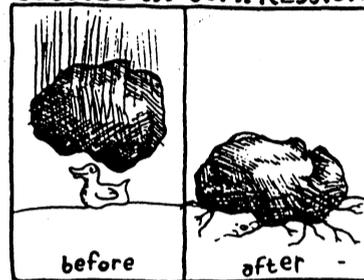
"Six 220-cubic foot cylinders, part of a fire extinguisher system, had been moved away from their wall supports to allow painters to complete painting the area. While moving them back into position, it was noticed that one cylinder was leaking. A painter had the cylinder leaning against his shoulder & was attempting to slide it across the floor. At that moment the valve separated from the cylinder & was projected backward hitting the side of the steel cabinet.

The man suddenly found himself with a jet-propelled 215 pound of steel. He wrestled it to the floor but was unable to hold it. The cylinder slid across the floor hitting another cylinder, knocking it over & bending its valve. The cylinder then turned 90° to the right & travelled 20 feet where it struck a painter's scaffold causing a painter to fall 7 feet to the floor. After spinning around several times it travelled back to its approximate starting point where it struck the wall.

At that point the cylinder turned 90° to the left & travelled the length of the room chasing an electrician in front of it. It crashed into the end wall 40 feet away, breaking loose four concrete blocks. It turned again 90° to the right & darted through a door opening, still chasing the electrician. The electrician ducked into the next opening but the cylinder continued its journey in a straight line for another 60 feet, where it fell from a dock into a truck well. The balance of the cylinder pressure was released as the cylinder spun harmlessly around in the truck well area. The painter who fell from the scaffold received multiple fractures of a leg"

The pressure in the carbon dioxide cylinder was 900 psig. Ask yourself what could have happened if it had been 2000 psig & it had been in a crowded work area.

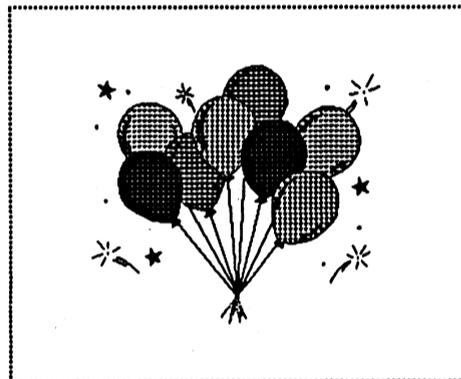
STUDIES IN COMPRESSION



STORK REPORT:

Congratulations to Troy Mallette & Michelle Dreja on the birth of their 1st child, Tanner Douglas. He arrived January 31st in Williams Lake at 7:30 a.m. weighing in at 6 lbs & 7 oz.

Best wishes also go out to Ted & Yvette Kenny on the arrival of Lloyd Price. He was born in Vancouver at Grace Hospital on Wednesday, February 19th weighing 8 lbs 2 oz, a brother for Alfred.



WESTMIN VS MINISTRY OF ENVIRONMENT

On February 18, 19 & 20, 1992, Judge Graham from Prince Rupert heard the case relating to charges pressed against Westmin by the Ministry of Environment.

The alleged offences would have taken place between April & October 1990. Westmin was charged for exceeding its Effluent Permit limits from water coming out of Level 4 & Level 6.

Both the Crown & Westmin agree that limits were exceeded & that no known impact on the environment was measured.

In its defense, Westmin stated that during the offences in question, it was working diligently to correct the problem on an interim basis while the permanent Water Treatment plant was under construction. Also, the Company submitted that the impact on the receiving waters was non-existent at best or negligible at worst.

The Crown presented arguments trying to demonstrate that the Company "dragged its feet" & should have acted faster to build the permanent Mine Water Treatment plant, & in diverting water from Level 4 to Level 6.

Both lawyers will be presenting their summary to Judge Graham in Prince Rupert on February 28th.

The Judge will then have to make his decision. It is not known when judgement will be rendered.

Grade 12 students attended part of the hearings on February 18 and found the whole subject pretty "dry" and monotonous.

SOUNDS FAMILIAR!?

ALF RANDALL

"The open pit has uncovered a hole of surprises....orebody has proved to be so perverse, unpredictable, and unique...it would be a perfect subject for a PhD thesis...contact between waste and ore was sudden and erratic and unpredictable...economic and subeconomic ore is mixed in an inconsistent jumble...there was no mineable cutoff between economic and subeconomic ore...we have to mill subeconomic ore in order to avoid throwing out economic ore...impossible to tell whether shovels were picking up backfill from mined out stopes or caved ribs and pillars."

Sounds like commentary from numerous discussions, reports, and "what-should we-do-now" meetings at Premier Gold! Well, actually it's from an article in Placer Dome's inhouse magazine Prospect (Dec 1991) on their Big Bell Mine in Australia. If you changed the title and pictures it would be virtually a perfect match for Premier Gold except their deposit is much bigger and also it doesn't snow there. As in our situation they are unlikely to recover the original investment and ore grades and hence tonnages are below predictions in the feasibility, which has resulted in a shortened mine life and layoffs.

Small consolation perhaps but I guess it gives you some comfort to know that even the big-guys with some of the best expertise available in the mining industry anywhere in the world can also stumble when confronted with such bewildering deposits. It is interesting to note a further similarity - their employee morale is high and they have demonstrated a "team-work" attitude in overcoming many of the problems. This has resulted in a nearly profitable operating situation.

COLD REMEDIES: WHAT WORKS AND WHAT DOESN'T

There seems to be an irresistible temptation for some people to take something when they have a cold, no matter how often they've heard that nothing will help much. Often they reach for aspirin, acetaminophen, or even leftover antibiotics, on the principle that such medications can't hurt and might help. Wrong - these won't help and may be counterproductive.

In an Australian study 60 healthy volunteers were exposed to the cold virus & then given aspirin, acetaminophen (such as Tylenol), Ibuprofen, (such as Advil or Nuprin), or a look-alike placebo for a week. Both the aspirin & acetaminophen did tend to have longer periods of viral multiplication.

Many combined cold medications contain acetaminophen along with decongestants, antihistamines, & cough suppressants. Cold specialists have often pointed out that some of these ingredients may work against one another. Here's an example: the acetaminophen may increase nasal congestion while the decongestant decreases it.

The bottom line: if your cold is accompanied by a fever & muscle aches, take Ibuprofen-&, if you wish, a simple decongestant for nasal congestion.

ANT-ANTIBIOTICS

Two out of three people believe-incorrectly-that antibiotics can kill viruses. According to one survey, penicillin & most other antibiotics work only against bacterial infections, such as Strep throat-not viral infections such as colds & flus. Both viruses & bacteria may produce similar symptoms. But they are very different kinds of microbes & don't respond to the same treatment. Antibiotics attack the cell walls or other targets unique to bacteria, but viruses lack such targets, so antibiotics have no effect on them. Most viral infections have no cure & must simply run their course.

So, what's the harm? Aside from wasting money-of taking antibiotics needlessly? Scientists worry that the indiscriminate use of these drugs will lead to the development of more & more bacteria that are resistant to antibiotics. If the overuse of antibiotics becomes widespread.

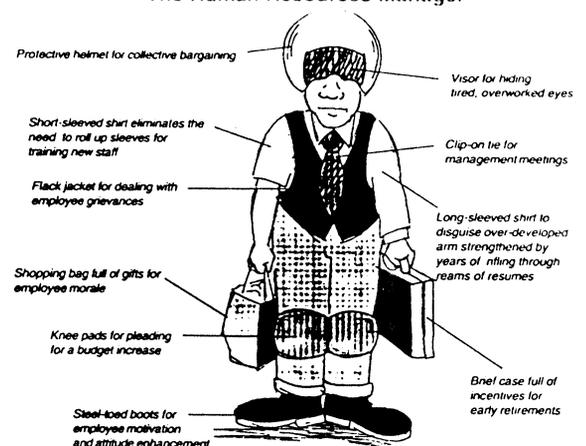
Virulent strains of bacteria that don't respond to antibiotics will spread through the population. Salmonella poisoning, for instance, has become difficult to treat in recent years because the bacteria is often resistant to common antibiotics.

ANTIBIOTIC RULES:

Take antibiotics only when your doctor prescribes them. Take them for the full length of time recommended-that way you should have none left over. If for some reason you do have leftovers, don't keep them for future use. Certainly don't take them for a cold or the flu.

The above is an article taken from the February 1992 "Wellness Letter", published by the University of California at Berkeley.

The Human Resources Manager



TOS → PREMIER
Bob
JAN 29 1992

STEWART, B.C.

JANUARY, 1992

		BASIC FACTS:			
		MONTH		YTD	
		ACTUAL	BUDGET	ACTUAL	BUDGET
PREMIER GOLD TONNES MILLED		39676	45100	526868	605300
CUSTOM TONNES MILLED		3205	-	105744	-
PGP GRADES:	GOLD g/mt	2.02	1.98	2.37	2.28
	SILVER g/mt	48.30	24.35	51.93	46.85
METAL PRICES	(U.S. \$)				
	GOLD \$/oz	361.73	380.00	362.43	380.00
	SILVER \$/oz	3.91	4.80	4.04	4.80
DORE PRODUCTION					
	GOLD oz	2453	2435	36708	40092
	SILVER oz	21686	14093	392690	446704
REVENUES	(CAN. \$)	1,197,183	1,168,300	18,174,334	20,446,700
OPERATING COSTS (CAN. \$)					
	MINE	757,357	902,300	11,846,477	11,144,800
	MILL	512,037	581,200	5,222,212	7,244,200
	PLANT & GENERAL	355,160	355,100	3,755,265	3,731,300
	ADMINISTRATION	107,617	79,700	580,061	1,039,300
TOTAL		1,732,171	1,918,300	21,404,015	23,159,600



UNDERGROUND UPDATE:



Now that the Holiday Season is behind us we have the underground project back on stream. We recently increased the underground crew by three more miners and this brings their total to six: Walter Rusinek and his sons Dean and Robert, brothers Albert and Ed Chatelaine; and Mike Retza. All are or were local residents. Rounding out the group we have Sasha Paramonoff (Mine Technician); Chris Rockingham (Geologist); and Brian Miller (Project Co-ordinator).

The goal is to mine 200 MTPD on a Monday through Friday dayshift schedule. The ore will be stockpiled then fed to the mill on a batch basis.

By doing this we will be able to get a true picture of profit versus expenses.

No underground mining, of any great extent, has taken place at Premier since 1953. At that time the mine ceased operation because of economic reasons. There remained substantial reserves in pillars and new stoping areas.

The current mining plan calls for removing at least one high grade pillar while actively searching for other economic zones.

An exploration group from Vancouver will be arriving next week to work up new zones for mining.

Meanwhile Walter and his crew are replacing 2500 feet of track on 6 level in preparation for ore haulage. We expect to be delivering ore to the mill the 2nd half of February.

A second mining project will begin in the spring on 2 level.

A development crew will be driving a new access from 555 bench along the south side of the "Glory Hole" fill for about 400 feet. Drawpoints will be driven from the access into the fill so that 5 yard loaders (scooptrams) can pull the fill down and tram it to surface. If the muck can be removed in this fashion substantial savings can be realized.

Our Myra Falls operation is hoisting the equipment up from the underground and reconditioning it for us. The job of hoisting etc, is not easy and we certainly thank them for their efforts.



CHILDREN'S MIRACLE NETWORK TELETHON

The 1992 campaign is in the process of organizing. This year's chairman is Don MacLeod, president of the Northair Group. Last year PGP employees generously donated \$5,270.00. You will be asked again to open up your hearts, & wallets, to this worthwhile cause.

SAFETY DRAW

We experienced our first loss-time claim on January 03rd when a mine department employee suffered a badly sprained ankle. His mobility was restricted to the use of crutches.

We are also awaiting decisions from the Workers' Compensation Board on two earlier issues, one dates back to May 1990 (the WCB has never been known for speed in these matters). The Company appealed them because, in our opinion, the facts do not support the Board's position.

Therefore the monthly safety draw is now in abeyance until we have completed three months without another loss-time injury.

There were no draws for October & November of last year because the uncertainty of our accident-free status. We were expecting a clearcut decision by the WCB but they were not able to render one. Whenever the verdict does come down, if it is not in our favour, it will be registered to the month that it was made in. These things can't be backdated. Consequently we went ahead with the draws for these two months.

We may no longer be able to boast about our perfect safety record but, experiencing only one loss-time injury in over three years, is a record that is still the envy of our industry. We are all responsible for our personal safety, thus collectively we are also responsible for our excellent company safety record.

THE WINNERS FOR THE SAFETY DRAWS WERE:

November

Gord Strating-Pit
Bob Campbell-Pit
Steve Carter-Pit
Joy Hoyer-Assay

December

Rod Clary-Mill
Jim Hyslop-Pit
John Blindheim-Mill Mtce
Wayne Cole-Mill Mtce
Dale Fietz-Pit

Because of the January loss-time injury the property has to go three months without a further incident before these draws start up again.

THRIFT PLAN:

A new option has been added to Thrift Plan Withdrawals. You may now transfer your shares directly to your broker via BBS (Book Base System). Shares are transferred by computer and not in paper form. The advantages of this option are: to the Plan Member - transfer is completed within 3 to 4 working days of

submission to trustee, to Westmin - saves the fee of \$15.00 per certificate. Withdrawals are sent to the trustee on the 15th and last working day of the month. If you wish to take advantage of this option, you must attach a letter to your withdrawal form indicating the name, address, account number and type (RRSP or

Brokerage account) and brokers name. You will also need to inform your broker that shares will be coming by computer. If you have any questions, please call Noreen Nightingale in the Vancouver office.

INDUSTRIAL ADJUSTMENT COMMITTEE



Notices have been posted inviting applicants who are interested in serving on this committee.

This committee will be providing a very valuable service. When established its mandate will be to relocate once the mine begins to downsize.

Interested candidates are asked to contact Emp. Rel.

THE STORK REPORT

At 5:57 p.m. Sunday, January 19, 1992, Master Byron Joseph was born to Rob & Mary Boyce at the Stewart General Hospital. He weighed in at a healthy 9 lbs & 11 ozs. Rounding out the family are Adrian 9 & Danica 7.

COMPANY SERVICE

The following employees have completed three years of service as of January 1992:

*Tom Hallbauer-Pit
David Willan-Warehouse

*Tom joined Projects, for the construction phase, then transferred to PGP in January 1989.





The Premier Hardrock Miner

Premier Gold Project

LOG NO:	DEC 23 1991	VAN	9
ACTION:	STEWART, B.C.		
FILE NO:	PREMIER SEASONS GREETINGS		

DECEMBER, 1991

Another year has quickly slipped by!!!

1991 has seen a major turnaround in Premier Gold's fortunes. Our operating costs have come down drastically while productivity has remained very good. Approximately \$962.00 will have been paid to each employee as part of our Profit Sharing Program (last payment due January 20, 1992).

What's in store for 1992?

- The mining of the open pit will likely come to an end.
- We will start an underground mining operation which, hopefully, will last for a long time.
- The exploration department will continue its search for more ore underneath the pit and in the Stewart area.
- We are presently talking to other companies in view of bringing their ore into our plant for custom milling.

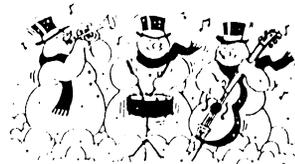
As you can see, all possible means of extending the life of this operation are being explored; time will tell how successful these different attempts will be.

On behalf of the Directors of Westmin Resources Ltd., I want to wish you and your families a joyous Christmas and a prosperous 1992.

On a more personal note, I wish to thank you for your support and understanding during 1991; each time we faced a difficult situation, I remained convinced that the Premier Gold employees would understand the reasons behind any particular action or decision... I have not been disappointed.

We will have a good year in 1992.

Denis

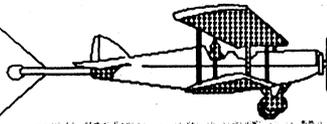


BASIC FACTS: NOVEMBER 1991

	MONTH		YTD	
	ACTUAL	BUDGET	ACTUAL	BUDGET
PREMIER GOLD TONNES MILLED	25612	45000	487192	560200
CUSTOM TONNES MILLED	28207	-	102539	-
PGP GRADES: GOLD g/mt	3.44	2.25	2.40	2.30
SILVER g/mt	47.16	31.18	52.23	48.66
METAL PRICES (U.S. \$)				
GOLD \$/oz	360.06	380.00	362.49	380.00
SILVER \$/oz	4.07	4.80	4.05	4.80
DORE PRODUCTION				
GOLD oz	1,802	2,862	34,255	37,659
SILVER oz	23,447	18,027	371,004	432,610
REVENUES (CAN. \$)	1,094,634	1,381,200	16,977,151	19,280,703
OPERATING COSTS (CAN. \$)				
MINE	819,063	894,400	11,089,120	10,242,500
MILL	388,678	560,300	4,710,175	6,663,000
PLANT & GENERAL	300,408	332,300	3,400,105	3,376,200
ADMINISTRATION	(52,519)	79,700	472,444	959,600
TOTAL	(392,035)	(496,500)	(3,006,749)	(2,216,897)



THE EXCITING FLIGHT
OF THE DORE BAR



BARRY STENHOUSE-STEWART WEATHER STATION

It all starts off innocently enough, a truck appears in Stewart, the District crew madly plows the runway of accumulated slush, ice & snow, & then it all happens.

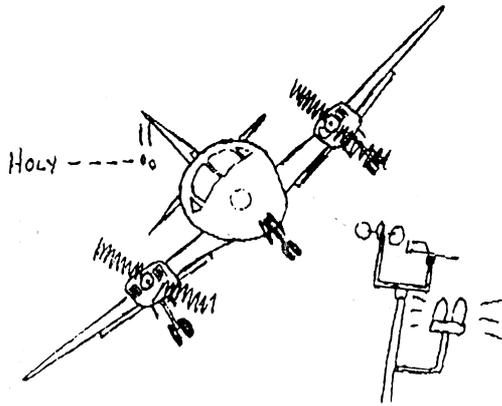
Fifteen miles down the canal we see brilliant landing lights of an inbound aircraft. We at the weather station know what is about to happen, so we dash for our hardhats. Closer & closer loom the mysterious lights, bobbing gracefully in the lee wave turbulence. It is not long before we can make out the outline of a light twin. Hopefully on a "long final" & not making a strafing run on the airport.

Five miles out, & the aircraft is buffeted by crosswinds, the lights are much brighter, & we can distinguish wingtips in the binoculars. All eyes are on the incoming craft as the wingtips arc gracefully twenty feet each way. We wonder if the co-pilot has his little white bag handy.

Two miles out, & on final approach, still as usual at an altitude of around 1500 feet or so. Guess the pilot will wait until he has the threshold safely made before dropping down upon the runway. Yep, there he goes, a graceful drop of some one thousand feet or so, over the wires, across the numbers, and bang!...the plane settles on the runway.

It roars by the weather station, propellers in full reverse, tail bobbing as the pilot stands on the brakes to stop before he runs out of runway. This usually happens when he lands with a twenty-knot tailwind.

Moments later, the aircraft taxis onto the apron, shuts down its tired old motors, & the circus begins. For security reasons we won't go into details, but, shortly thereafter, the plane goes through the whole procedure in Reverse, and the bars are destined hopefully for Vancouver or wherever the bars go. I guess they do make it there safely for the plane always seem to come back for more!



**CHRISTMAS HAMPERS FOR
THE LESS FORTUNATE**

The following employees have donated their Christmas turkeys to the local group that prepares special food hampers to Stewart residents who are in need:

- Leo Dubreuil
- Lynda McKenna
- Bob Smith
- Sasha Paramonoff
- Rod Clary
- Tom Hallbauer
- Jim Hyslop



In addition Premier Gold has donated a few presents left over from the Children's Christmas party, along with \$100 from the bar receipts from the Adult parties.

The group that prepares these hampers prefers anonymity. It's a cause that they have undertaken & donated their time (& money) to. While they do not seek publicity they do welcome donations.

Canned good, toys, money can be dropped off at the Government Agent's office, or at the B.C. Liquor store.

"CALLED TO THE BAR"

The 1991 Company Christmas parties are over. And from the amount of noise & foot stompin' that took place, they would have to be judged successes.

Although a paltry sum was charged for drinks (4 for \$5.00) the sum of \$1000 was raised. That means that partygoers were "called to the bar" for 800 servings of their choice.

The purpose of charging for drinks, as opposed to having an open bar, is reduce wastage. The money thus raised is donated to community organizations and, this year, the recipients were:

- Stewart Minor Hockey
- Stewart Figure Skating Club
- Food Hampers For The Needy
- Stewart Hospital Ladies Auxiliary
- Stewart Spring Cleanup Campaign

The last group consists of school children. Each spring they are organized into squads & bag all litter that we adults carelessly toss about during the winter.

THANK YOU:

We wish to thank the following companies for their generous participation in our Christmas festivities this year. Their support is sincerely appreciated:

- Bobby & MaryJane McKay, Granmac Services Ltd.
- Gerry Killoran, Auto Marine Ltd.
- Eric Auger, Parker Pacific Ltd.
- Terry Ternowski, Titan Explosives Ltd.
- Lee McColl, Western Equipment Ltd.
- Phil at Nedco (Terrace)
- Rod Sopiwnyk, Rivtow Ltd.



HOME SAFE & SOUND ☺☺☺

In the last newsletter we reported that the warehouse handheld radio had gone AWOL. Well, since it became known that Irene was "broken up" over its disappearance, the "borrower" didn't wait until Christmas to return it (place it under her tree). It turned up just as mysteriously as it disappeared, back in its cubbyhole in the warehouse.



**The Premier
Hardrock Miner**

LOG NO: DEC 16 1991 VAN #

ACTION: STEWART, B.C.

DECEMBER, 1991

JCS → Bob (FYI)
FILE NO: PREMIER**MILLER'S MERRY MINERS:**

Brian Miller, U/G Project Supervisor, has recruited his 1st group of miners, Walter Rusinek & his two sons, Dean & Robert. Walter is the Co-ordinator & his boys are busy preparing the underground workings (ore chutes, track, piping, ventilation, air, etc.) so that mining can get underway in January.

There will be a temporary shutdown from mid-December to early January then mining will begin in earnest. A production rate of 200 TPD is the target with mining taking place on dayshift Monday through Friday.

Mining (pillar recovery) will be on #5 level. The ore will be dropped down to #6 level which is the main access to the underground, trammed using 4 ton cars to 6 level portal and hauled to the crusher.

"Sasha" Paramanoff, Mining Technician, who was here earlier on the Tenajon (SB) Project is also on board. Yet to join the project is a geologist, yet to be named, who will be here in January. Rounding out the team will be approximately six more miners.

The feasibility study was based on 16,000 tons of ore at a grade of 0.40 ounces per ton. This is not a whole lot when you consider the avaricious capacity of the mill (2300 MTPD) but, this extra production will be a great boost to the "bottom line", something that the Company badly needs right now.

Once actual production begins Miller & Company are ever-optimistic that more economical reserves will be found (if miners weren't natural-born optimists they'd be in another line of work). A miner has also been classified by Mark Twain as, "a liar with a hole in the ground".

**(SEXUAL) HARASSMENT COMMITTEE FORMED IN VANCOUVER OFFICE**

A committee has been formed in the Vancouver office to begin the process of developing a corporate policy on sexual harassment. The committee is comprised of the following people:

Robin Curry

Ed LeBlanc

Ross Mitchell

Noreen Nightingale

Senior Corporate Accountant

Manager, Marketing

Vice-President Finance & Treasurer

Payroll & Benefits Administrator

The committee held its first meeting on November 20. At that time we agreed that our initial focus will be on defining sexual harassment & consideration of whether a policy should be put in place that deals with all kinds of harassment of which sexual harassment is but one facet.

During the coming weeks we will be conducting research to determine statutory regulations as well as policies & procedures in place at other companies. We hope to be able to draw on the large quantity of already-published information to help us in our task.

If you have access to material on harassment in the workplace or policies & procedures in place to deal with the problem, please feel free to pass it on to one of the committee members.

We should make it clear that the purpose of the committee is not to deal with complaints regarding harassment. Our mandate is to help formulate a policy which will be followed by written procedures that lay out clear guidelines on what to do in the event harassment is perceived to occur. It has not yet been determined if this committee will be formulating the procedures or if they would best be formulated at the mine sites and adopted in the Vancouver office.

Robin Curry

THRILLING DRAMA AT PREMIER TAILINGS POND

After approximately 14.3 days of static leak tests on the mill's decant water system, it was concluded that there had to be a major break along the decant water lines somewhere between DT18 (decant tower 18) and the reclaim pumphouse. On 14NOV91, the two main reclaim lines were pressurized using air from the welding truck compressor. Almost immediately & within 7.63 meters from the shore, large volumes of air breached the water surface approximately 22.3 cm outside DT16. The depth of water at this point was estimated to be 3.37 meters.

The situation was critical. If the broken pipe was left unrepaired during winter, the solids being deposited in the pond would eventually enter the hole thereby crippling the mill's reclaim water supply. An alternative means of reclaiming the water would be very expensive. The broken line had to be repaired immediately.

Repairing the break from surface would be both risky & next to impossible. The nature & location of the break had to be positively identified. This would require the services of a professional & highly trained SCUBA diver.

Using Premier's highly secretive connection with Interpol (how else do you think we found Pat Ferguson?), a world wide survey of crack underwater types was initiated. One name stood out from the rest - Peter Mohart - Pit Operations (D Shift), ex Navy SEAL, married to Val.

At approximately 10:37:45 on 20NOV91, Agent Mohart broke through the approximately 205mm thick ice & immediately became disoriented in the darkness & silt of the murky (but environmentally clean) tailings water. Unable to see his hand in front of his face, Agent Mohart probed his way carefully for approximately 13.28 min. He then surfaced & provided the following description.

The two main decant lines were intact. However, the short line that connected DT16 to main line east had completely separated for reasons unknown. One end of the short section was connected to a cement block on the main line. Because the block was now listing at approximately 22.3 degrees, an underwater reconnection of the pipe to decant tower 16 was completely out of the question. The decision was made to temporarily cap the open pipe & abandon DT16 until spring of 1992.

Using the precision skill of Premier's own mill maintenance pipefitter, Brian Mann, a cap & clamp were quickly fabricated & ready for installation early the next morning.

At 10:22:35 on 23NOV91, Agent Mohart left his deep diving decompression chamber (89 Ford 1/2 ton) & slipped through the ice once again. In one hand - the cap & clamp. In the other hand - his goodie bag full of tools. The flow of water through the broken pipe made the job impossible.

Coordinating all activity with mill operations, the reclaim water systems were temporarily shut down. The window to make the installation was short but Agent Mohart flawlessly completed the job at approximately 11:23:24.

To reduce the chance of the cement block on main line east from moving anymore, the plan was to have Agent Mohart wrap a chain around it & secure it to DT16. Upon entering the water at approximately 12:14:10, Agent Mohart found that the block of concrete was no longer resting on the bottom of the pond but was now floating approximately 1.57 m below surface. By capping the broken line, main line east was no longer full of water but full of air & now very buoyant. Regardless, the chain was put around the block & then secured to DT16 as a precautionary measure against further movement.

Two weeks later & the decant water system reports an all systems normal. Many thanks to Peter Mohart & Brian Mann for their well coordinated efforts.

BASIC FACTS:

These statistics were not available in time to make this edition. They'll be reported in the next issue.

HOCKEY

Kent Yip (Mill) is on the hunt for hockey players who are interested playing one night a week in a fun league (no slapshots & no body contact = no trips to the infirmary). Nothing but good exercise & an opportunity to clean up your oxygen-carrying red blood cells. So, if your "huff & puff" is not what it should be, & your waistline is placing a strain on your belt, contact Kent & sign up. He can be reached through extension 222 or at home at 636-2896. Players chip in for the ice time.

A.W.O.L.

The warehouse's handheld transceiver has gone "over the hill" & the warehouse crew, especially Irene, would very much appreciate its return. She, & Al, take it with them when responding to calls for first aid assistance in the field. The last three digits of the serial # are: 843.

If you have any information as to the whereabouts of this radio please contact Ivan in Safety, or, giftwrap it & set it under Irene's Christmas tree.

COMPANY SERVICE!!!

In December these employees will have the service as shown:

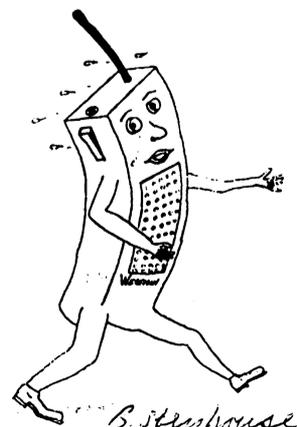
One Year
Troy Mallette-Mine Department
Rick Callihoo-Mine Department

Two Year

Ø

Three Year

Bob Smith-Electrical
Glen Taylor-Mine Department





Premier Gold Project

The Premier Hardrock Miner

LOG NO:	NOV 20 1991	VAN	3
ACTION:	NOVEMBER, 1991		
FILE NO:	Myra Falls / PREMIER		

STEWART, B.C.

THE PRES SAYS:

On Thursday we issued a press release and interim shareholders' report that showed a truly devastating loss of \$10.7 million for the third quarter. The loss at Myra Falls was \$11.9 million so it is obvious that the focus of our current troubles is at that operation. There are many factors involved in the loss, but far and away the biggest one is the inability of the H-W Mine to feed the mill. Metal prices, head grades and the high value of the Canadian dollar all contributed, but tonnage was the big item.

Myra Falls

SILVER BUTTE (2)

Obviously, no mine or mining company can sustain those kinds of losses for any period of time, nor do we intend to. In fact, the major cause of the loss was the mining inflexibility caused by the conversion of the mine to long hole open stoping. That method, which is considerably more productive and lower cost than room and pillar, (together with a great many other opportunities for increased efficiency) is what will save us. It just wasn't ready in the summer. Looked at in that light then, the third quarter loss is an "investment" in the future arising from a deliberate long term decision. We didn't intend to make an "investment" of that magnitude, but that is, nevertheless, really what it is.

The current state of operations at Myra Falls is much brighter. October, even with tonnage still well below capacity, had a cash loss that was equivalent to June's when we processed 30% more muck. What transpired between June and October was that our cost base was reduced substantially - now when we get the additional tonnes they will add far more revenue than they do cost. Although we will still lose money in the fourth quarter, barring surprises, I am confident that by the end of the year we will at least be cash positive. We won't be paying our debts nor all of our interest and we certainly won't be making anything for shareholders, but at least we won't be costing them anything either.

That will then give us the base from which to build our way back to profitability. With the Knelson concentrator we'll try to recover some of the millions of dollars of gold that goes to tailings every year. With our Power Smart committee, we'll try to tap some of that huge flow of cash that now goes out to pay for diesel fuel. We'll continue to look at our benefits package which is the most generous in the industry to try to make it reflect more what is the norm. We're looking at replacement scoops that will be 40% more productive and cheaper to operate than our current fleet. We'll keep working away at getting to Gap and 43 Block and get a steady flow coming from Lynx to produce more, high value tonnes.

The list of opportunities is long - I've listed only some of the things Myra Falls people are working on and we need more - make sure your ideas get heard.

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Getting back to the third quarter; although the significance was overwhelmed by what happened at Myra Falls. The people at Premier have quietly produced an outstanding result. In 1990, the drain at Premier was almost of the same magnitude as Myra Falls was this year. After hedging, Premier is now in the black and the profit sharing plan is starting to pay off for employees. Costs are way down. Grade is up and so is revenue per tonne, in spite of the falling gold price. As well, the SB has been a real success with the demanding schedule having been met and very close to 100% of the forecast gold having been recovered.

PREMIER

Cost of running the departments based in Vancouver is down by 40% year over year and all of the essential services are still being provided for operations, shareholders and members of the investment community.

So that's where we are; where do we go from here? There's no magic. Make absolutely sure we get planned production. Keep working on every opportunity we get to control costs. Do everything we can to make our net smelter returns greater with higher grades and recoveries. Keep our collective heads low and keep our powder dry to be sure we bag the really big opportunities for profit that will come with changing fundamentals; higher prices, better exchange rates and new ore.

BASIC FACTS:

	<u>MONTH</u>	<u>YTD</u>
PREMIER GOLD TONNES MILLED	23,434	461,580
CUSTOM TONNES MILLED	20,775	74,332
PGP GRADES:		
GOLD g/mt	3.81	2.34
SILVER g/mt	45.72	52.51
METAL PRICES (U.S. \$)		
GOLD \$/oz	358.75	362.63
SILVER \$/oz	4.12	4.05
DORE PRODUCTION		
GOLD oz	3,664	32,453
SILVER oz	17,061	347,557
REVENUES (CAN. \$)	1,748,087	15,688,240
OPERATING COSTS (CAN. \$)		
MINE	877,207	10,270,057
MILL	350,647	4,321,497
PLANT & GENERAL	364,900	3,099,697
ADMINISTRATION	51,713	524,963
TOTAL OPERATING PROFIT/(LOSS)	65,316	(2,614,714)

SILVER BUTTE

SB (TENAJON) UPDATE & FINALE

Well, here we are at the end of October & the Project is within a few days of completion. It looks like we will be within 5% of our target tonnage & we are hoping to be closer with our total ounces. If we are, we will be able to call the project a success. Our luck with the weather certainly held out longer than anyone expected. I'm sitting in my office looking at the first real snowfall & watching Soucie's trucks haul the last of the ore down the Granduc road.

All the people left on the project were sitting around the cookhouse after supper last night trying to decide if it was fun or not, & the consensus was that it was mostly fun despite the many long days (and nights) that were put in by everybody.

I'd like to thank everybody at Premier for their help & understanding during the project. I think most people at least came into contact with us at some time or another. I know that oftentimes we may have been "under foot" but your patience, co-operation, & understanding sure made our job easier.

There are however, a few people that I would like to say a particular thanks to. Thanks to Rosa & her excellent team in the assay lab for dealing with all our samples so quickly & efficiently. Thanks to Dick & the engineering & mine departments for all their help.

Thanks to Ted, Rod & the mill crews for doing an excellent job of processing our ore, & for answering all my dumb questions with a straight face. Thanks to Phil for being next door to talk to when I needed it. You were right Phil it did "come together". Thanks to Richard & all the admin staff for putting up with not having the right paperwork, & keeping the books straight. Thanks to Elmer for his help in finding some good temporary people. Thanks to Ivan for his safety advice. Thanks to Carl and Linda Z. for all their help with permitting & environmental. A special thanks to Denis who was always there when I needed him.

I'd also like to take this opportunity to thank the people who worked directly on the project. Thanks to Dayton Ostrosser & Darin Baker from Myra Falls, & Allan Cox & Wayne Morton for their help in surveying & engineering. Thanks to Darrin Hicks for being a great Surveyor's helper. Thanks to Dave Botsford for his excellent job of engineering. Thanks to Paul Lhotka & Rex Johnston for the best job of mine geology I've seen in a long time. Thanks to Sasha Paramanoff for a great job of surveying. (Near enough eh partner?) Thanks to Shirley (La Cook) for producing some of the best camp meals I've ever eaten. Thanks also to Brian Miller for his advice & support throughout the project.

I'd also like to thank the Joint Venture Committee of Denis Grégoire, Walter Segsworth, Bruce McLeod, & Fred Hewett for their help, support & confidence during the project. Thanks also to Don McLeod for his help & support.

Last but not least I'd like to thank the Tonto miners & Soucie Construction for all their hard work under sometimes adverse conditions.

I think all of us on the project staff will be glad to get back to our own homes, but I for one will miss Stewart & the magnificent scenery you have here. Maybe we can do this again soon.

Dave Cawood
Project Co-ordinator



PROMOTION:
Marty Bryan, who has been filling in as Acting Mill Shift Supervisor is no longer "Acting". On November 8th he was officially promoted to the position of Mill Shift Supervisor. Marty joined the Mill Dept. on March 16/89. We all wish him much success in his new position.

THANK YOU!!!!



In our rush to publish the last issue of the Hardrock Miner we neglected to give special thanks to a certain group of employees - the ones who responded quickly and efficiently to the situation resulting from the very heavy rainfall of October 11 to 14, 1991. Thank you. Without your help the damage would have been much worse.



"During the week of October 7 to 14, we received some 340 mm (13.4 inches) of rain at the minesite" according to Carl Paton, our Environmental Supervisor.

The Granduc road was almost washed out at Leslie Creek and only due to the quick response from the mine crews were we able to save the road. Underground miners from Tonto and many vehicles were stranded on the other side of the creek while the flow was being diverted, culverts unplugged and extra culverts installed. The situation was finally under control by October 17.

On October 11, even the main culvert located underneath the road to the pit was plugged for about 7-8 hours; the diameter of this culvert is 10ft but so much debris came down from the mountain side that it also got blocked.

During this period, mill personnel hand carried fuel across Leslie Creek to keep the generator going at the decant towers, both mine and mill maintenance personnel kept equipment running other people from engineering, geology, safety also pitched in; in other words, all contributed to a successful fight against mother nature.

Thanks to all

Denis

CONGRATULATIONS

Yusuk Isik, Welding Apprentice, recently returned from his first trade school. He did so well that he advanced two terms in one. Nice going Yusuf!

=====

MORE CONGRATULATIONS

A two week intensive Industrial First Aid course was held onsite last month. The following employees successfully completed the training.

- John Richardson - Mill
Bob Hyslop - Mine
O'Neil Loza - Mill
Nigel King - Mine
Wayne McGillivray - Mine
Lance Robinson - Mine
Mike Orr - Mine
Jerry Culver - Mine
Peter Mohart - Mine
Brian Mann - Mill
Bill Dixon - Mine
Gord Strating - Mine

=====

MORE WORK-SAME \$

Salaried personnel will be working one extra day in 1992 for the same money because it's leap year (February has 29 days bringing the year's total to 366 days).

Leap year in the Gregorian calendar, is any year whose last two digits are evenly divisible by four except for centenary years not divisible by 400.

IT'S A RECORD!

By the end of his 12-hour shift on the night of October 26th rotary drill operator, Troy Mallette, on Unit #624, completed 1342 feet (409 meters) of drilling. This is 88 feet shy of a quarter mile.

This is a very impressive total and as far as it can be ascertained a new record.

This announcement was paid for and sponsored by Troy Mallette.

©©©©©©©©©©©©©©©©

COMPANY SERVICE:

In November the following employees will have completed the following service:

- 1-Year: Niels Damgaard-Pit Shop
2-Years: Stan Imrie-Pit
3-Years: O'Neil Loza-Mill Maintenance
John Drzimotta-Pit
Richard Harding-Administration
Ted Kenny-Mill
Hank Stolte-Pit Shop

=====

HARD WORK!! BEING CONSCIOUS IS HARD WORK. THE BRAIN CONSUMES A QUARTER OF ALL ENERGY A BODY USES. GRAM FOR GRAM, BRAIN TISSUE USES MORE CALORIES THAN MUSCLES WHEN EXERCISING.

*** WEATHERWATCH***

Did it rain last month? You bet it did. During the three days, prior to the Thanksgiving weekend, the site was inundated with 7 inches (181.3mm) of rain. Then, from Friday through to Monday on this long weekend, Mother Nature dropped another 6.2 inches (157.6mm) on us bringing the Monday-to-Monday total to just over 13 inches or 339.9mm

IT'S A FACT...

Iowa recently became the first State to make it illegal for anyone under 18 to smoke a cigarette. An estimated one billion cigarettes are sold each year to underage Americans. In North America tobacco ranks number one as the cause of premature death (Alcohol is number two)

=====

STOCK PURCHASE /THRIFT PLAN:

Now that we have switched the Administration of this plan over to Royal Trust we can expect a much faster turnaround time for transactions.

\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$

DID YOU KNOW.....

That gold the size of a sugar cube can be hammered, quartered, & hammered again until the thickness of 1/125,000 of an inch has been reached. The result, 108 square feet of gold leaf!

It has been estimated that if all of the platinum ever mined in the world was formed into a cube, the cube would measure abot 15x15 ft. on each side. South Africa & the Soviet Union supply most of the world's platinum & other related metals such as palladium & rhodium. Total world supply of platinum in 1990 was estimated to be 3.73 million oz.

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ANITA'S LAW - IF IT JAMS, FORCE IT & IF IT BREAKS IT NEEDED REPLACING ANYWAY.

VISION & VALUES - DIGNITY VALUE STATEMENT:

"WE ARE DETERMINED THROUGHOUT THE COMPANY TO TREAT EACH OTHER WITH DIGNITY & RESPECT."

To the Steering Committee Dignity means:

- Working together instead of against each other
- Being polite, showing consideration, not swearing
- Treating each other with fairness & equality
- Knowing each others names
- Not being afraid to ask questions & never embarrassing others who do
- Encouraging participation in decisions-hearing people out
- Keeping doors open & genuinely listening
- Not discriminating
- Leading by example
- Not finding blame, not accusing
- Not jumping to conclusions, especially about the motives of others
- Keeping discipline consistent & private
- Trusting in others, going out of our way to help others
- There is no dignity in aggressiveness or passiveness-we all must be assertive
- Understanding that people are different & have a different way of looking at things
- Saying thank you

THE DIRTY CHIMNEY TIME BOMB

If you have a wood burning stove, or fireplace, now is the time to initiate some sound safety maintenance.

Last year, in North America, there were 51,000 reported chimney fires. No one knows how many more went unreported. Anyone who has had a chimney fire will tell you that it is a terrifying experience. Once the built up creosote ignites there is little that you can do, it has to burn itself out, and this can take up to 15 minutes. The temperature in your chimney can reach between 2,000 to 3,000 degrees. This may be enough to melt the mortar between the bricks in conventional chimneys.

As this red hot mortar drips down the flue it is hurled back up by the tremendous up-draft and spews out as fireballs. These fireballs can ignite your roof & those on adjoining buildings. Metal chimneys are not designed to withstand fires of this magnitude. And, while the damage may not be readily noticeable the chimney has been weakened. The metal lining may not be able to withstand another fire which means the wood-bracing holding your chimney in place could ignite resulting in a very serious house fire.

Any wood, seasoned or fresh cut, softwood or hardwood, green or dry, will generate tars, creosote

& other incomplete combustion by-products as it burns. These then coat the inside of your chimney. Furthermore, the acids in creosote attack metal &, in time, will seriously weaken a chimney. The new air tight stoves are excellent creosote producers, especially so when used with wet wood. There is no need to subject yourself, & your family, to the possibility of a serious chimney fire. A little routine maintenance on your part, on a regular basis, during the wood burning season, will give you peace of mind. Frequent inspections will tell you how often your chimney needs cleaning. Then, establish a schedule & stick to it.

Remember: A dirty chimney is a time bomb!

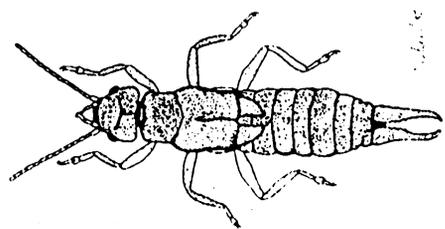
PESTY CRITTERS:

'Tis that time of the year where many Stewart homes are invaded by unwelcomed visitors - the ubiquitous earwig. We don't know who gave them this name but it's much easier to pronounce, and write, than its official Latin one: *Forficula Auricularia*. Anyway, if you are going to do battle with them it's advisable to know thy enemy, so here's the technical "poop" on them courtesy of the Skeena Health Unit.

Description: Adult earwigs are 5/8-inch long, dark brown in color, with a red head & pale yellow-brown legs. They usually have 2 pairs of wings, the hind wings being fully developed & found folded beneath the short, leathery front wings. Earwigs have a pincer-like appendage at the end of their abdomens that is called a forcep.

Biology: Earwig females are interesting because they display a kind of mothering instinct. They protect their eggs & nymphs (immatures) like a mother hen. Eggs are laid in a nest-like shallow depression beneath a board or stone. Those laid in the winter hatch in about 72 days; those laid in the spring take only 20 days. The nymphs look much like the adults & molt 4 times before becoming adults, which takes about 68 days. The female earwig protects the nest & the nymphs until they have reached their 2nd molt. Earwigs usually live outdoors under stones or other protection & feed on plant material. They are very general feeders so they seldom do a great deal of damage to any particular plant. They will sometimes invade homes, doing so at night. During daylight hours they hide in cracks & crevices, under furniture, or beneath carpeting. They are considered a pest because of their presence & because they have a foul odour.

Control: Earwigs are outdoor insects that become household pests when they invade homes, usually in the fall. Therefore the best control of these pests is accomplished by providing a protective barrier around the building. Residual insecticides such as acephate, bendiocarb, boric acid, carbaryl, chlorpyrifos, diazinon, fenvalerate, malathion, propetamphos, propoxur, pyrethrins, & pyrethrins with silica gel sprayed in a six to eight foot band around the structure's perimeter usually provides excellent protection against invasion. The effectiveness of these barriers is affected by the surface on which the insecticide is applied. It is very helpful if an 8 to 24 inch vegetation free zone is left adjacent to the foundation. Earwigs that successfully invade structures can be easily controlled with proper cockroach control procedures.





Premier Gold Project

The Premier Hardrock Miner

LOG NO: NOV 20 1991 VAN 3
ACTION: NOVEMBER, 1991
FILE NO: Myra Falls / PREMIER

STEWART, B.C.

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Myra Falls

SILVER BUTTE (2)

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