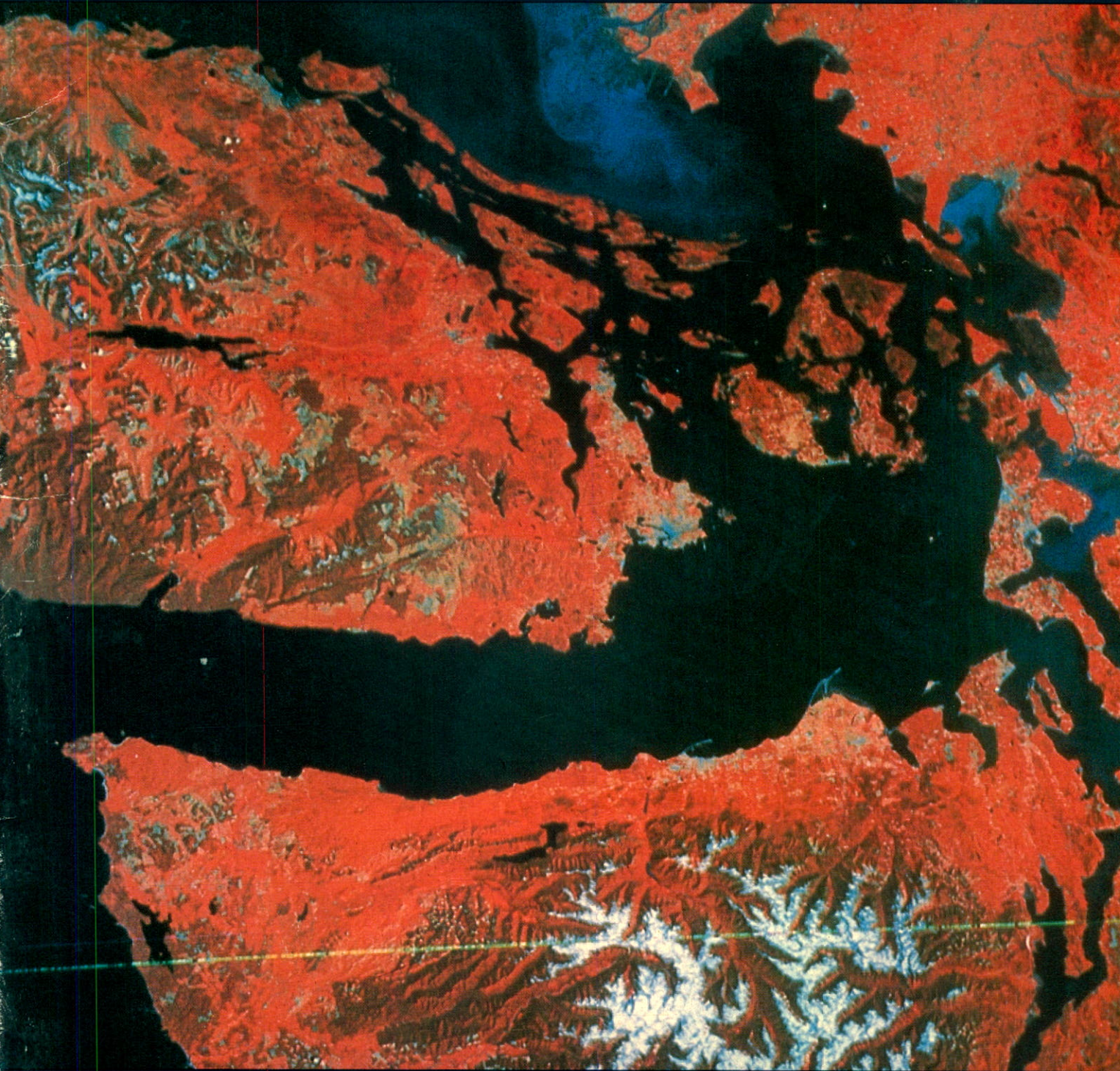


BRINCO LIMITED

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1984 ANNUAL REPORT

*Company Offices and Locations*

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*Registered Office*

*Brinco Limited*

Royal Trust Building  
Suite 1101  
Water Street  
St. John's, Newfoundland  
A1C 5J9

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*Executive Office*

*Brinco Limited*

Suite 2000  
1055 West Hastings Street  
Vancouver, British Columbia  
V6E 3V3

---

*Brinco Mining Limited*

Suite 2000  
1055 West Hastings Street  
Vancouver, British Columbia  
V6E 3V3

*Cassiar Resources*

Cassiar, British Columbia  
V0C 1E0

*Exploration Offices*

Suite 704  
602 West Hastings Street  
Vancouver, British Columbia  
V6B 1P2

North West River

Labrador  
A0P 1M0

P.O. Box 249  
Springdale, Newfoundland  
A0J 1T0

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*Quinsam Coal Limited*

973 Alder Street  
Campbell River, British Columbia  
V9W 2R1

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*Brinco Oil & Gas Limited*

Suite 2000  
1055 West Hastings Street  
Vancouver, British Columbia  
V6E 3V3

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*Registrars and Transfer Agents*

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*Common Shares*

The Royal Trust Company  
St. John's, Newfoundland  
Montreal, Quebec  
Toronto, Ontario  
Vancouver, British Columbia

*Preferred Shares*

Guaranty Trust Company of Canada  
St. John's, Newfoundland  
Montreal, Quebec  
Toronto, Ontario  
Calgary, Alberta  
Vancouver, British Columbia

*Shares Listed*

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Montreal Stock Exchange  
Toronto Stock Exchange  
Alberta Stock Exchange

*OUR COVER PHOTO is a Landsat image of Georgia Strait.*

*The Landsat series of satellites, launched by the United States, provide imagery on a repetitive basis. Receiving stations at Prince Albert, Saskatchewan and Shoe Cove, Newfoundland record the data transmitted over Canada. The image was obtained by a Multi-spectral Scanner (MSS) aboard the spacecraft and transmitted in four spectral bands.*

# HIGHLIGHTS

<i>Financial</i>	1984	1983
	(in thousands)	
REVENUE		
Asbestos	\$ 72,493	\$ 70,239
Oil and gas	4,781	4,889
Investments and other	1,134	622
Total Revenue	\$ 78,408	\$ 75,750
PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS	\$ 4,921	\$ (5,641)
Per common share after deducting dividends on preferred shares (dollars per share)	0.06	(0.56)
NET PROFIT (LOSS) AFTER EXTRAORDINARY ITEMS	\$ 71	\$ (20,081)
Per common share after deducting dividends on preferred shares (dollars per share)	(0.22)	(1.41)
EXPENDITURES ON PROPERTY, PLANT AND EQUIPMENT		
Asbestos	\$ 10,054	\$ 15,126
Coal	271	1,044
Oil and gas	594	550
Gold	—	78
Total Expenditures	\$ 10,919	\$ 16,798
LONG-TERM DEBT	\$ 35,000	\$ 49,000
TOTAL DEBT (net of invested capital)	\$ 51,224	\$ 79,136
SHAREHOLDERS' EQUITY	\$ 101,232	\$ 99,786

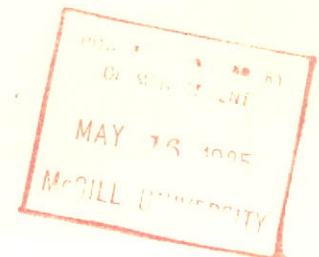
<i>Production</i>	1984	1983
ASBESTOS (tonnes)	††93 526	†82 185
CRUDE OIL (barrels)	114,500	135,050
Daily	313	370
NATURAL GAS (mcf)	599,600	553,000
Daily	1,638	1,515

<i>Reserves</i>	1984	1983
OPERATING		
Asbestos ore (tonnes)	6 305 000	7 372 000
Net Crude Oil (barrels)	1,699,000	2,199,000
Net Natural Gas (bcf)	30.9	33.1

††11 Months operation in 1984

† 10 Months operation in 1983

Brinco Limited is a Canadian controlled resource development company, engaged through subsidiaries in exploration, development and production of energy resources (oil and gas and coal), industrial minerals (asbestos), and base and precious metals.



## Results

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Revenues and net earnings before extraordinary items in 1984 were \$78.4 million and \$4.9 million respectively, compared to \$75.8 million and a loss of \$5.6 million in 1983. After write-down of an extraordinary item of \$4.9 million, earnings were \$71,000. In 1983 extraordinary items totalled \$14.4 million and the loss was \$20.1 million. The 1984 earnings take into account the recovery from insurers of \$6.1 million relating to product liability litigation defence costs which had been incurred in previous years. Earnings without this recovery would have been \$1.2 million net of tax before extraordinary items and a loss of \$3.7 million net of tax after extraordinary items.

The net loss per share for 1984 was \$0.22 after providing for the extraordinary item which amounted to \$0.28 per share. The deficit at year end of \$8.6 million is virtually unchanged from that in 1983.

Including the insurance recovery, cash generated from operations increased from \$5.2 million in 1983 to \$27.9 million in 1984 and total corporate debt of the Company and its subsidiaries, net of invested cash, decreased from \$79.1 million at the end of 1983 to \$51.2 million at the end of 1984. The improvement, apart from the insurance recovery, results from an increase in asbestos sales tonnages, lower site operating costs per tonne of fibre produced, improved results from Brinco Oil & Gas Limited, reduction in general and administration costs, and the disposal of non-contributing operations.

The extraordinary item charged against earnings reflects the write-off of the remaining investment in the San Antonio gold project following termination by Lathwell Resources Limited of the joint venture agreement with Brinco Mining Limited.

The Company's legal counsel have advised that the provisions of the Newfoundland Companies Act prohibit the redemption of Preferred Shares Series A as long as the Company is in a deficit position. The Company remained in a deficit position throughout the year and no redemption of Preferred Shares Series A was possible during 1984. Also, given the financial condition of the Company, the Board of Directors did not declare dividends on the Company's preferred shares during 1984, and the dividend normally payable to holders of preferred shares on March 31, 1985, was also omitted.

## Corporate

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A number of non-contributing subsidiaries, or assets owned by subsidiaries were disposed of in 1984, including the Loftis coal mine (owned by Sharondale Corporation), the Company's 60.13 percent interest in Abitibi Asbestos Mining Company Limited and the Company's 100 percent interest in Brinco Petroleum Inc. Funds realized from the sale of the Loftis coal mine were offset by outstanding obligations relating to the mine of an approximately equal amount. Disposal of these investments has eliminated the Company's ongoing holding costs and associated administration expenses. In addition, the transfer of the management of Brinco Oil & Gas Limited to Vancouver, with technical support from a Calgary-based petroleum firm, has resulted in a further significant reduction in general and administration costs.

The Company participated in a program organized by C.M.P. 1984 Mineral Partnership and Company, Limited under which a total of \$1.5 million was made available to the Company during 1984 for Canadian mineral exploration activities, in return for the issuance of 411,353 common shares from the treasury of the Company. After issuance of these shares the Company had 17,489,217 common shares issued and outstanding.

Although corporate debt was reduced by \$27.9 million in 1984, principal repayments on the Brinco Mining Limited term loan were behind schedule at year-end. Negotiations with the company's bank have resulted in an agreement in principle for conversion of the term loan to retractable preferred shares of a subsidiary of Brinco Mining Limited, with a retraction schedule which is expected to be more appropriate to the company's current financial circumstances. The agreement in principle is subject to a number of conditions, including necessary tax rulings, and completion of mutually acceptable documentation.

## Markets

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Canadian shipments of asbestos fibre were 812 000 tonnes in 1984, marginally higher than the low point experienced in 1982. Free World production facilities operated at less than 60 percent capacity and, consequently, prices have remained under pressure. Cassiar, however, slightly improved its market share, selling approximately 95 percent of capacity. This performance reflects customer loyalty to the higher quality fibre produced at Cassiar.

Well-head prices for Canadian oil producers improved again in 1984 reflecting provincial/federal government agreements achieved in 1983; however, the recent decline in world oil prices will likely curtail any further improvement. Natural gas shipments by Canadian producers remained at low levels in 1984 reflecting a reduction in demand in the U.S. by large industrial users.

Although the export steam coal market continued to expand in 1984 in both Europe and Asia, prices remained depressed reflecting over-capacity and recent currency devaluations by the two major suppliers to this market. Any development of the Quinsam coal project must await a firming trend in prices which, given the continuing expansion in the export market, is expected within the next few years.

## Operations

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Although fibre production at the **Cassiar mine** was 13.8 percent higher in 1984 than in 1983, property cash costs were 7.3 percent lower, reflecting improved productivity, better mill performance, lower cost of supplies and reduced stripping requirements following implementation of the revised mining plan. An air magnetic survey in the vicinity of the mine located 6 high priority potential asbestos targets within trucking distance of the Cassiar mill.

Oil production by **Brinco Oil & Gas Limited** in 1984 averaged 313 barrels of oil per day, down from 370 barrels per day in 1983. Gas production at 1600 mcf per day was virtually unchanged from the results achieved in 1983. During 1984, a total of 21 holes were drilled on company lands resulting in 11 oil wells, 6 gas wells and 4 dry holes. Of these Brinco Oil & Gas Limited had a direct financial participation in 8 oil wells, 3 gas wells and 1 dry hole.

The results of the public inquiry into environmental issues associated with the **Quinsam coal project** on Vancouver Island were released in May, 1984. The public inquiry commission members were unanimous in their conclusion that the Quinsam coal project, a joint venture of Brinco Limited and Weldwood of Canada Limited, could be built and operated without harm to the environment, providing the necessary surveillance, mitigation and reclamation procedures are followed. Consequently, work in 1984 was concentrated on acquiring the permits and licences required for the development and operation of the mine. In light of continuing depressed coal prices, engineering and marketing activities continued at a modest level only.

Pursuant to the C.M.P. 1984 Mineral Partnership and Company, Limited transaction, Brinco Limited expended \$1.5 million on **mineral exploration**. In total, the Brinco Group spent \$1.68 million on exploration projects, which provided exposure through joint venture arrangements to total exploration activity of \$3.37 million on 18 exploration projects in Newfoundland, Quebec, Ontario and British Columbia.

An exploratory hole drilled in mid-year has extended the geological reserves of the McDame deposit to 62 000 000 tonnes with asbestos content similar to that of the Cassiar ore body. Also, encouraging exploration results were achieved on the Dawes Pond project in Newfoundland and the Taseko and Kerr properties in British Columbia, all of which have significant precious metal potential.

## *Outlook*

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In 1985, shipments of Canadian asbestos fibre are likely to be similar to those achieved in 1984; also purchase commitments for Cassiar fibre in 1985 are in line with those experienced in 1984, though prices have continued to deteriorate and will remain severely depressed until the industry rationalizes its production capacity. Consequently, the dollar value of asbestos sales will likely be lower in 1985 than in 1984; however, this decline should be offset, in part, by the lower minesite costs anticipated for 1985. For the longer term, ore sources close to the Cassiar mine, will continue to be evaluated with the objective of extending mining operations beyond the limits of the existing open pit. Whether this is possible will be a function primarily of the asbestos market.

While the results from the public inquiry into the Quinsam coal project were very encouraging, the development of the project will depend on improvement of the steam coal export market.

The operating results achieved by Brinco Oil & Gas Limited are expected to be similar to those achieved in 1984. However, a more aggressive exploration and development policy will be required to arrest the reserve decline experienced in 1984.

Although the Company's financial condition improved in 1984, the results attained are unlikely to permit a resumption of dividends on the A and C Preferred Shares in 1985 and, given the Company's deficit position, redemption of any of the Preferred Shares Series A cannot be expected during 1985. For the longer term, the Company's ability to retract the Preferred Shares Series A will depend, principally, on a significant improvement in the asbestos market.

## *Acknowledgements*

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Notwithstanding the difficult conditions which affected the mineral industry in 1984, management of the Brinco Group has achieved a number of significant improvements during the course of the year; at the minesite, in the marketplace, and a reduction in general and administration costs, while still maintaining an active program of evaluating other opportunities for extending or expanding the activities of the Company. On behalf of the Board of Directors, I would like to extend my appreciation to all those concerned.



Hugh R. Snyder  
President and Chief  
Executive Officer

April 19, 1985

## CASSIAR ASBESTOS

### Operations

Ore mined totalled 1 015 134 tonnes, compared with 895 102 tonnes in 1983. The mill produced 93 526 tonnes of fibre, some 11 000 tonnes above 1983 production. Recoverable mine grade was 9.02 percent compared with 9.41 percent in 1983. A total of 1.9 million bank cubic meters of waste was removed, compared with 3.2 million bank cubic meters in the previous year, and 3.5 million bank cubic meters in 1982.

Following a pit redesign and a new mining schedule, waste removal requirements for the period 1985 to 1987 inclusive will average approximately 1.5 million bank cubic meters, and will further decrease in 1988, thereby considerably reducing expenditures on waste removal from levels experienced during past years.

Mining was curtailed for 16 days in late January due to an avalanche which damaged the ore tramline, and for five weeks in July/August for a scheduled vacation shutdown. For a portion of the two closure periods the mill operated from stockpiled ore, which limited the mill shut-down to 31 days. The majority of the lost milling time was made up by scheduling additional operating days during the remainder of the year.

Site unit operating costs per tonne of fibre were reduced by achieving cost reductions and increased productivity in a number of areas, the principal of which were the reduction of the workforce to approximately two-thirds the complement of three years ago, modifications to mill circuits to increase fibre recovery, and negotiating with suppliers to hold or reduce costs. Although no significant

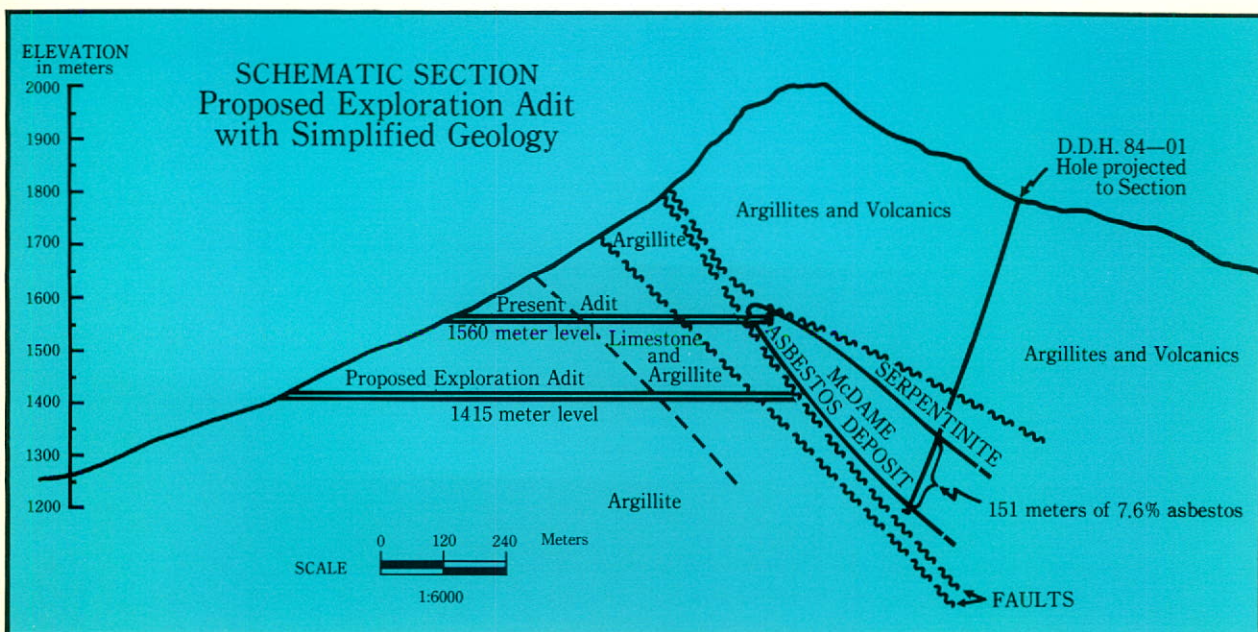
further decrease in manpower is foreseen over the next few years, the indication is that the cost of fibre production will be maintained at 1984 levels, and there is a potential for further improvements in mill recovery.

A new five-year transportation contract was signed effective January 1, 1985. The new system eliminates the use of containers on the trucking portion of the route and the newly designed B-train trucks carrying a larger payload will provide substantial savings in fibre transportation costs.

### Additional Fibre Resources

A 623 meter exploratory hole was completed to test for near-surface asbestos, and to further define the extent of the McDame deposit. The hole intersected 237 meters of the McDame serpentinite, with the lower 151 meters containing asbestos similar to that of the Cassiar ore body. On the basis of past drilling and that completed in 1984, geological reserves of the McDame deposit are now indicated as 62 million tonnes. A 1000 meter exploration adit driven to the foot wall of the deposit at the 1415 meter elevation is proposed for 1985.

Elsewhere in the area, asbestos exploration was directed toward definition of near-surface asbestos mineralization, within economic distance of the existing mill. A large-scale aeromagnetic survey and geological mapping program covering the most favourable terrain for potential asbestos bearing rock was completed during 1984, and several high priority asbestos targets which were defined during this program will be drilled and/or trrenched in 1985.



*Ore Reserves*

Based on the current open pit design, ore reserves as of December 31, 1984 are now calculated to be 6.3 million tonnes, having an average core reading grade of 6.9 percent with an average stripping ratio of 1.03 bank cubic meters per tonne of ore. (1983 figures were 7.4 million tonnes, 6.85 percent grade and 1.14 bank cubic meters per tonne of ore).

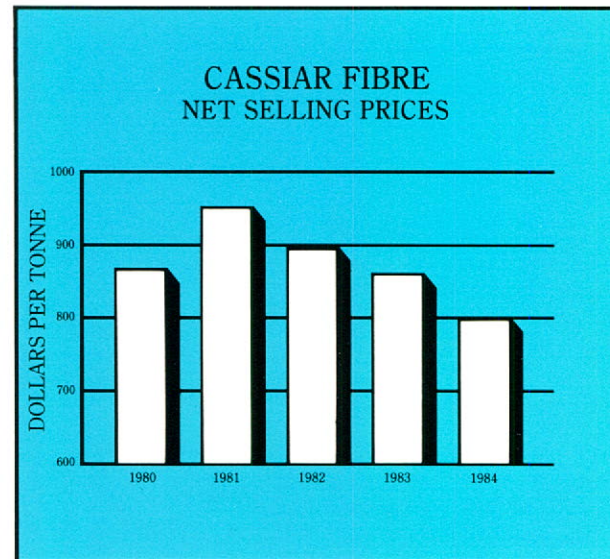
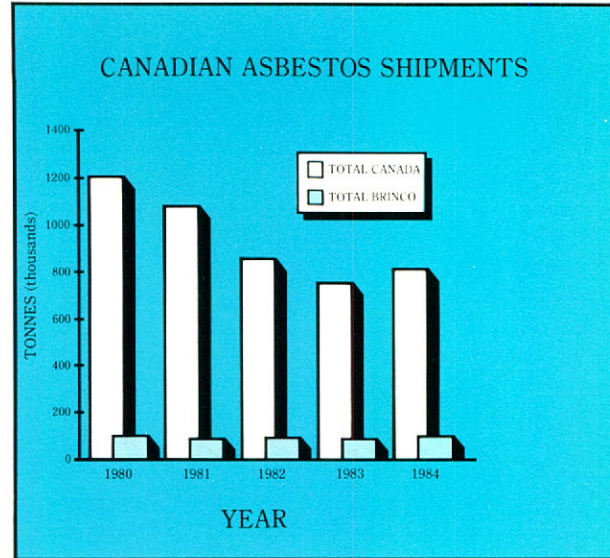
*Marketing*

Free World consumption of asbestos fibre remained fairly static at 1.4 million tonnes in 1984 compared to 1982 levels which had dropped sharply from 2.1 million tonnes consumed in 1980. Canadian fibre shipments in 1982 were 880 000 tonnes, a decline of 400 000 tonnes from 1980 levels. Canadian shipments have since stabilized and were 812 000 tonnes in 1984, a 15 000 tonnes increase from 1983. The substitution of other products for asbestos has had a major impact in the market for the shorter fibres and a slight impact in the asbestos cement market where the bulk of Cassiar fibre is sold. Although further substitution will remain a threat in the future, conversions have been slow and in some cases efforts have been postponed due to the cheaper asbestos prices which now prevail.

Installed Free World production capacity remains unchanged from 1980 levels at 2 million tonnes, and the U.S.S.R. still remains a major supplier to the Free World market providing in excess of 300 000 tonnes per annum. Consequently, Free World production facilities have, in the aggregate, been operating at less than 60 percent capacity.

Fibre prices weakened throughout the year reflecting the over-supplied condition of the market. However, Cassiar continues to maintain its market share, selling 95 percent of capacity and this above-average performance reflects customer loyalty to the high quality Cassiar fibre.

Fibre prices will remain under intense pressure in 1985, a condition which will not improve until some portion of production capacity in the Free World is permanently closed.





### *Product Liability Litigation*

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Brinco Mining Limited continues to be named along with other asbestos producers in U.S. legal actions in which it is alleged that the producers are liable to individuals who have contracted disease as a result of exposure to asbestos, chiefly in manufacturing plants and in the handling and use of asbestos fibre products. Brinco Mining Limited has also been named in several actions in which damages are claimed as a result of installation of asbestos materials in certain public buildings. Brinco Mining Limited denies such liability and is continuing its policy of settling personal injury cases where it is considered advantageous for the company to do so and is defending all property damage actions which have been brought against it.

As a result of Brinco Mining Limited's selective settlement strategy and court-imposed delays pending further developments in Manville Corporation's petition for relief under Chapter 11 of the U.S. Bankruptcy Code, none of the cases in which Brinco Mining Limited is named a defendant went to trial during 1984. One personal injury case went to trial in January, 1985 but that case was settled before it went to the jury. The outcome of Manville's petition under the Bankruptcy Code and its eventual impact on Brinco Mining Limited and other asbestos producers is not expected for several months but increased litigation activities are anticipated in 1985.

Substantially all of Brinco Mining Limited's defence costs in 1984 were paid for by its major insurer pursuant to an agreement whereby that insurer undertook the defence of actions based on exposure to the company's asbestos at any time during its policy periods between 1955 and 1974.

Negotiations are continuing in an attempt to settle the company's claim against its insurers for indemnification of settlements and judgments in the personal injury claims. Brinco Mining Limited held policies of insurance covering asbestos-related bodily injury until 1975.

Brinco Mining Limited was insured under other policies of insurance in the period 1975 to 1983 which exclude coverage for asbestos-related bodily injuries but, like the prior policies, provide coverage for asbestos-related property damage claims. Discussions are being held with all of the Company's primary insurers with respect to this coverage.

## BRINCO GROUP — MINERAL EXPLORATION

During 1984, Brinco Limited participated in a program organized by C.M.P. 1984 Mineral Partnership and Company, Limited under which a total of \$1.5 million was made available and expended by the Brinco Group on Canadian mineral exploration activities, in return for the issuance of 411,353 common shares from treasury of the Company.

The availability of the exploration funds derived from the C.M.P. agreement enabled Brinco Limited, in association with Brinco Mining Limited, to expand its mineral exploration programs across Canada and, during the latter half of 1984, several gold and base metal exploration programs were initiated and properties acquired. In all, the Brinco Group participated in eighteen exploration projects, the major ones being located in Newfoundland, Quebec, Ontario and British Columbia. Expenditures of \$1.68 million by Brinco on these projects provided exposure through joint venturing to exploration activity totalling \$3.37 million overall.

Geological reserves have been indicated at two locations. In Newfoundland, on Pilley's Island, exploration work directed toward definition of volcanogenic precious and base metal mineralization under a joint venture with Getty Canadian Metals, Limited resulted in the discovery of a massive sulphide deposit in 1984 with a potential for 300 000 tonnes of 4 percent copper, 1 percent zinc and 25 grams per tonne silver. The deposit is open down dip and further drilling is planned in 1985. On the Jason silver-zinc-lead deposit at MacMillan Pass in the Yukon, Brinco Mining Limited has a 21.1 percent joint venture interest. Geological reserves are 13.9 million tonnes grading 13.6 percent combined zinc-lead and 79.5 grams per tonne silver.

Under terms of an agreement with C.M.P. 1985 Mineral Partnership and Company, Limited, a total of \$3 million will be made available to the Brinco Group in 1985 for expenditures on Canadian mineral exploration activities in return for the issuance of Brinco Limited common shares at a premium over market. These funds will be expended on further exploration of the McDame deposit (\$2 million) and for continued investigation of other mineral properties.

## SAN ANTONIO GOLD

Under joint venture arrangements with Lathwell Resources, covering the San Antonio gold property in Manitoba, Lathwell expended in the order of \$600,000 on the property under a program designed to permit exploration at depth. The joint venture has now been terminated.

## QUINSAM COAL PROJECT

The Quinsam coal project is managed by Brinco under joint venture arrangements with Weldwood of Canada Limited.

The report resulting from the public inquiry held in the fall of 1983 was made public in May of 1984. The inquiry commission members were unanimous in their conclusion that the mine and its related facilities could be built and operated without harm to the environment, providing the necessary surveillance, mitigation and reclamation procedures are followed. They also stated that the various required permits and licences could now be prepared and issued. The major area of activity pursued in 1984 was environmental work related to procuring permits and licences, engineering and marketing studies.

The world steam coal export market increased to 104 million tonnes in 1984, up from 85 million tonnes in 1983, and a further increase of 11 million tonnes is expected in 1985. Of this increase, 7 million tonnes is attributable to the Asian area, one of Quinsam's major market opportunities.

However, prices remain depressed, reflecting excess production capacity in the major exporting countries and the recent currency devaluations by both South Africa and Australia who supply over 50 percent of product delivered to the steam coal export market. On the other hand, prices on the west coast of North America for steam coal have remained firm due to increases in the cost of inland freight. As a result the west coast market has become of more interest to Quinsam.

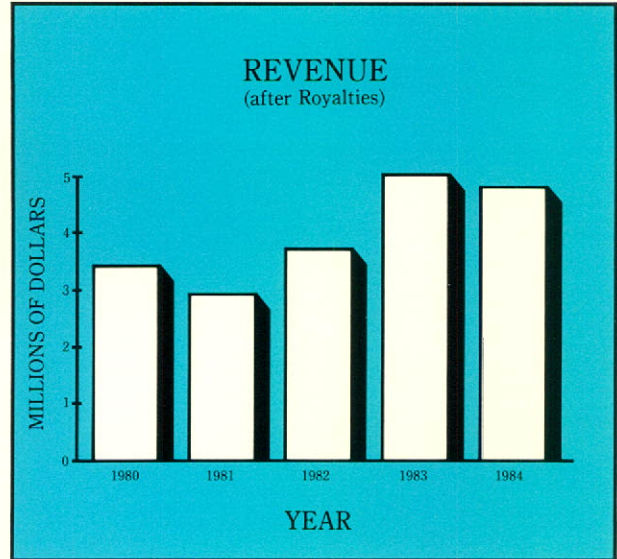
Given the rapid increase in demand for steam coal in the export market, real price increases are considered likely in the next few years. The start-up of the Quinsam project must await this improvement to ensure an adequate return on capital required to build the project.

*Exploration and Development*

During 1984, a total of 21 wells were drilled on company lands resulting in 11 oil wells, 6 gas wells and 4 dry holes. Of these, Brinco Oil & Gas Limited had a direct financial participation in 8 oil wells, 3 gas wells and 1 dry hole.

The company is continuing to pursue low-risk prospects in an attempt to develop additional reserves on lands in which Brinco Oil & Gas presently has an interest.

On the company's lands in the Saddle Hills area of northwestern Alberta (in which the company has a 65 percent working interest) two upper cretaceous Doe Creek sandstone oil wells have been drilled and geological interpretation of the reservoir indicates there could be an additional five locations within the pool. Also at year-end, on other lands Brinco Oil & Gas Limited was participating in 3 additional wells, all of which were being drilled for oil potential.



DRILLING RESULTS

	1984	1983
Success Rate	81%	85%
Total Wells Drilled	21	20
Crude Oil Wells	11	15
Natural Gas Wells	6	2

LAND HOLDINGS

(as of December 31, 1984)

	Gross	Net
	Acres	
Alberta	352,160	39,466
British Columbia	199,986	28,298
Saskatchewan	3,840	400
Eastcoast Offshore	753,403	4,126
Northwest Territories	677,560	8,500
Total: Canada	1,986,949	80,790
United States	11,487	1,157
Total Holdings	1,998,436	81,947

*Production and Marketing*

No material change has taken place in 1984 as to the company's ownership in producing wells. Oil production averaged 313 barrels per day in 1984 as compared to 370 barrels per day in 1983. Gas production was approximately 1600 mcf per day in 1984 and was virtually unchanged from 1983. As in the past, the bulk of oil and natural gas production is from the Province of Alberta.

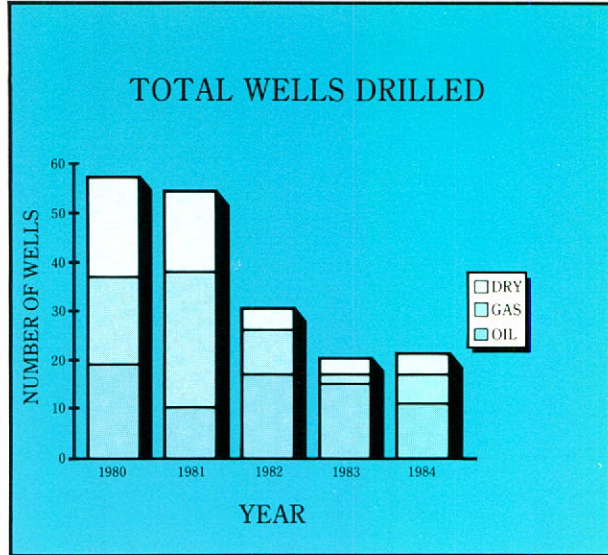
Low demand in the United States for Canadian natural gas, caused by the switching to residual oils, crude oils and electricity by the large industrial users, continues to have an impact on the Canadian natural gas industry.

*Reserves*

The following table summarizes net oil and gas reserves as of June 1, 1984, as determined by independent petroleum consultants.

	Crude Oil & Natural Gas	
	Crude Oil & Natural Gas Liquids MSTB	Natural Gas MMCF
Proved		
Developed		
Producing	906	6,251
Non-Producing	70	15,184
Total Proved	976	21,435
Probable		
Additional	767	9,690
Total Reserves	1,743	31,125

The above figures remained substantially unchanged at the end of 1984.



**AUDITORS' REPORT  
TO THE SHAREHOLDERS**

*We have examined the consolidated statement of financial position of Brinco Limited as at December 31, 1984 and the consolidated statements of earnings, retained earnings (deficit) and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.*

*In our opinion, these consolidated financial statements present fairly the financial position of the Company as at December 31, 1984 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.*

*Peat, Marwick, Mitchell & Co.*

Chartered Accountants

Vancouver, Canada

April 19, 1985

# CONSOLIDATED STATEMENT OF EARNINGS

for the year ended December 31, 1984 (with comparative figures for 1983)

		1984	1983
	Notes	(in thousands)	
REVENUE			
Asbestos		\$ 72,493	\$ 70,239
Oil and gas		4,781	4,889
Investments and other		1,134	622
Total Revenue		<u>78,408</u>	<u>75,750</u>
EXPENSES			
Production		30,754	30,736
Transportation and warehousing		8,945	8,826
Depletion and depreciation		21,237	22,183
Mineral exploration		1,676	637
General and administration		6,259	7,685
Interest	4	7,058	8,105
Total expenses		<u>75,929</u>	<u>78,172</u>
		<u>2,479</u>	<u>(2,422)</u>
INCOME AND MINING TAXES	5		
Current		590	—
Deferred		(476)	(997)
Total income and mining taxes		<u>114</u>	<u>(997)</u>
PROFIT (LOSS) FROM CONTINUING OPERATIONS		<u>2,365</u>	<u>(1,425)</u>
INSURANCE RECOVERY OF LITIGATION COSTS	9	3,749	—
DISCONTINUED OPERATIONS (LOSS)	12	(1,193)	(4,216)
		<u>2,556</u>	<u>(4,216)</u>
PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS		<u>4,921</u>	<u>(5,641)</u>
EXTRAORDINARY ITEMS (LOSS)	8	(4,850)	(14,440)
NET PROFIT (LOSS) FOR THE YEAR		<u>\$ 71</u>	<u>\$(20,081)</u>
PROFIT (LOSS) PER COMMON SHARE AFTER DEDUCTING DIVIDEND REQUIREMENTS ON PREFERRED SHARES			
Before extraordinary items		<u>\$ 0.06</u>	<u>\$ (0.56)</u>
After extraordinary items		<u>\$ (0.22)</u>	<u>\$ (1.41)</u>

See accompanying notes

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at December 31, 1984 (with comparative figures for 1983)

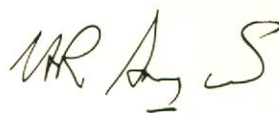
ASSETS		1984	1983
	Notes	(in thousands)	
<b>CURRENT ASSETS</b>			
Cash and short-term investments		\$ 4,247	\$ 1,412
Accounts receivable		14,290	22,219
Asbestos inventory		14,976	13,289
Mine supplies and prepaids		5,613	6,755
Income and mining taxes receivable		—	253
Total current assets		<u>39,126</u>	<u>43,928</u>
PROPERTY, PLANT AND EQUIPMENT	2	147,051	166,111
LONG-TERM INVESTMENTS	3	509	942
OTHER ASSETS		3,432	3,699
		<u>\$190,118</u>	<u>\$214,680</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Bank indebtedness	4	\$ 3,271	\$ 10,548
Current portion of long-term debt	4	17,200	21,000
Accounts payable and accrued liabilities		12,211	12,203
Income and mining taxes payable		1,082	—
Total current liabilities		<u>33,764</u>	<u>43,751</u>
LONG-TERM DEBT	4	35,000	49,000
DEFERRED INCOME AND MINING TAXES	5	20,122	22,143
SHAREHOLDERS' EQUITY	6	101,232	99,786
		<u>\$190,118</u>	<u>\$214,680</u>
CONTINGENCIES	9		

See accompanying notes

On Behalf of the Board:



Harry W. Macdonell, Director



Hugh R. Snyder, Director

# CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

for the year ended December 31, 1984  
(with comparative figures for 1983)

		1984	1983
	Notes	(in thousands)	
<b>WORKING CAPITAL PROVIDED</b>			
Profit (Loss) before extraordinary items		\$ 4,921	\$ (5,641)
Items not affecting working capital:			
Depletion and depreciation		21,237	22,286
Deferred income and mining taxes		949	(1,277)
Other		228	283
Working capital provided by operations		<u>27,335</u>	<u>15,651</u>
Proceeds from sale of long-term investments		548	—
Proceeds from disposal of property and equipment		875	1,012
P.I.P. Grant		—	832
Issue of common shares	6	1,375	—
Discontinued operations		—	(1,086)
Other		21	583
Total working capital provided		<u>30,154</u>	<u>16,992</u>
<b>WORKING CAPITAL APPLIED</b>			
Property, plant and equipment		10,919	16,798
Long-term investments		50	67
Reduction of long-term debt		14,000	11,000
Dividends on preferred shares		—	20
Redemption of preferred shares		—	607
Total working capital applied		<u>24,969</u>	<u>28,492</u>
<b>INCREASE (DECREASE) IN WORKING CAPITAL</b>		<u>5,185</u>	<u>(11,500)</u>
<b>WORKING CAPITAL AT BEGINNING OF YEAR</b>		<u>177</u>	<u>11,677</u>
<b>WORKING CAPITAL AT END OF YEAR</b>		<u>\$ 5,362</u>	<u>\$ 177</u>

See accompanying notes

# CONSOLIDATED STATEMENT OF RETAINED EARNINGS (DEFICIT)

for the year ended December 31, 1984  
(with comparative figures for 1983)

		1984	1983
	Notes	(in thousands)	
<b>RETAINED EARNINGS (DEFICIT) AT BEGINNING OF YEAR</b>		\$ (8,674)	\$ 11,427
<b>NET PROFIT (LOSS) FOR THE YEAR</b>		<u>71</u>	<u>(20,081)</u>
		<u>(8,603)</u>	<u>(8,654)</u>
<b>DIVIDENDS ON PREFERRED SHARES</b>	6	—	20
<b>DEFICIT AT END OF YEAR</b>		<u>\$ (8,603)</u>	<u>\$ (8,674)</u>

See accompanying notes



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1984

## 1. Summary of Significant Accounting Policies

### PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its subsidiary companies. The operations of the subsidiaries are included in the accounts from the date of acquisition.

The oil and gas exploration and production is conducted under joint venture agreements and the Company's proportionate interest in the assets and liabilities and revenues and expenses of joint ventures is included in the accounts.

The active subsidiaries, which are wholly-owned, are as follows:

Brinco Mining Limited  
Brinco Oil & Gas Limited

### MINERAL EXPLORATION

Exploration expenditures and costs related to the investigation of possible investments in mineral resource properties are charged to earnings as incurred, net of recoveries from joint venture partners.

### PROPERTY, PLANT AND EQUIPMENT

#### Mineral Resource Properties

Development and preproduction expenditures on mineral resource properties, net of recoveries from joint venture partners, are capitalized providing the properties are considered to be of value to the Company. When a property achieves commercial production volumes, costs are charged to earnings using the unit-of-production method based on proven reserves. In the event of abandonment or disposal of such properties, the resulting loss is charged to earnings.

#### Oil and Gas Properties

Expenditures on oil and gas properties are accounted for using the full cost method whereby all costs relating to the exploration for and development of oil and gas reserves are capitalized. The costs of such properties are charged to earnings using the unit-of-production method based on proven reserves.

#### Plant and Equipment

Depreciation of oil and gas plant and equipment is charged to earnings using the unit-of-production method based on proven reserves. Mine plant and equipment is charged to earnings over its physical or economic life using the unit-of-production and straight-line methods of depreciation.

### INVENTORIES AND MINE SUPPLIES

Asbestos fibre and ore stockpiled are valued at the lower of cost, determined on a first-in, first-out basis, and net realizable value. Supplies are valued at the lower of cost, principally average cost, and replacement cost.

### TRANSLATION OF FOREIGN CURRENCIES

Current monetary assets and liabilities arising in foreign currencies are translated into Canadian dollars at the rate of exchange in effect at the end of the year and revenue and expense items are translated at the average rate of exchange for the year. Gains and losses on currency translations are included in the determination of earnings.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1984

## 2. Property, Plant and Equipment

	1984		1983	
	Cost	Accumulated depletion and depreciation	Net	Net
	(in thousands)			
<b>OPERATING</b>				
Asbestos	\$109,789	\$ 68,688	\$ 41,101	\$ 47,714
Oil and gas	67,239	10,476	56,763	59,231
	<b>\$177,028</b>	<b>\$ 79,164</b>	<b>97,864</b>	106,945
Unamortized waste removal costs (asbestos)			<b>39,816</b>	42,327
<b>NON-OPERATING</b>				
Asbestos	\$ 6,050	—	6,050	5,960
Coal	3,321	—	3,321	3,050
Gold	—	—	—	7,829
	<b>\$ 9,371</b>	—	<b>9,371</b>	16,839
			<b>\$147,051</b>	<b>\$166,111</b>

### MINERAL RESOURCE PROPERTIES (NON-OPERATING)

#### Asbestos

Technical and financial reviews are continuing in respect of a property contiguous to the Cassiar ore body in British Columbia.

#### Coal

The Company participates in a joint venture with Weldwood of Canada Limited investigating the feasibility of developing a coal property on Vancouver Island in British Columbia. Engineering and marketing reviews are continuing.

#### Non-Operating Properties

Non-operating properties written-off, being San Antonio, Clinton and Kitts-Michelin, will be maintained in good standing and maintenance costs will be expensed.

During the year, the Company sold a coal property previously written-off resulting in an additional charge against current earnings of \$717,000.

## 3. Long-Term Investments

	1984	1983
	(in thousands)	
Brinco 81 Energy Program	\$ 509	\$ 568
Other	—	374
	<b>\$ 509</b>	<b>\$ 942</b>

## 4. Long-term Debt

Brinco Mining Limited has a term bank loan in the amount of \$52,200,000 payable to a Canadian chartered bank. The loan bears interest at various money market rates quoted from time to time for Bankers Acceptances or at Canadian bank prime rates. This loan, and current bank indebtedness up to \$10,000,000, is secured by a first fixed and floating charge on the assets of the Cassiar asbestos division of Brinco Mining Limited and an assignment of the accounts receivable of Brinco Mining Limited which at December 31, 1984 totalled \$12,373,504.

Covenants relating to the loan require, inter alia, that Working Capital and Net Tangible Worth, as defined by the loan agreement between Brinco Mining Limited and the Bank, be maintained at specified minimum levels. Brinco Mining Limited is not meeting the requirements of these covenants and had not made in full a principal payment of approximately \$7,000,000 which was due on September 15, 1984. At December 31, 1984 \$3,000,000 of such payment was delinquent, however, subsequent to the year end the amount in arrears has been repaid. The Bank has provided Brinco Mining Limited with a waiver of defaults to June 17, 1985.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1984

The loan is included in the financial statements in accordance with existing terms which require repayments in equal semi-annual installments commencing September 15, 1983 and ending March 15, 1988.

The company is presently negotiating the conversion of the term loan into retractable preferred shares with a variable dividend rate of 50 percent of bank prime rate plus one and one-half percentage points. The successful completion of these negotiations is subject to a favourable tax ruling from Revenue Canada-Taxation.

Interest on long-term debt in 1984 amounted to \$6,500,000 (1983 -\$6,800,000).

#### Current Bank Indebtedness

Bank indebtedness includes demand bank loans and cheques issued but not cashed.

## 5. Income and Mining Taxes

The Company has deferred income taxes which would otherwise be payable as the result of claiming for tax purposes amounts which have not been recorded in the accounts. The deferred income taxes included in the balance sheet have accumulated at various rates and it is not practicable to reconcile the rate of deferral with the income tax rate of 52 percent applicable to a company operating in British Columbia.

The Company has available losses which may be applied against taxable incomes up to 1987 in the aggregate amount of approximately \$9,100,000. No recognition of the possible future income tax benefits due to the application of these losses has been recorded in the financial statements.

## 6. Shareholders' Equity

### CAPITAL STOCK

#### Authorized

10,000,000 Preferred Shares with a par value of \$5.50 each, issuable in series  
35,000,000 Common Shares without nominal or par value

	1984	1983
	(in thousands)	
Issued		
1,869,779 7% cumulative convertible redeemable retractable Preferred Shares Series A (1983-1,869,818)	\$ 10,284	\$ 10,284
7,272,728 8% cumulative convertible Preferred Shares Series C (1983-7,272,728)	40,000	40,000
17,454,937 Common Shares (1983-17,077,843)	59,551	58,176
7,762,632 Class A Common Shares (1983-7,762,632)	54,882	54,882
Total capital stock	164,717	163,342
RETAINED EARNINGS (DEFICIT)	(8,603)	(8,674)
	156,114	154,668
Net cost of Common Shares purchased pursuant to the 1974 tender offer to shareholders	(54,882)	(54,882)
	<b>\$101,232</b>	<b>\$ 99,786</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1984

## Preferred Shares

(a) At the option of the holder, each Preferred Share Series A is convertible into 0.55 of a Common Share. At the option of the Company, the Preferred Shares Series A are redeemable if the market price of the Company's Common Shares is more than \$15.00.

The Company's legal counsel have advised that the provisions of the Newfoundland Companies Act prohibit the redemption of Preferred Shares Series A as long as the Company is in a deficit position. The Company remained in a deficit position throughout the year and no redemption of Preferred Shares Series A was possible during 1984. Also, given the financial condition of the Company, the Board of Directors did not declare dividends on the Company's preferred shares during 1984, and the dividend normally payable to holders of preferred shares on March 31, 1985, was also omitted. The obligation continues to offer to redeem all of the outstanding Preferred Shares Series A when it would no longer be contrary to applicable law to do so.

(b) At the option of the holder, each Preferred Share Series C can be converted into 0.55 of a Common Share. On November 6, 1985, the conversion of any remaining Preferred Shares Series C to Common Shares will take place. Should the weighted average market price of the Common Shares for any ninety consecutive days after November 6, 1983 and prior to November 6, 1985 be more than \$13.00, the Preferred Shares Series C will be converted at the end of such ninety days.

(c) Each issued and outstanding Preferred Share Series A and Series C is entitled to a fraction of a vote equal to the conversion basis of such shares into Common Shares.

(d) Dividends on the cumulative Preferred Shares Series A and Series C are payable quarterly on the last days of March, June, September and December of each year. The dividend payable in December, 1982 and all the 1983 and 1984 dividends for a total of \$8,830,500 are in arrears.

## Common Shares

In 1978, 9,973,067 Common Shares purchased for \$7.07 each, pursuant to the 1974 tender offer to shareholders, were deemed by legislation to be a special class of Common Shares designated as Class A. If these shares are reissued, they revert to their former status as Common Shares. To date 2,210,435 such shares have been reissued.

During the year, 377,073 Common Shares were issued with a value of \$1,374,997 and these funds were made available for Canadian mineral exploration activities under a program organized by C.M.P. 1984 Mineral Partnership and Company, Limited. The Company has entered into an agreement for participation in a similar program in 1985 under which the Company will issue common shares for \$3 million at a price to be determined on April 24, 1985, and will use the proceeds for Canadian mineral exploration activities.

## 7. Stock Options

Under the Company's stock option plan, 700,000 Common Shares have been set aside for issuance. At December 31, 1984, options were outstanding on 99,500 shares (including 17,500 to officers) at prices ranging from \$8.55 to \$9.45 per share exercisable at various dates to 1986. During the year no options were exercised.

## 8. Extraordinary Items

The Company has reassessed its non-operating gold property and has determined that the property's book value should be written-off. This action has been taken because of the depressed price of gold and the likelihood of no active development taking place in the foreseeable future.

	1984	1983
	(in thousands)	
Write-down of mineral resource properties, net of deferred taxes of \$2,970,000 (1983-\$3,450,000)	<b>\$ 4,850</b>	\$14,440
	<b>\$ 4,850</b>	<b>\$14,440</b>

During 1982, Brinco Mining Limited acquired the right to pursue an old insurance claim connected with the San Antonio gold property. A judgment has been entered by the court in favour of the Company in the amount of approximately \$2,400,000 plus interest of \$1,100,000. The judgment has been appealed and no amount has been recorded in the accounts for this claim.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1984

## 9. Contingencies

### Legal Actions

Brinco Mining Limited, as well as others, continues to be named as a defendant in a large number of product liability suits in the United States in which substantial damages are claimed for alleged injuries to the health of asbestos workers and others by means of their exposure to asbestos fibres or dust. The company has also been named in several actions claiming damages and other relief attendant upon costs of removal of asbestos products from certain public buildings. The subsidiary company is currently involved in 1,443 bodily injury suits and 13 property damage suits. Since 1974, the company has been involved in 3,130 bodily injury claims and has agreed to settle or has been dismissed from 1,705 claims.

Four bodily injury cases have come to trial. In one case, the company was dismissed before the verdict was rendered. A second trial resulted in a verdict for the defence. The third case, involving seven plaintiffs, was decided against the defendants and the jury apportioned damages of U.S. \$41,650 against the company. The fourth case was settled before it went to the jury.

From 1974 to date, legal and settlement costs paid by Brinco Mining Limited and its insurers have totalled approximately \$14,800,000. The costs to date may not be indicative of future costs since the company's potential liability in each case depends upon a great many factors apart from legal defences, including the seriousness of the bodily injury, whether the alleged illness or claimed economic loss is related to exposure to asbestos supplied by the company and the amount of contribution required from the various co-defendants.

In 1982 Manville Corporation, which is both a substantial fibre supplier in many actions in which Brinco Mining Limited has been sued and the employer in a large number of Brinco Mining Limited's cases, petitioned for relief under Chapter 11 of the U.S. Bankruptcy Code. Amatex Corporation, which is the employer in certain cases in which Brinco Mining Limited has been sued, applied for similar relief. The company is still not in a position to assess the impact of these bankruptcy filings on its potential liabilities. The bankruptcy filings have had the effect of removing the petitioning companies from the litigation. Some cases are proceeding to trial without the petitioning companies and other cases have been stayed pending further developments in the bankruptcy proceedings.

The company held policies of insurance providing coverage for product liability for both personal injury and property damage claims in the years 1955 to 1975. In addition, the company held policies between 1975 and 1983 which it believes provide coverage for the property damage claims. The company has instituted an action in the Ontario Courts with respect to the bodily injury claims policies in respect of the policies in effect from 1955 to 1975 wherein it has claimed that a substantial portion of the settlement and litigation costs, as well as any judgment that might be rendered against it, are covered under these policies. No action has yet been commenced in respect of the coverage for property damage claims.

An agreement was reached in March, 1984 between Brinco Mining Limited and its major insurer, which is also a defendant in the above action, whereby that insurer has reimbursed the company for \$6 million (net of taxes, \$3,749,000) for its past costs. In addition, that insurer has agreed to undertake the defence of Brinco Mining Limited for claims involving exposure to asbestos in its policy periods.

No agreement has been reached on the question of Brinco Mining Limited's insurer's obligation to indemnify it for settlements and judgments against it. Discussions are continuing on this issue.

Discussions are currently being held with Brinco Mining Limited's primary coverage insurers in an attempt to reach agreement with respect to payment and allocation of costs of defence of the property damage claims. These insurers have indicated that such an agreement is likely.

### Brinco 81 Energy Program

Brinco Oil & Gas Limited is the general partner of the Brinco 81 Energy Program, an oil and gas exploration and development limited partnership which, during 1981, sold 5,219 units to third parties at \$1,000 per unit.

Commencing in 1984, any limited partner may require the subsidiary company to offer to purchase all or any of their units at a price related to the fair market value of the unit. During 1984, 992 units were purchased in this way. The maximum number of units that the subsidiary company is obligated to purchase in any one year is 1,000.

## 10. Commitments

At December 31, 1984, the Company is committed to future minimum lease payments estimated as follows:

Year ended December 31	
1985	\$1,150,000
1986	1,097,000
1987	677,000
1988	456,000

## 11. Retirement Plans

The Company maintains contributory retirement plans which cover certain salaried and hourly paid employees. These plans are fully funded based on the last actuarial valuations as of December 31, 1982 for the hourly plan and June 30, 1984 for the salaried plan.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1984

## 12. Discontinued Operations

Discontinued operations are shown net of deferred taxes of \$285,000.

## 13. Related Parties

There were no significant related party transactions during the year.

## 14. Reclassification

Certain figures in the 1983 comparative statements have been reclassified to conform to current presentation.

## 15. Segmented Information

The segmented financial information has been determined by the Company based on industry segment. Segmented information on revenues, earnings (before income and mining taxes and extraordinary items) and assets is summarized in the attached schedule.

Substantially all asbestos revenue is derived from sales to customers outside of Canada. Sales to two major customers account for approximately one-half of the revenue in 1984 and 1983.

### Segmented Information Schedule (in thousands)

	Asbestos		Oil & Gas		Corporate		Non-Operating		Consolidated	
	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983
Revenue:										
Continuing Operations —										
Canada	\$ 72,493	\$ 70,239	\$ 4,472	\$ 4,511	\$ 1,134	\$ 622	\$ —	\$ —	\$ 78,099	\$ 75,372
United States	—	—	309	378	—	—	—	—	309	378
Total Revenue	<u>\$ 72,493</u>	<u>\$ 70,239</u>	<u>\$ 4,781</u>	<u>\$ 4,889</u>	<u>\$ 1,134</u>	<u>\$ 622</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 78,408</u>	<u>\$ 75,750</u>
Earnings:										
Continuing Operations —										
Canada	\$ 5,033	\$ 1,233	\$ (373)	\$ (1,050)	\$(2,280)	\$(2,697)	\$ —	\$ —	\$ 2,380	\$ (2,514)
United States	—	—	99	92	—	—	—	—	99	92
Total Earnings	<u>\$ 5,033</u>	<u>\$ 1,233</u>	<u>\$ (274)</u>	<u>\$ (958)</u>	<u>\$(2,280)</u>	<u>\$(2,697)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,479</u>	<u>\$ (2,422)</u>
Depletion and Depreciation	<u>\$ 18,297</u>	<u>\$ 18,367</u>	<u>\$ 2,940</u>	<u>\$ 3,772</u>	<u>\$ —</u>	<u>\$ 44</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 21,237</u>	<u>\$ 22,183</u>
Capital Employed	<u>\$ 93,433</u>	<u>\$ 98,573</u>	<u>\$ 57,041</u>	<u>\$ 59,303</u>	<u>\$(2,825)</u>	<u>\$(3,003)</u>	<u>\$ 8,705</u>	<u>\$ 16,056</u>	<u>\$ 156,354</u>	<u>\$ 170,929</u>
Identifiable Assets:										
Canada	\$ 121,097	\$ 133,397	\$ 58,218	\$ 58,876	\$ 783	\$ 2,324	\$ 9,495	\$ 17,514	\$ 189,593	\$ 212,111
United States	—	—	525	2,923	—	—	—	—	525	2,923
Total Identifiable Assets	<u>\$ 121,097</u>	<u>\$ 133,397</u>	<u>\$ 58,743</u>	<u>\$ 61,799</u>	<u>\$ 783</u>	<u>\$ 2,324</u>	<u>\$ 9,495</u>	<u>\$ 17,514</u>	<u>\$ 190,118</u>	<u>\$ 215,034</u>
Expenditures on Property, Plant and Equipment and Long-Term Investments	<u>\$ 10,054</u>	<u>\$ 14,879</u>	<u>\$ 644</u>	<u>\$ 617</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 271</u>	<u>\$ 1,369</u>	<u>\$ 10,969</u>	<u>\$ 16,865</u>

*Directors*

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- † Arthur J. Block  
Vancouver, British Columbia  
Executive  
A.R. Holdings
- † E. J. Courtois, Q.C.  
Montreal, Quebec  
Partner  
Stikeman, Elliott  
Peter H. Dean  
London, England  
Executive  
The Rio Tinto-Zinc  
Corporation PLC  
Thomas N. Dirks  
Calgary, Alberta  
Exploration Geologist
- \* Sir Alistair G. Frame  
London, England  
Deputy Chairman and  
Chief Executive  
The Rio Tinto-Zinc  
Corporation PLC  
Donald R. Getty  
Edmonton, Alberta  
President  
D. Getty Investments Ltd.  
J. Douglas Little  
Vancouver, British Columbia  
Consultant
- † Harry W. Macdonell, Q.C.  
Toronto, Ontario  
Partner  
McCarthy & McCarthy  
Albert Reichmann  
Toronto, Ontario  
President  
Olympia & York  
Developments Limited

- \* Paul Reichmann  
Toronto, Ontario  
Senior Executive Vice-  
President and Secretary  
Olympia & York  
Developments Limited  
Ralph Reichmann  
Toronto, Ontario  
Senior Vice-President  
and Treasurer  
Olympia & York  
Developments Limited  
C. Alan Smith  
Calgary, Alberta  
Executive
- \* Hugh R. Snyder  
Toronto, Ontario  
President and Chief  
Executive Officer  
Brinco Limited  
David A. Ward, Q.C.  
Toronto, Ontario  
Partner  
Davies, Ward & Beck

*Officers*

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- Harry W. Macdonell, Q.C.  
Chairman  
Hugh R. Snyder  
President and Chief  
Executive Officer  
Norbert M. Peters  
Vice-President, General  
Counsel and Secretary  
Anthony T. Kana  
Treasurer  
Gill E. Carter  
Assistant Secretary

\* Member of the Executive Committee

† Member of the Audit Committee

