



Anvil Presents

This document sets forth a record of the events and accomplishments that comprise the history of Anvil Mining Corporation. All the facts recorded were aimed at the logical culmination point, the bringing into production of the Anvil Mine in the Yukon Territory of Canada, about 290 miles south of the Arctic Circle. Ceremonies celebrating the official opening take place in the Yukon on January 28, 1970, a great day for all participants in this major undertaking.



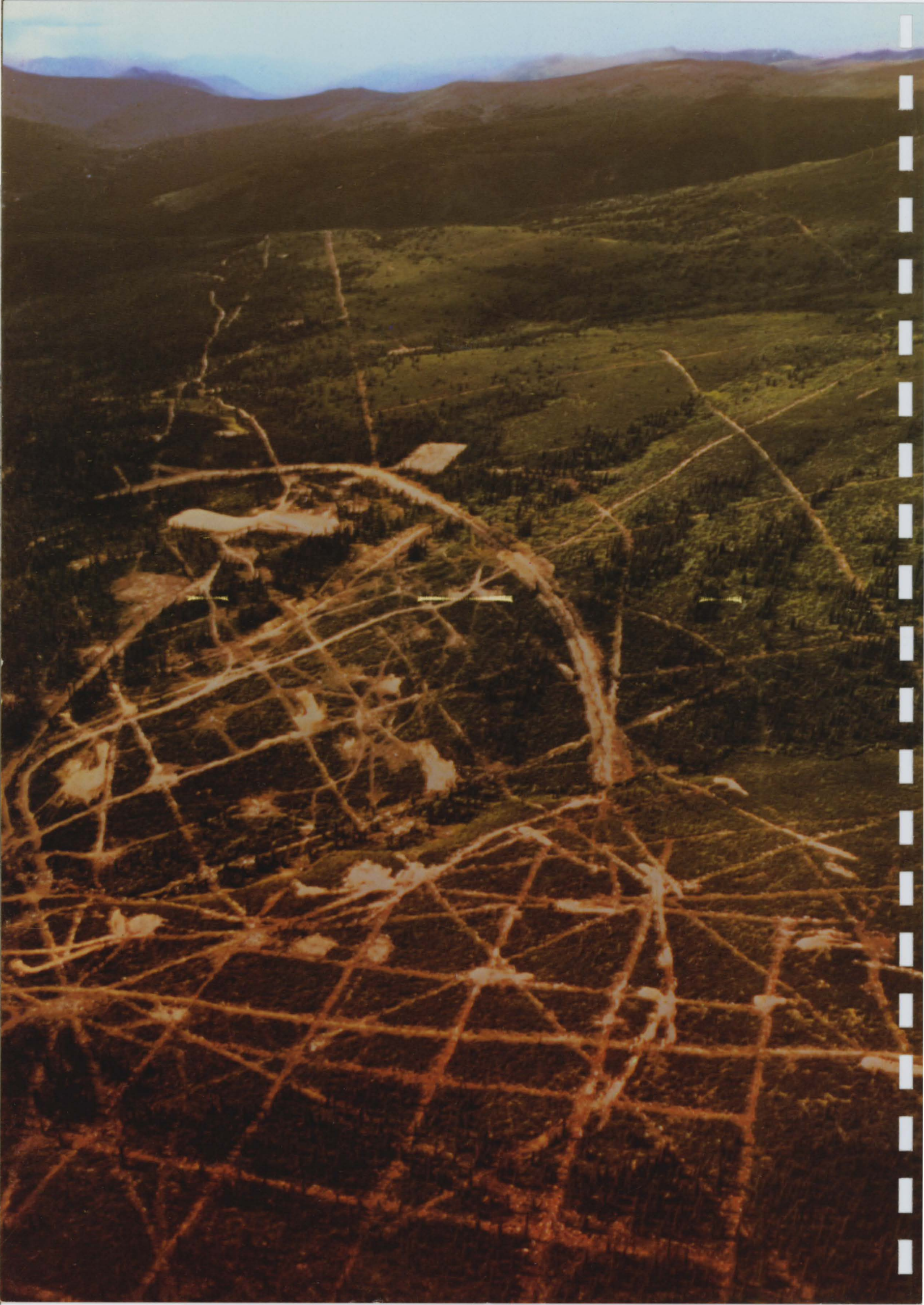
Examination of this record of sequential events and individual accomplishments reveals a pattern of cooperative efforts which is possible when men of dedication, energy, skill, and above all, good will join together to pursue a common goal. In fact, an accomplishment of this magnitude brought about by sheer overriding of the most stubborn resistance of Nature would be impossible with any other formula. In the earliest days of the Anvil Project, life itself depended on such cooperation. There were no roads, bridges, power lines, towns—no tools with which to work.

Now the Project is in operation. Man has again demonstrated he is increasingly able to control his environment or to take his environment with him. Anvil will be recorded in history as a major influence in the development of the Yukon. Beyond each horizon there are sure to be other hidden treasures for which men will search. They will succeed as Anvil has succeeded.

Anvil now presents . . . The Anvil Story.

Where it all started. This is the Faro No. 1 orebody as it looked in the summer of 1967, its surface merely scratched by the drill pattern.





Summary of Accomplishments

Look back from the vantage point of the dedication of the mine and plant, the town of Faro, the roads and seaport, all of which contribute to and comprise the entity as it stands today, Anvil is able to list these real and undeniable accomplishments:

1. A major lead-zinc-silver orebody has been found and proven to have economic value.
2. A new open pit mine has been brought into production.
3. A crushing plant and concentrator have been constructed with the necessary ancillary facilities to assure and maintain the planned output of the mine.
4. The town of Faro has been established with beautiful housing, and all the facilities necessary for an independent community.
5. Transportation has been arranged with trucks and trains capable of delivering the products of the mine to, and on board, ocean-going carriers.
6. Power generation and transmittal facilities have been constructed and are in operation.
7. A communications system has been built and is in operation.

In summary, Anvil developed from grass roots prospecting to sophisticated exploration and development. This led to promotion of the project and when sales, financial arrangements, and government participation were received, a new major enterprise in the North of Canada came into being.

Aerial shots of the mine, the concentrator and the townsite, none of which existed in 1967.



Something About the Locale

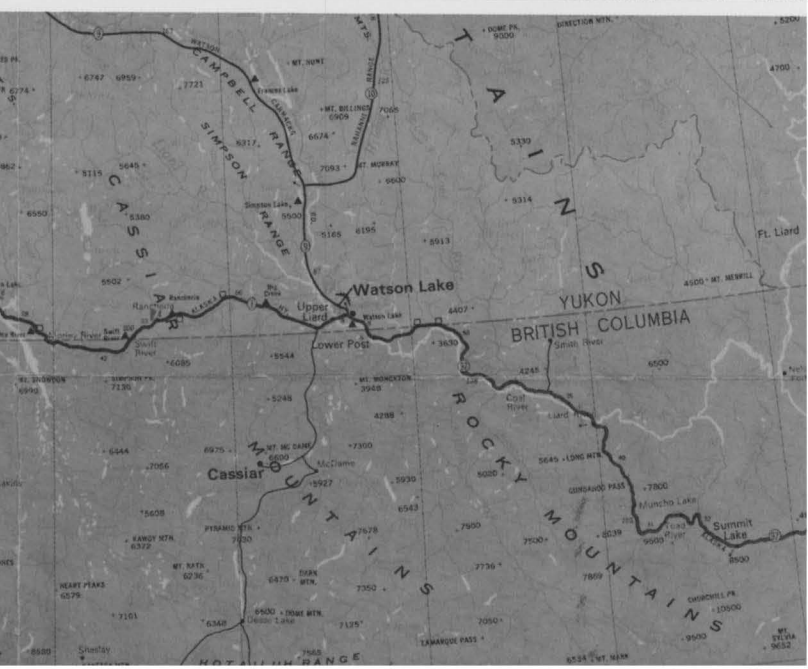
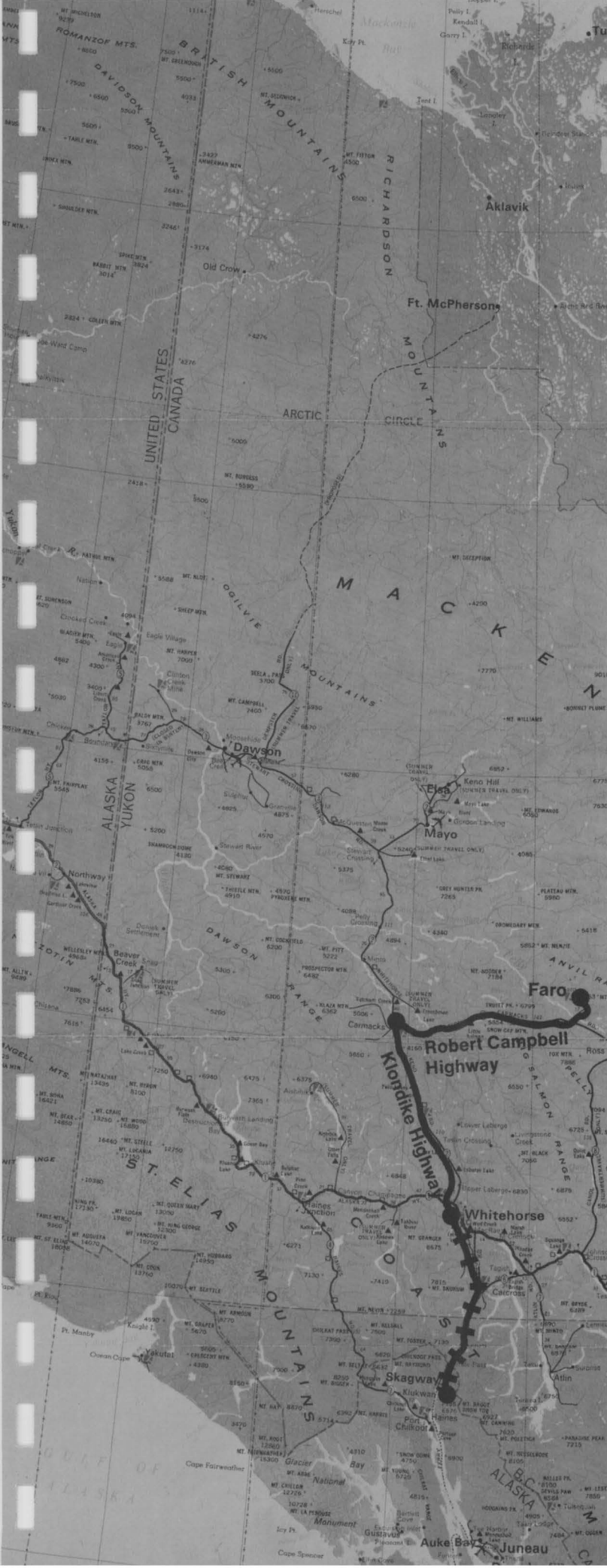
The Yukon

The Yukon Territory is, roughly speaking, the Canadian part of the Yukon River watershed. It is bounded on the west by Alaska, on the east by the divide between the Yukon River system and the Mackenzie River system, on the south by the 60th Parallel of North Latitude, and on the north by the Arctic Ocean. The whole of the Yukon is popularly thought to be part of the Arctic Zone. But in point of fact, only a very small and as yet unimportant part of it lies north of the Arctic Circle, while along its southern border men live at much the same latitude as Oslo, Helsinki, and Leningrad, and not far north of Scotland.

In the popular imagination, the Yukon is a place that had a famous gold rush seventy years ago. This Klondike gold rush stimulated the fancy of such writers as Jack London, who observed it on the spot quite soon after it started, and Robert W. Service, who saw a little of its dying stages. But in spite of the legends and myths, it is true enough that the Yukon is largely a product of a search for minerals. Before the Klondike days, only a very few trappers and traders and explorers passed that way. After the Klondike, the main attractions were the gold-dredging, the great Keno Hill silver mines, and the possibility that the Yukon would one day prove to possess great mineral wealth of many kinds. Some discoveries of modern times have been such finds as the iron ore in the Snake River area, the Clinton Creek asbestos deposits, the Whitehorse copper belt, the Canada Tungsten deposit, and of course, the Anvil lead-zinc-silver deposit, which is the largest single mining development since the great Klondike rush. Mining will develop the north. Mining will remain the Yukon's great magnet (and its backbone too) for a very long time to come, and perhaps forever. It is thus fortunate that the mineral resources are proving to be so rich and varied.

The Yukon is fortunate in another way as well. Between the staking rushes of the 1890's and the new ones of the 1960's, the territory went through many quiet times, broken a little, and for a while, by the great military activity and road building of World War Two. The quiet decades ensured that those who dwelt in the Yukon were living there because they really liked it. And these citizens, who took naturally to being Northerners, are a backbone too. Even though isolation in the Yukon grows less, now and then pioneering individuality that has disappeared from older frontiers farther south and east is again revealed.

Prospectors streamed across the Chilkoot Pass in a frantic stampede to stake claims along the Yukon creek beds in the late 1800's.



Whitehorse

Whitehorse, the Yukon territorial capital, was once important as the end of the railway from tidewater at Skagway, Alaska, to the head of navigation on the Yukon River. Today, Whitehorse is also linked to the south and west by the famous Alaska Highway, and by daily scheduled airliners. The other parts of the Yukon are linked to Whitehorse by the new roads of recent years and by a constantly improved service by helicopter and fixed-wing craft. The ever increasing amount of geological exploration has, in the last few years, made every part of the territory seem not very far from the cities of Canada. Another link with the south and east is the much greater number of visitors and settlers who are finding this area rewarding.

Whitehorse, population about 8000, is the largest city in the Yukon Territory, and a funneling point for all goods and traffic between the north country and tidewater.



Climate

The climate at the Anvil minesite is not as inhospitable as legend would have it, 27 degrees from the Pole. A great deal of protection is afforded by mountain ranges on three sides of the site. As a consequence, the extreme cold experienced elsewhere in the Yukon in winter is tempered as much as 15 or 20 degrees. Days are short in winter, but year-round operation is routine.

April brings a short but pleasant spring. The white of the snow-covered countryside changes to a green, and a beautiful bluish haze veils the higher hills. Precipitation ranges from nine to 13 inches per year. Summer is a delight, accommodating any kind of outdoor life a person could want. Snow can be expected any time after mid-October, and, although a total of 40 to 50 inches of snow falls between November and April, generally there are only a few inches of snow on the ground. Winter temperatures may reach 50 to 60 degrees below zero for short periods with frequent relief by spells of remarkably mild weather. Sometimes there are 10 day respites of 20 or 30 degrees above zero.

The out-doors is a way of life in the Yukon, from the balmy days of summer through a white, but not unpleasant winter.



History of Anvil Project

Early Beginnings

Anvil Mining Corporation Limited, a British Columbia corporation, was incorporated in December of 1965 to implement the objectives of a joint venture which had been formed in the following manner:

A small group of Canadian geologists and prospectors, having found compelling evidence of mineralization in the Vangorda Creek area of the Yukon Territory, created Dynasty Explorations Ltd. (of Vancouver, B.C.) to facilitate further exploration and development of this promising area. In its search for valuable mineral bodies Dynasty accumulated some 800 claims—a patchwork pattern woven through an area of known geophysical response and adjacent, in one instance, to a small proven ore occurrence. The economics of mine-finding precluded substantial further exploration of significantly large areas by a relatively small group and it became apparent that other resources would have to be brought into the picture if any significant results were to be achieved. Consequently, Dynasty approached several mining companies on the possibility of pooling resources for an enterprise of mutual benefit. Cyprus Mines was the only international mining company willing—or with the vision—to join in the exploration program.

Cyprus Mines is a United States corporation, with headquarters in Los Angeles with 50 years of experience in exploration, extraction, processing and marketing of mineral resources. Its initial venture in 1916 was a copper mine in Cyprus to which it had been led in a search for ancient copper deposits mined by Phoenicians and Egyptians possibly as early as 3000 B.C., later by Romans, and abandoned perhaps about 450 A.D. In addition to the copper mining venture which is still in operation, currently Cyprus Mines activities involve copper mining operations in Arizona, iron operations in Peru and Australia, international shipping of iron ore, petroleum, and other bulk commodities, cement manufacturing in Hawaii, mining and processing of talc and other industrial minerals at several locations in the United States and in Europe and the manufacture of electrical cable in New York State. Of course, Cyprus continues with a major effort in mineral exploration.

Discussions between Dynasty and Cyprus began in 1964 and resulted in a joint-venture agreement in March of 1965 and the subsequent incorporation of Anvil Mining Corporation at the end of that year.

This is the temporary exploration camp, set up in 1966.

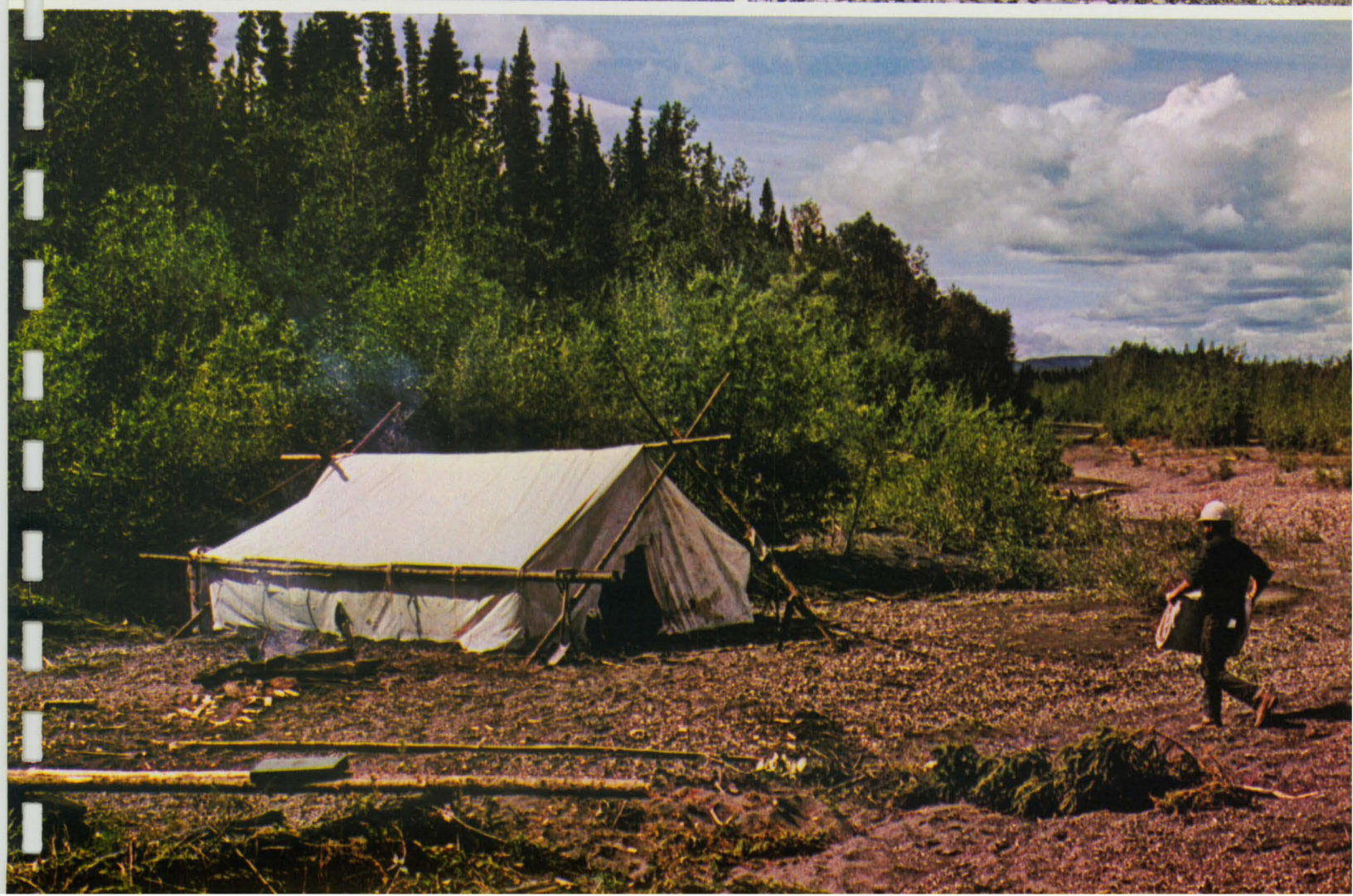
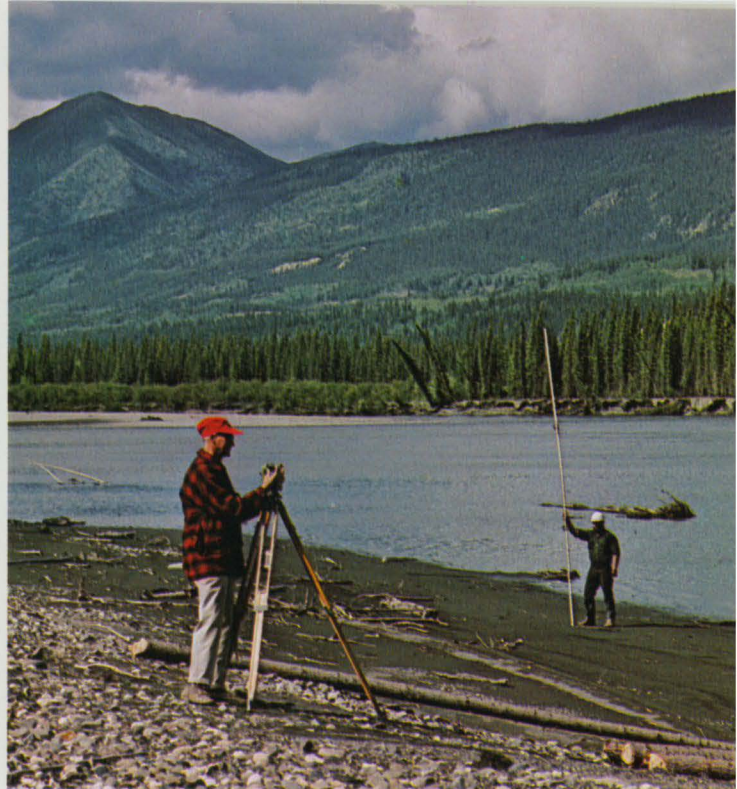


The Joint-Venture Agreement

A broad-brush sketch of the Agreement, which was the basis for Anvil Mining Corporation, is as follows:

1. Cyprus entered into a financial commitment of up to ten million dollars terminable at various stages by Cyprus to be used for exploration, and if a significant orebody were discovered, for feasibility studies, plans and negotiations and a general assessment of the chances of creating an economically justifiable operation.
2. If initial stages of exploration were favorable, the joint-venture would form a corporation, Anvil, to commit the balance of the funds available in order to reach a decision.
3. Upon receipt of recommendations of the Anvil directors, Cyprus would resolve whether further participation was in its best interests.
4. In the event that Cyprus elected to proceed, additional funds would be provided in the proportion of Cyprus 60% and Dynasty 40%.

Early crew quarters at the bridge site and scenes of early activity in the area.



Events, from Discovery to Pre-Production

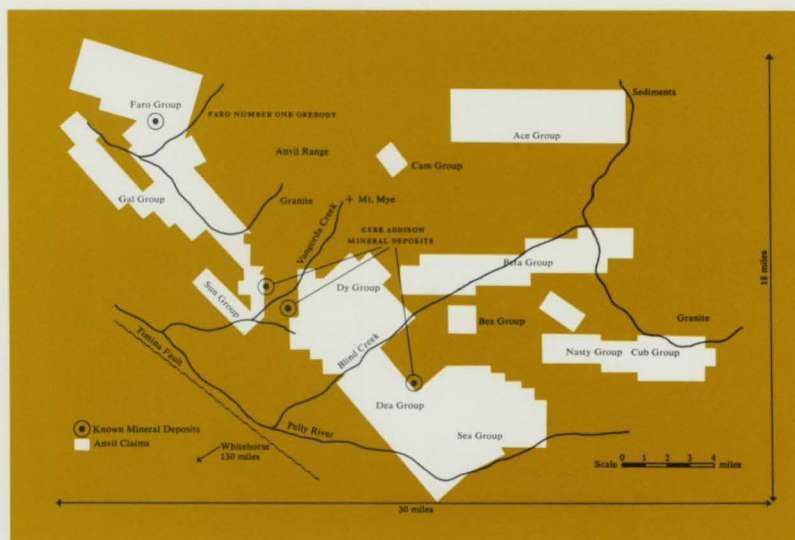
Exploration:

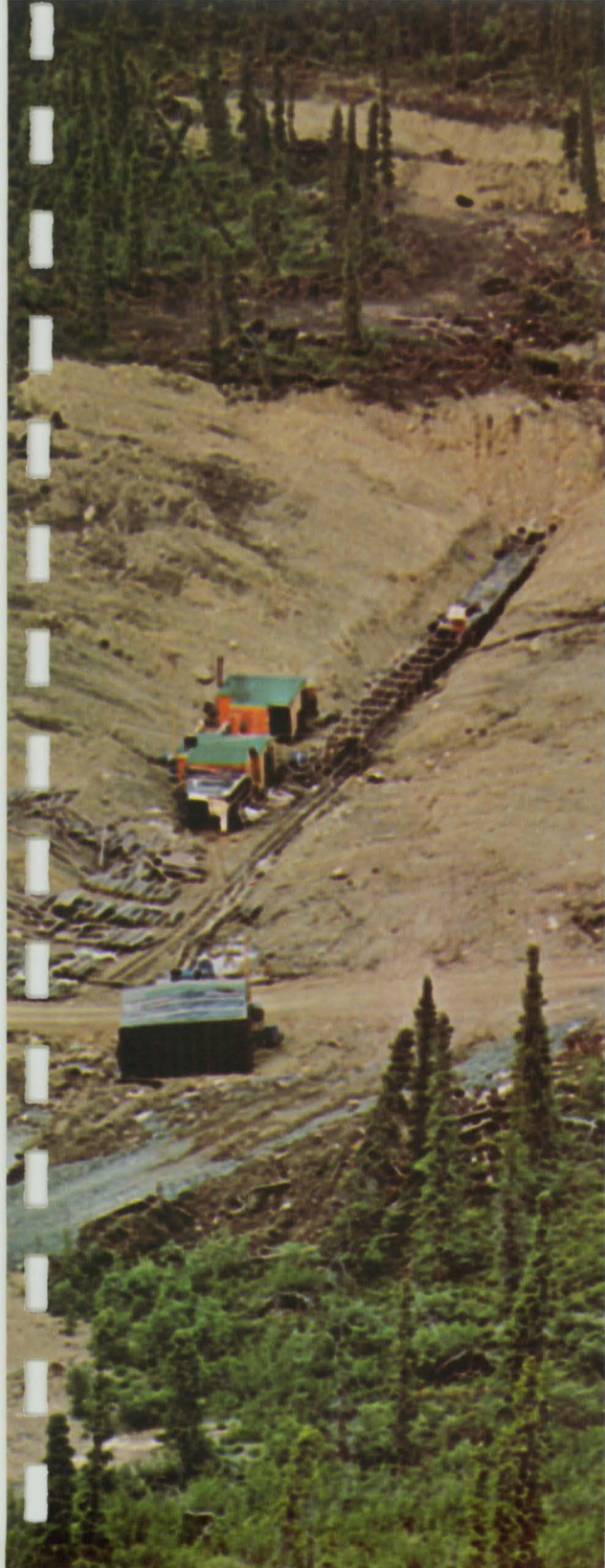
During 1965, the Joint Venture added some 1800 claims to the 800 already staked, for total holdings of about 130,000 acres. In 1965, drilling indicated mineralization in one area twelve miles from Vangorda Creek near the Pelly River. This was later proved to be the lead-zinc-silver orebody now called Faro No. 1. Since then, two more adjacent orebodies have been proven. These added weight to the value and, therefore, to the feasibility of mineral production. Exploration continues in promising areas of claim holdings using advanced methods of detection, analysis and assay.

Substantial sums were spent in exploration and appraisal, the results of which established a minimum reserve figure of 63 million tons of ore containing 10% lead-zinc with more than one ounce of silver per ton. An adit was driven into the principal orebody and 315 tons of representative ore extracted. This ore was shipped to Hazen Research Company of Golden, Colorado for a pilot plant test.

Results indicated that size of orebody and quality of ore would be important factors, but feasibility of the project would depend greatly on the metallurgy of ore dressing and the economics of mining, processing and transportation of the mineral concentrates.

An adit was driven into Faro No. 1 and 315 representative tons extracted and sent to Hazen Research Company, for pilot plant testing.





Feasibility Studies:

Feasibility of the contemplated project depended upon several related factors—how to mine the ore, how to reduce it to a transportable condition, what equipment would be necessary to the mining and concentration process, whether power could be supplied to the minesite, what level of skilled labour would be required and its availability, what methods of transportation could be employed, what would be needed in the way of public facilities, construction and installation costs, the total of all considerations to be expressed in costs per ton loaded on ships in a deep-water harbor and delivered to world markets.

The Galigher Company of Salt Lake City was retained to conduct metallurgical research leading to determination of the best methods of extraction and processing of the ore. Their tests indicated that a selective flotation process would produce a 69% lead concentrate with 90% recovery of lead, and a 53% zinc concentrate with 85% recovery of the zinc. The silver would be found principally in the lead concentrate averaging about 20 ounces per ton of concentrate.

The Parsons-Jurden Company of New York was retained to determine an economic framework for successful construction and operation of the mine and mill, based upon resolution of the factors listed above. It was determined that the project of an open-pit mine and a concentrator capable of processing 5500 tons of ore per day to produce separate lead and zinc concentrates, which would be loaded in closed containers for transport by truck and rail to Skagway, Alaska, and by ship to overseas markets, was feasible on a 24-hour per day, 365-day per year basis.

Engineering feasibility of the project was determined by research and testing by The Galigher Company, and engineering-economic studies by the Parsons-Jurden Company.



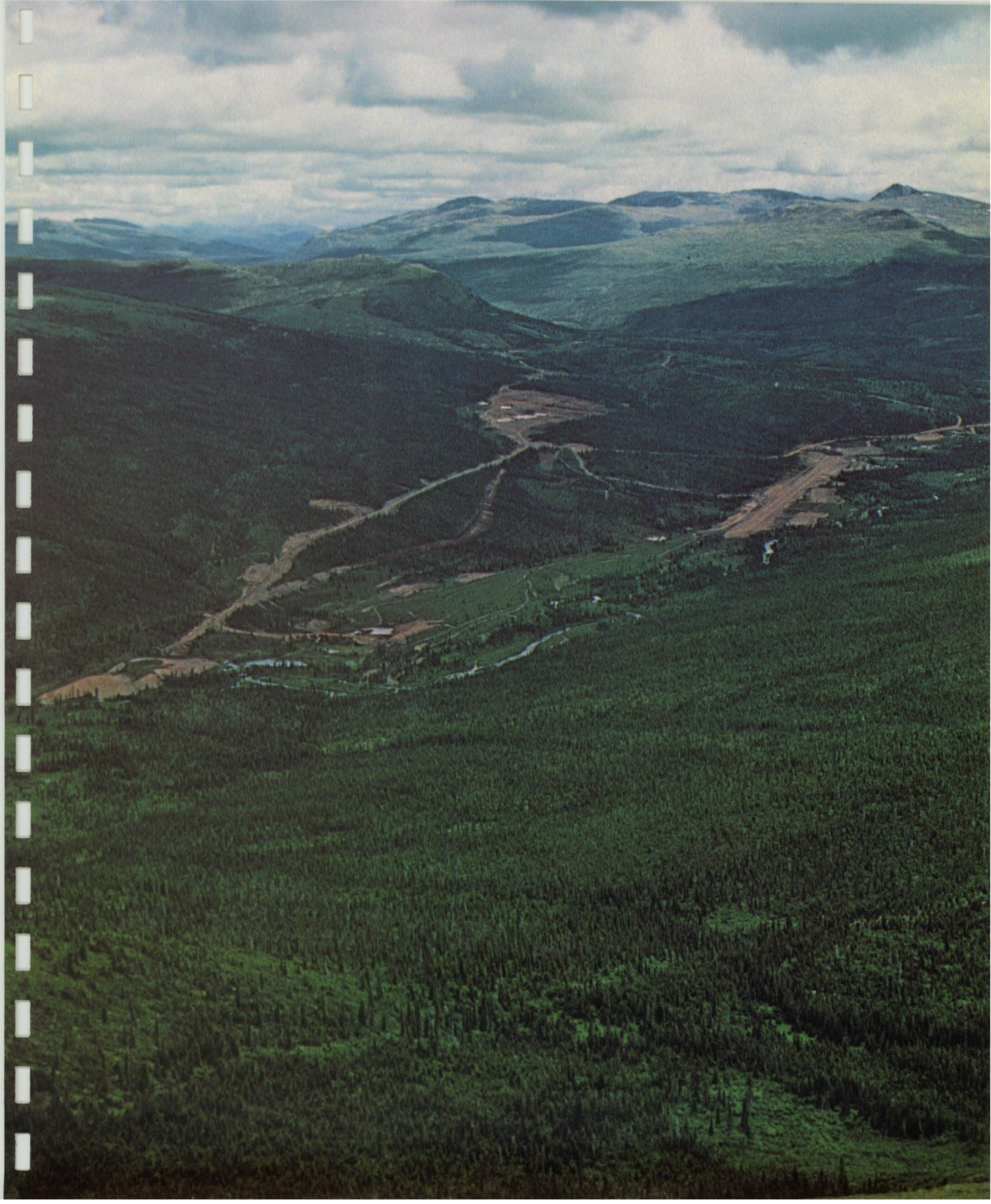
Decision and Implementation

The favorable factors disclosed by the research and feasibility determinations were such that Cyprus Mines decided to continue its commitment to Anvil if Anvil, in turn, could assure:

1. A satisfactory transportation system from mine to ocean shipping.
2. Necessary additional financing for the construction and operation of the mine.
3. A market for the product.
4. Governmental assistance in providing facilities that would be in the interests of the territory as a whole.

These conditions were mutually dependent and had to be resolved concurrently. Without belaboring the difficulties, suffice to say that they were resolved, and the decision was made in August 1967 to put the mine into production. Some details of the resolutions follow.

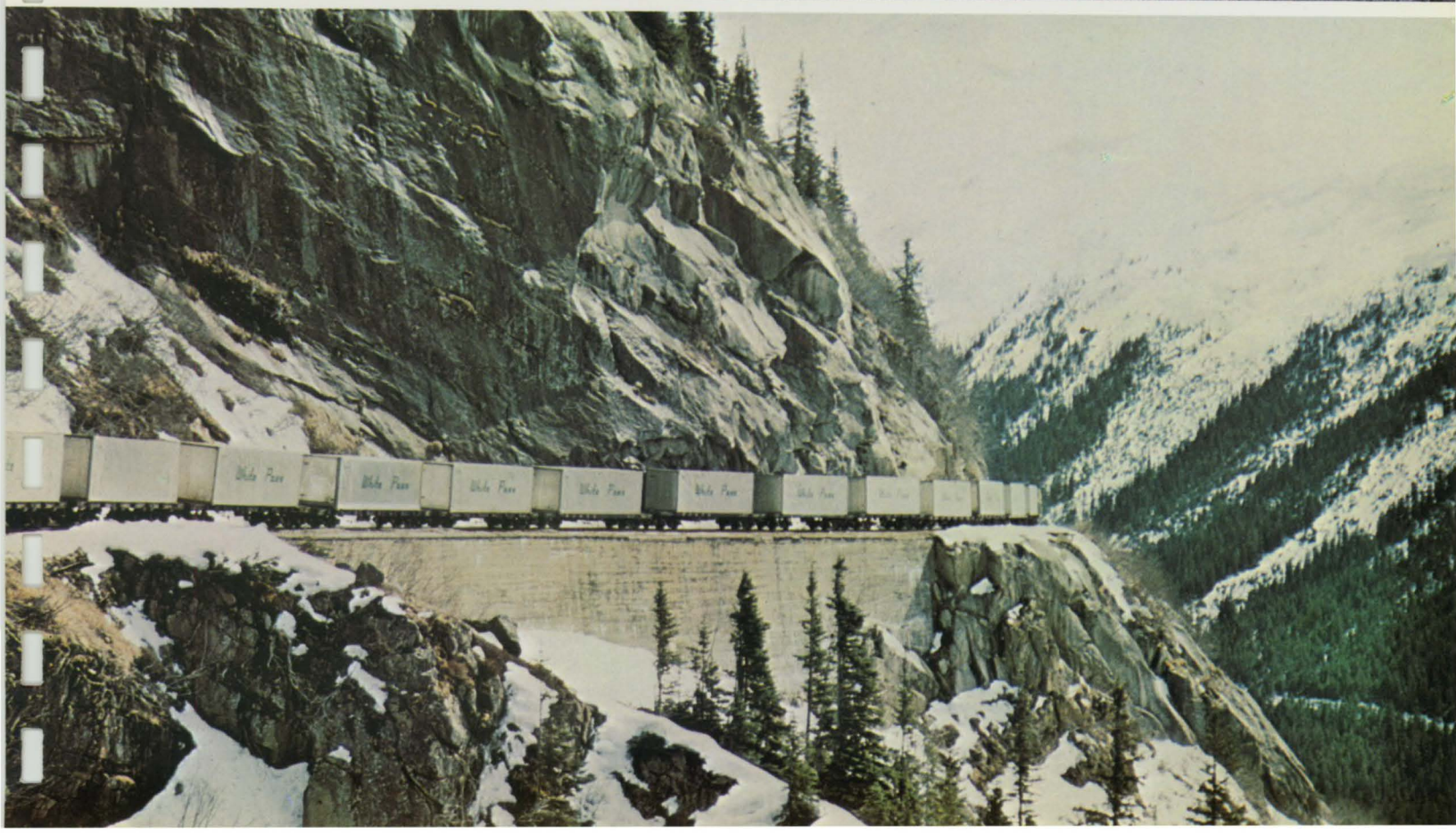
The project looked like this in 1967, when the decision to proceed was made. That is a landing strip on the right, with the orebody in the foreground and the beginnings of a construction camp beyond.



Transportation

A contract was signed with the White Pass & Yukon Route under which they accept custody of the concentrates until put on board ships at Skagway. Under this contract, the White Pass & Yukon Route will own and operate the fleet of container trucks which carry concentrates from the mill to Whitehorse. There the White Pass will transfer the containers from truck to flat cars for train transport to Skagway. The storage facilities at Skagway (100,000 tons capacity) and the port and loading facilities at Skagway to accommodate vessels of 35,000 DWT are also a part of the White Pass operation. The investment committed by the White Pass & Yukon Route to fulfill this major undertaking is about U.S. \$20 million.

This is one of White Pass & Yukon Route's fleet of 35 container-trucks that carry concentrate from the mill to Whitehorse, where the containers are transferred to flat cars and hauled in trains to Skagway, through terrain of which this is typical.

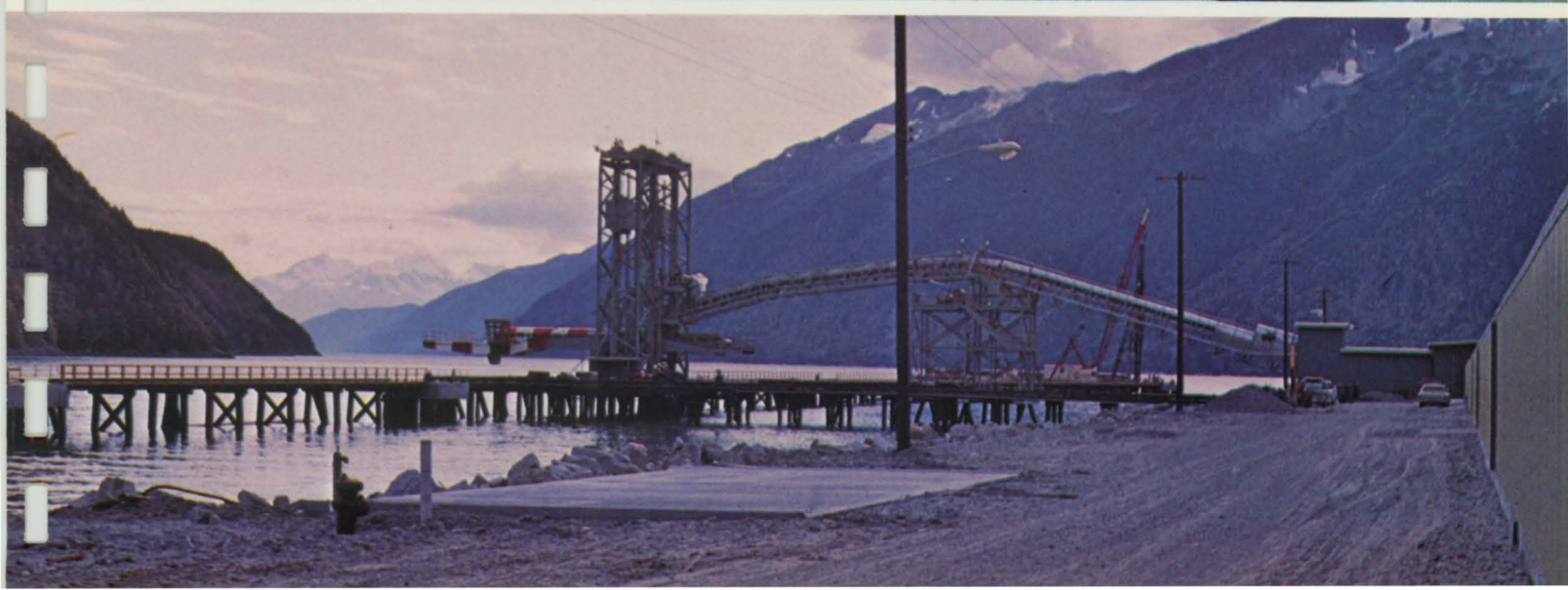


Finance and Marketing

Anvil's original project cost was estimated at about U.S. \$61 million. Of this sum, \$42 million was borrowed from commercial banks, half from the Toronto-Dominion Bank, the other half being provided by the First National City Bank of New York, Bankers' Trust Company of New York, and the United California Bank. The balance of \$19 million was provided by Cyprus and Dynasty.

Sales contracts were executed with Mitsui Mining and Smelting Company, and Toho Zinc Company, both of Japan, for the total output of the mine for an eight-year period at prices to be determined by world market prices at time of delivery. Annual shipments will be approximately 370,000 tons. The value of these contracts to Anvil is estimated at \$500 million. The banks to which Anvil addressed itself placed great reliance on these contracts as indications of the ability of the operation to sustain itself and to effect repayment of the bank loans.

White Pass & Yukon Route relinquishes custody of the concentrate in Skagway, where it is loaded into ships destined for Japanese customers. As is described on later pages, expansion of the mill capacity will require additional loading facilities for ships destined for West German customers.



Governmental Assistance

Transportation:

The Government of Canada, through the Department of Indian Affairs and Northern Development, and the Yukon Territorial Government recognized the importance of the Anvil Mine to the development of the entire Yukon and have participated in the provision of necessary facilities.

The Department of Indian Affairs and Northern Development has completed the road from Ross River to Carmacks. The Mayo-Dawson Highway runs from Carmacks to Whitehorse. Anvil, with assistance from the Government, has built a road from the minesite to a junction with the Ross River-Carmacks Road. This assures open roads available to Anvil from the mine to Whitehorse. A 540-foot, two-span steel and concrete bridge has been built on the access road across the Pelly River. Previously, the Pelly River was crossed by ferry in summer, and over ice bridges in winter. Anvil put up the money for the permanent bridge and will be reimbursed for a substantial part by the Government.

The Anvil operational process.

Before this bridge was built crossings of the Pelly River were made by ferry in summer and over ice bridges in winter.

Power and Communications

The Canadian government, through the Northern Canada Power Commission, has installed a third hydro-generator in the Whitehorse Rapids generating plant, and erected 230 miles of transmission lines to supply the power requirements at the plantsite and town.

Through Canadian National Telecommunications, the government has also constructed a multi-channel UHF microwave system to connect the minesite and the town of Faro with the continental long distance telephone network.

The Whitehorse hydro-generating plant which provides power to the mill, 230 land miles away.

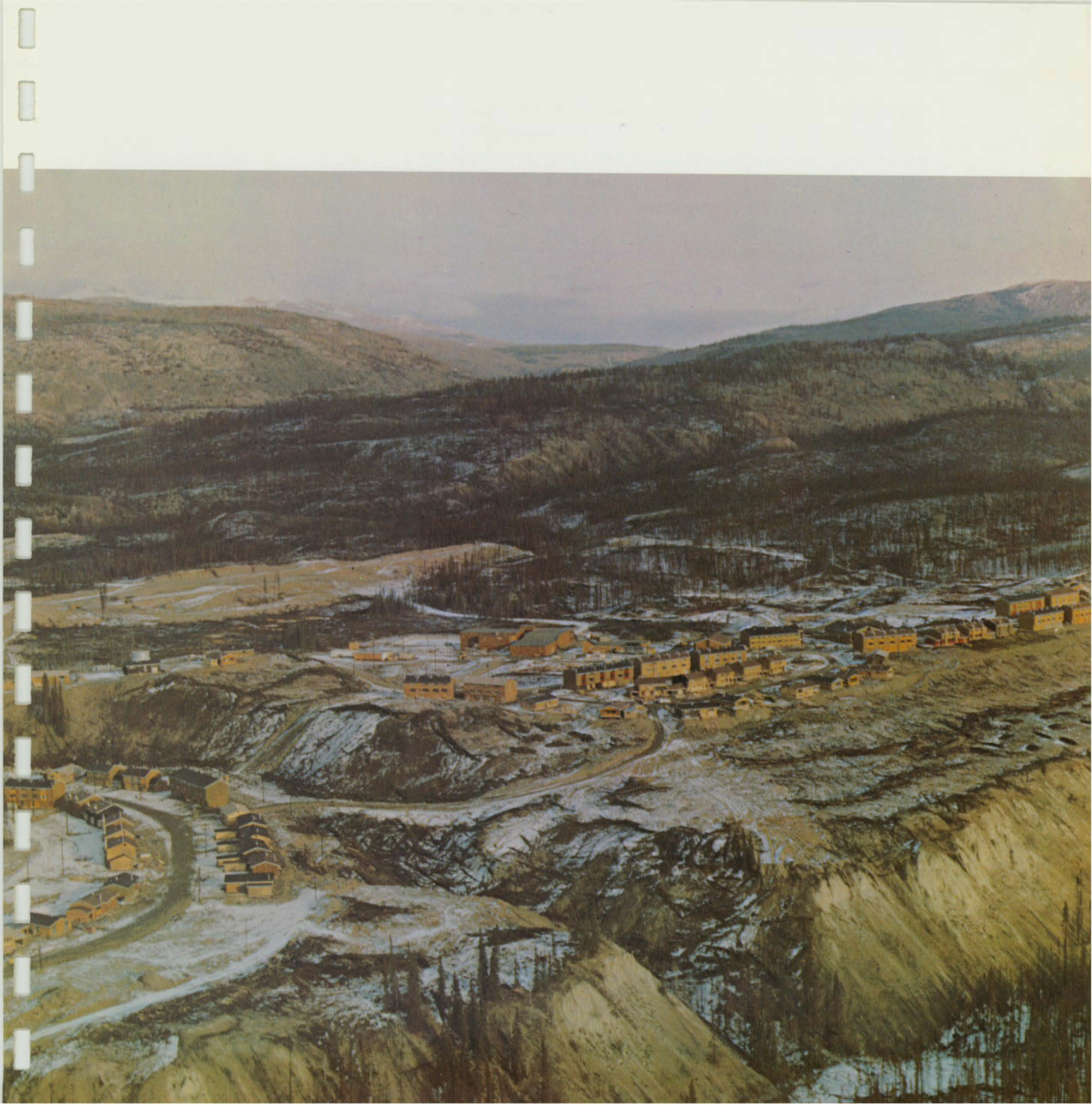
This is a microwave communications relay station.



Townsite

The Territorial Government has developed a site for the new town of Faro. Anvil has acted as agent for the Territorial Government in planning and construction with the assistance of Thompson, Berwick, Pratt & Partners, a Vancouver architectural planning firm. The town will eventually contain housing for some 1500 people, plus educational, recreational and religious facilities. Anvil owns the lots, built the houses and rents them to workers, the mortgages being made by the government's Central Mortgage and Housing Corporation. Businesses may purchase and build on very favorable terms. The government provides schools and teachers, utilities, postal services, health services and police and fire protection.

The new town of Faro is being carved out of virgin territory near the mine, a joint effort of Anvil and the Yukon Territorial government.



Construction

The Ralph M. Parsons Company of Canada has had the responsibility for design and construction of the crushing plant, concentrator and the necessary ancillary facilities, and design and engineering of the Pelly River Bridge and access road.

In April 1967 the first of the construction forces arrived on the site to prepare the construction camp and to start clearing the plantsite. The first camp units arrived in late April and eventually a complete camp with housing and eating facilities for 600 men was set up.

Rough grading of the plantsite started in July 1967 with foundation and rock excavation operations commencing in August of that year. Work has proceeded through two winters with a large percentage of the work, including the pouring of concrete, continuing through sub-zero temperatures. The project was completed on time and within the finances provided. Concentrates meeting contract specifications were being produced in September, 1969, two and one half years after start of construction. The first ship was loaded at Skagway in December, 1969.

Clearing for the plantsite.

Drill rig for blasting and clearing off the overburden.

Construction crew mess hall.

The construction camp in summer of 1967.



The Project in Operation

The Mine

The Anvil lead-zinc-silver ore occurrences are located at an elevation of 4,000 feet above sea level in gently hilly country about one mile north of a small stream called Rose Creek. Further back from the stream, the valley rises to the peaks of the Anvil range reaching an elevation of 6,700 feet. The area is wooded principally with jack pine and spruce. The orebodies did not outcrop, but were concealed under a blanket of glacial till to an average depth of 30 feet and a caprock averaging 230 feet.

Mining is by conventional open pit method. The alluvium was removed by scrapers. The rock, which must be drilled and blasted, is removed by 5-yard electric shovels, and 65-ton trucks. The mining plan calls for removal of about 3½ trucks of waste for each truck-load of ore. Ore is hauled by the 65-ton trucks on maximum pit grades of 8% and thence downhill on a 6% grade, approximately one quarter of a mile to the primary crusher.

Year round, 24 hour operations are entirely feasible. Although in winter there are long hours of darkness, and the temperature occasionally drops to 50° below zero, operations continue in a normal manner. Snowfall is light and annual precipitation is only nine to thirteen inches.

For maintenance and repair of the mine equipment, a fully equipped repair shop and machine shop has been constructed. The repair shop contains 10 bays for the repair of mobil equipment, including two lubrication bays, and the machine shop comprises about 13,400 square feet, in which is included space for an electric shop, welding bay, carpenter shop, and general machine shop.

This is the pit as of late summer 1969, a 5-yard electric shovel and one of a fleet of 65-ton trucks. The operation runs 24 hours a day.

Maintenance capability is, necessarily, complete for machinery, vehicles, equipment, power supply and buildings. This is one of the repair facilities.



The Concentrator

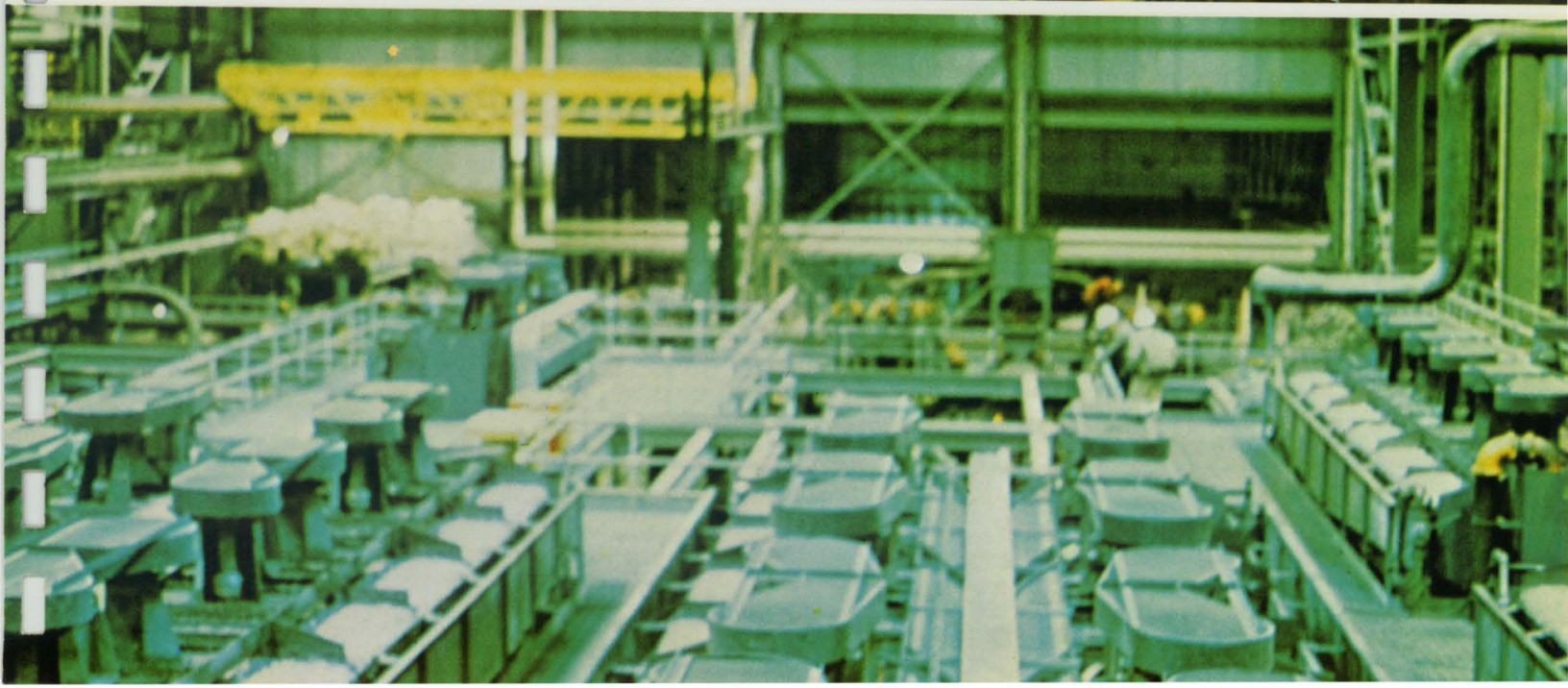
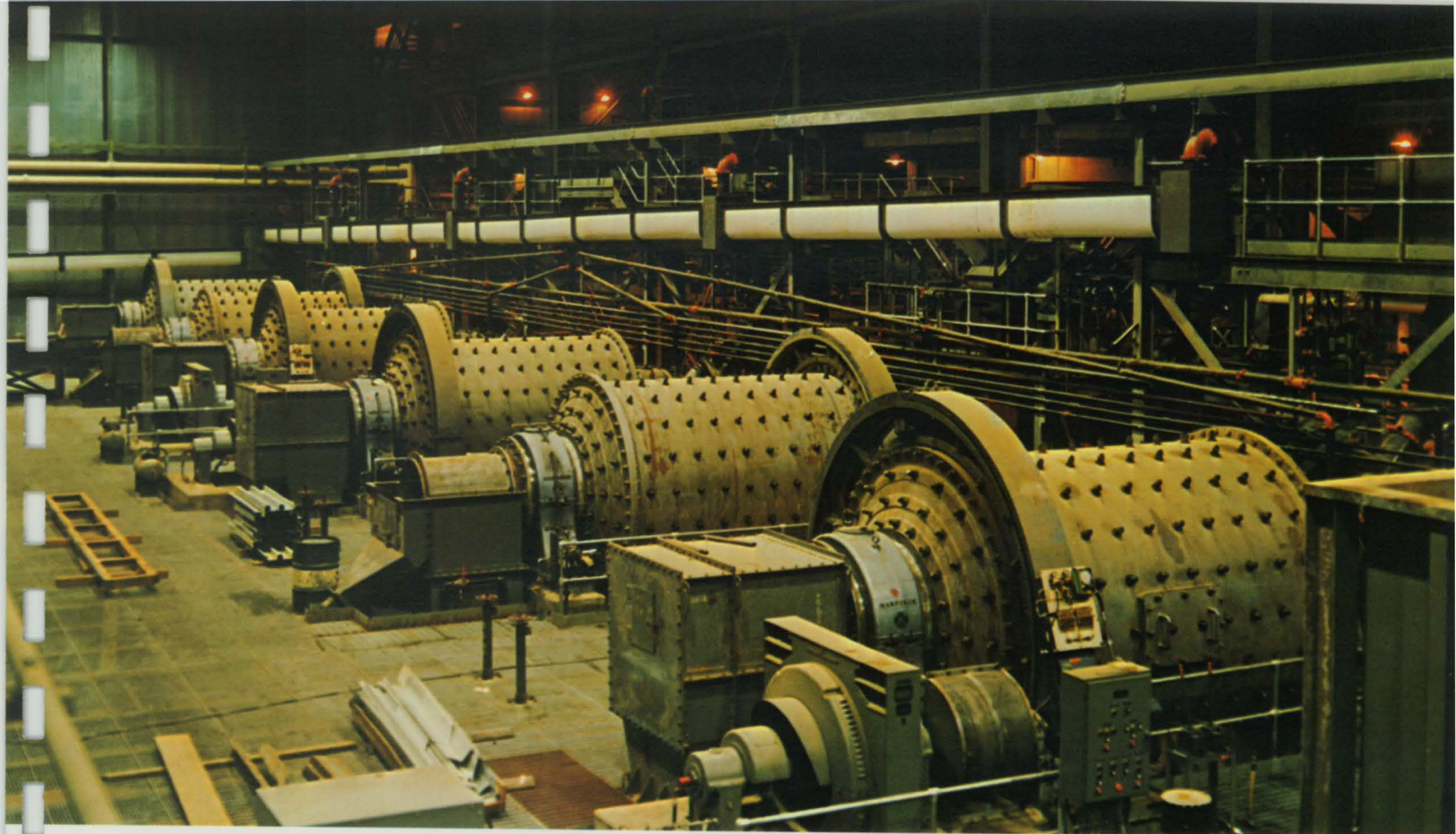
Ore is treated in a concentrator consisting essentially of crushing, grinding, and flotation sections to separate the lead and zinc minerals. After the separation is effected, the separate lead and zinc concentrates are thickened, filtered, and dried before storage. The process converts ore containing about 4% lead and 6-7% zinc and about an ounce of silver per ton into lead concentrates containing 69% lead with about 20 ounces of silver per ton and zinc concentrates which contain about 53% zinc.

To effect flotation of the minerals, reagents and large quantities of water are required. Water is obtained from Rose Creek, but the volume available in winter would have been insufficient. Therefore, an impoundment dam storing 900 million gallons of water was built.

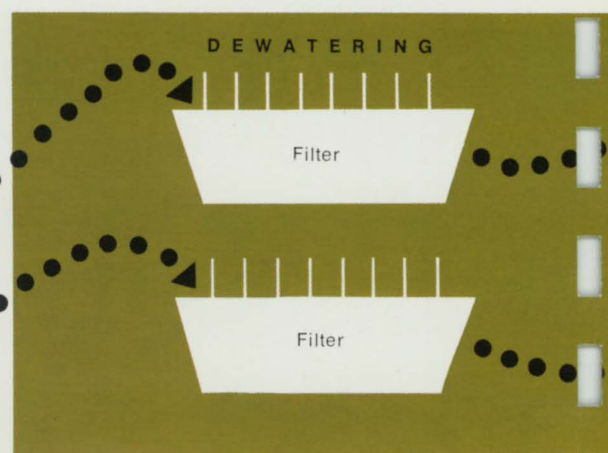
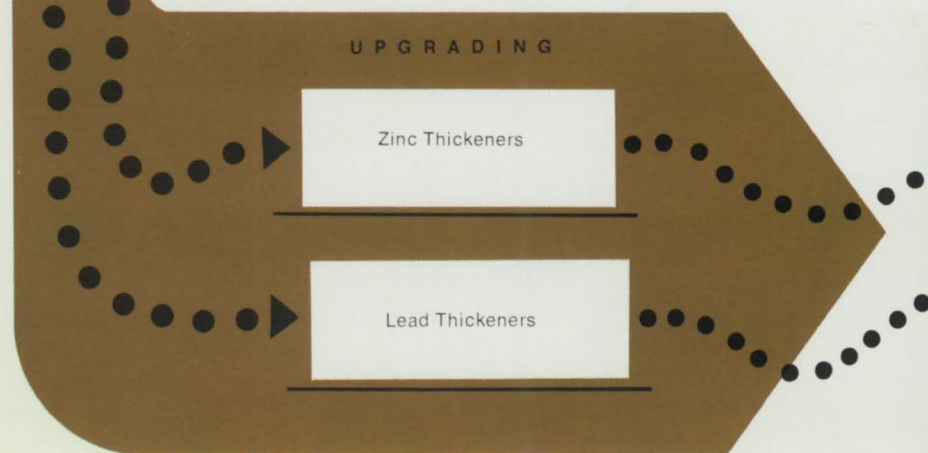
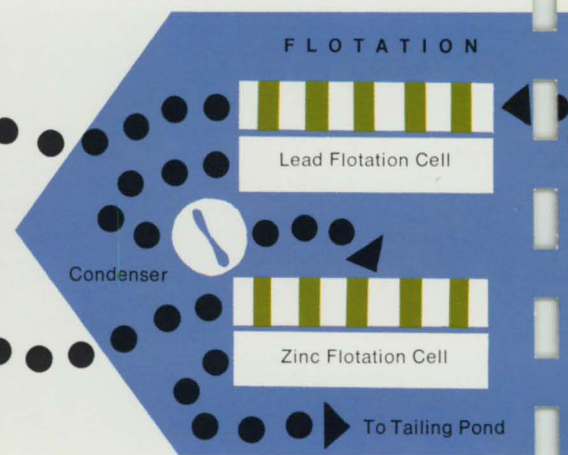
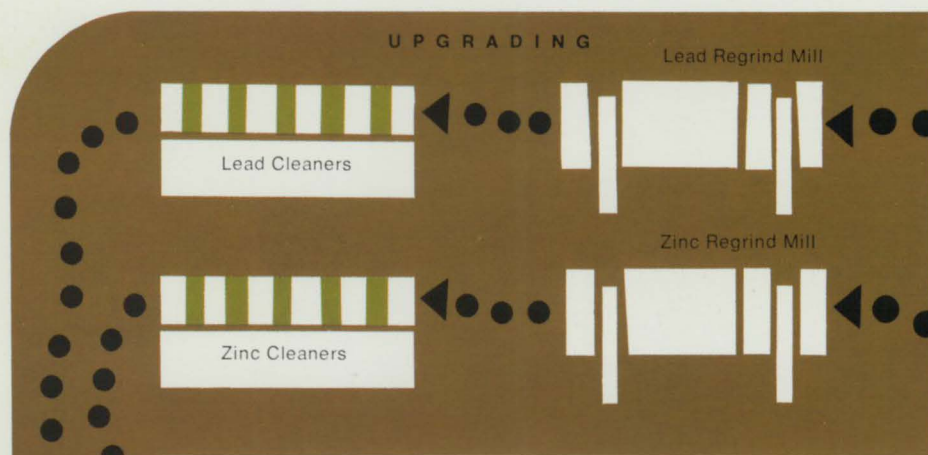
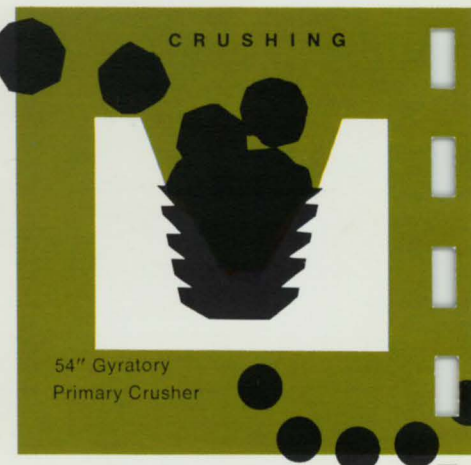
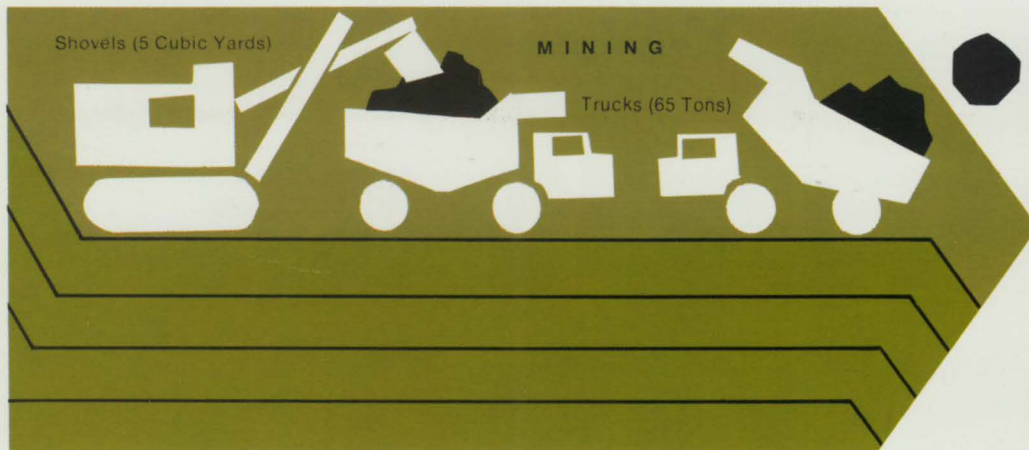
Coal, used in the mill for plant heating and concentrate drying, is mined at an Anvil-owned location approximately 125 miles west of the mine and carried to the mine as back-haul on the White Pass & Yukon Route trucks.

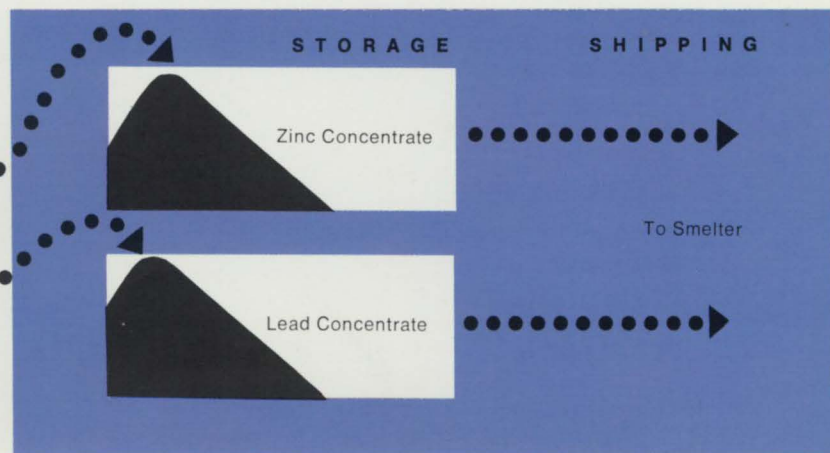
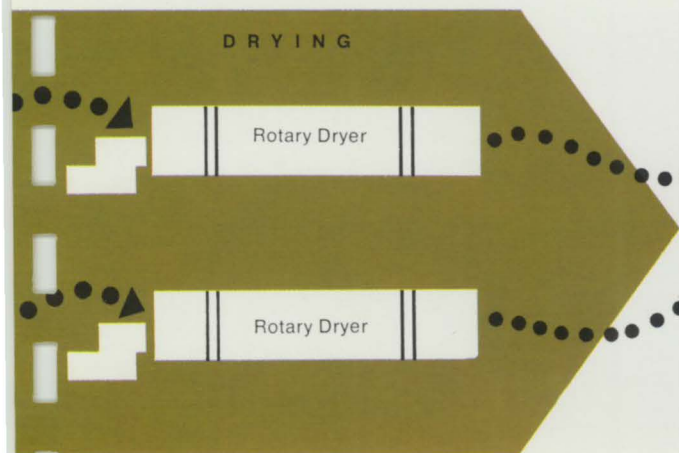
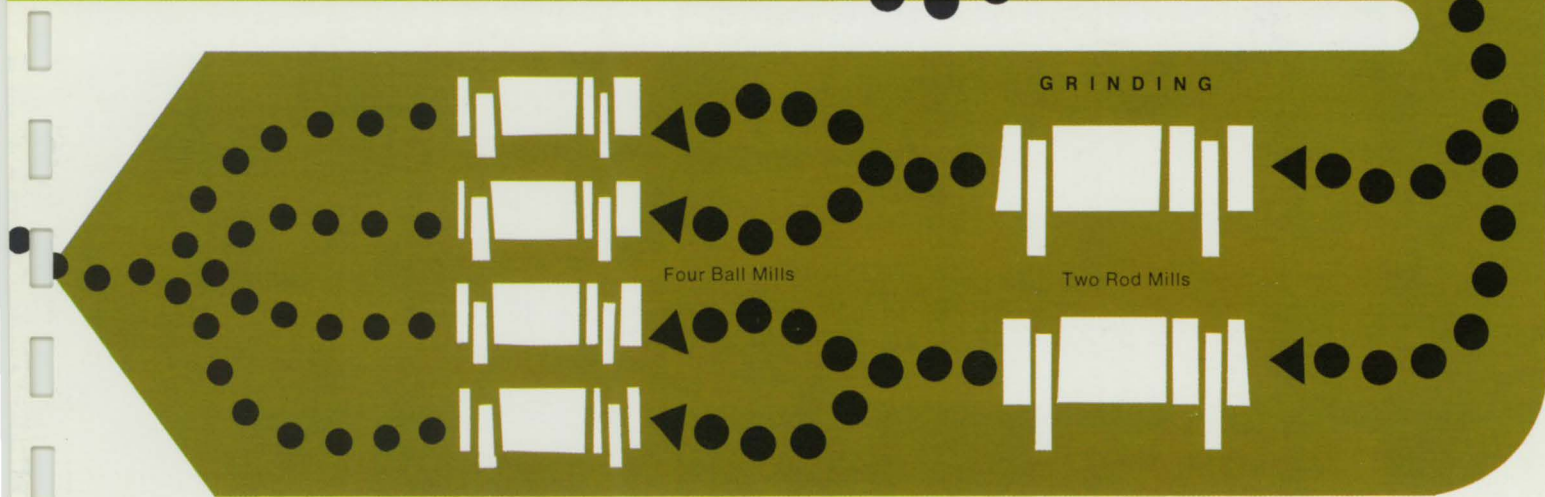
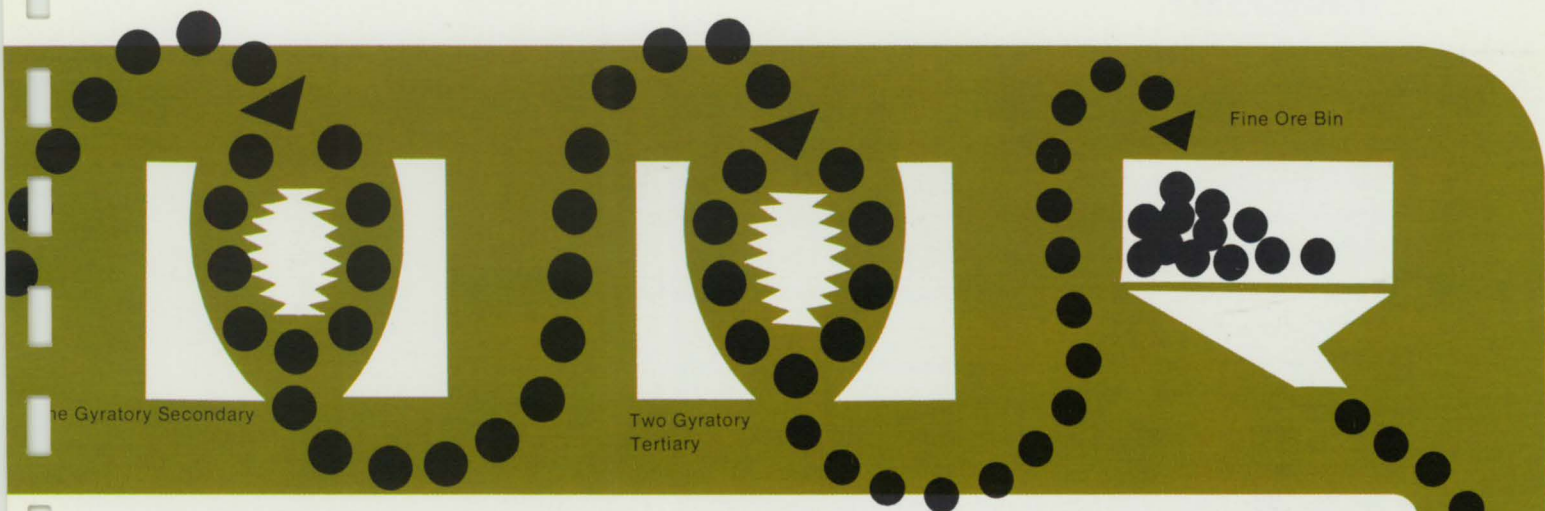
Ball mills and rod mills
in the concentrator.

Flotation cells for
separating the lead
and zinc minerals.



Schematic Flow Diagram



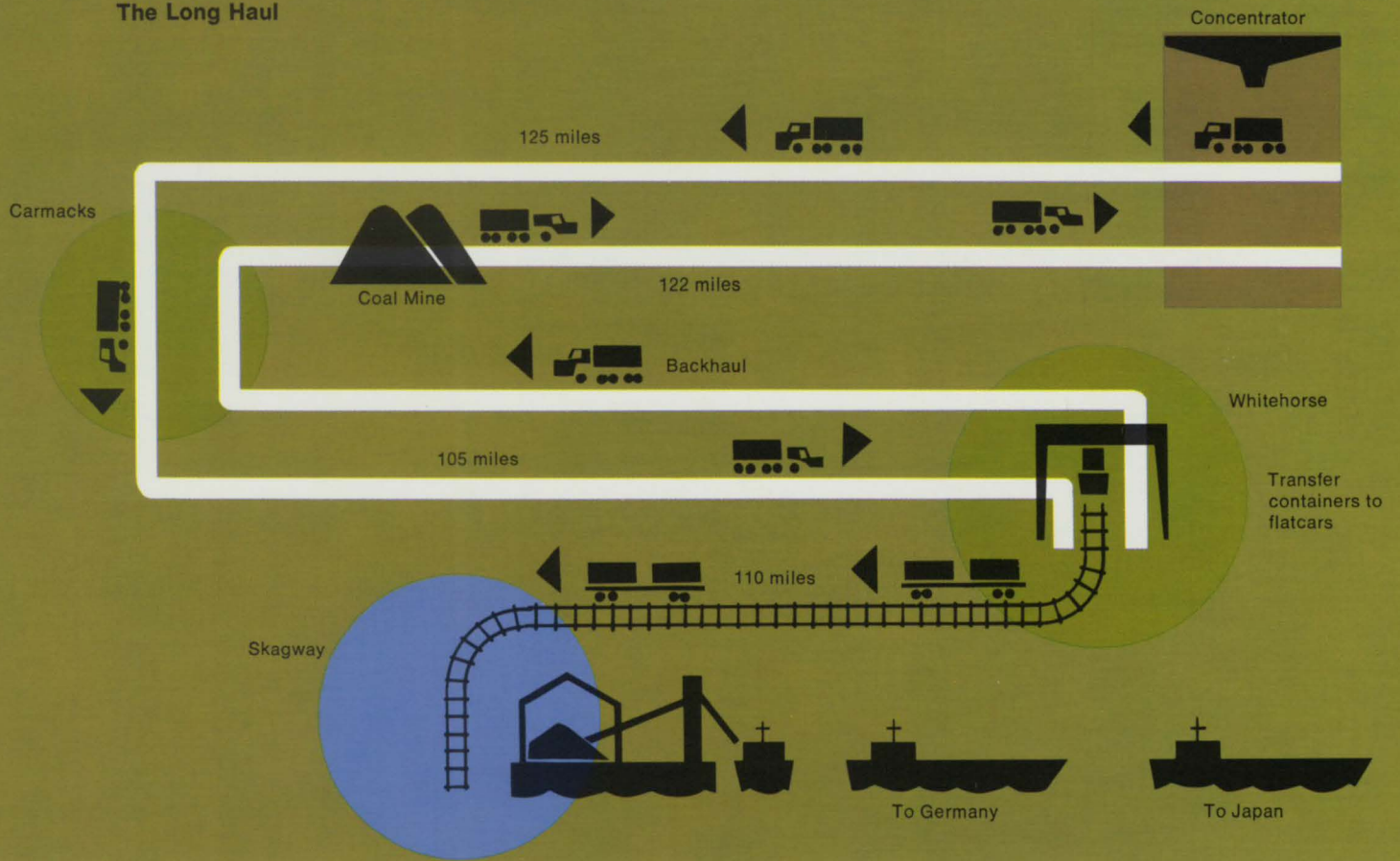


Transportation

The White Pass & Yukon Route has one of the major responsibilities for the project. This responsibility is divided into three areas. The trucking of loaded concentrate containers from the plant 235 miles to Whitehorse, transfer of the containers from truck bed to flat car and transport by rail through the mountainous country 110 miles to Skagway where the concentrates are placed in covered storage for later loading on ocean-going ships.

Statistically, White Pass will have a truck leaving the plant every 52 minutes, 24 hours a day, each day of the year. Their drivers will make one trip each day and will be housed and fed at Faro on the trip in. Approximately 365 trains of 30 cars each will operate during an average year. Ships of 20,000 tons capacity will be loaded at Skagway from the covered storage facility during the first three years and 35,000 ton ships will be used thereafter.

The Long Haul



The Town of Faro

Faro, situated in a protected valley twelve miles from the minesite, can already claim to be the second largest city in the Yukon. About one hundred and eighty excellent modern family dwellings have been built to accommodate some twelve hundred people, and a plan exists for enlarging the town should circumstances warrant. Bachelor quarters have also been built and food service is provided for single men. All housing units are spacious, excellently designed and well-constructed. Each is equipped with electric range, refrigerator and drapes.

Government-furnished services include police and fire protection, street maintenance including snow removal, water and sewer systems and garbage and refuse collection. The Government will also build a ten-room school. Classes are now in session in temporary quarters. The Government and Anvil share responsibility for health services which are provided at a well-equipped and adequately staffed Nursing Station.

Provision for recreational facilities has been assumed by Anvil. The Recreation Center features a curling and skating rink complete with ice-maker, as well as a fully-equipped gymnasium, game rooms and project rooms. A full-time Recreation Director organizes activities at the Center and promotes a program of both indoor and outdoor sports.

A Community Church is available to any of the religious denominations.

Commercial enterprises already operating include a bank, market, general store, motel, restaurant and cocktail lounge, service station and facilities for general personal services.

Faro is already the second largest city in the Yukon Territory. It is planned to be a self-sufficient and self-governing community. Houses are of good design and they are well constructed. Community and commercial buildings are now in existence or are under way.



The People Involved

The Board of Directors consists of five representatives of Cyprus and four of Dynasty, as follows:



Kenneth Lieber,
Chairman
Aaro E. Aho
John Bruk

R. E. Gordon Davis
James G. Hansen
Gerald G. Kelly

Ronald V. Markham
Donlin P. Murdy
Charles H. Wills

The Board implements its policies through a managerial staff which, in addition to Mr. Lieber, includes:



Robert E. Thurmond,
Vice President and
General Manager
James F. Oik,
Assistant General
Manager

Colin H. Macdonald,
Resident Manager
Robert L. Cook,
Comptroller

Operational management is implemented through a resident staff comprising Mr. Macdonald and the following personnel:

N. G. Cornish, Assistant Resident Manager
N. G. Stephenson, Mine Superintendent
Peter Taggart, Mill Superintendent
R. J. Johnson, Mechanical Superintendent
H. V. Wilson, Electrical Superintendent

M. O. Hampton, Chief Engineer
E. M. Lehbauer, Chief Accountant
J. J. Baxendale, Purchasing Agent
Wayne Morris, Personnel Director

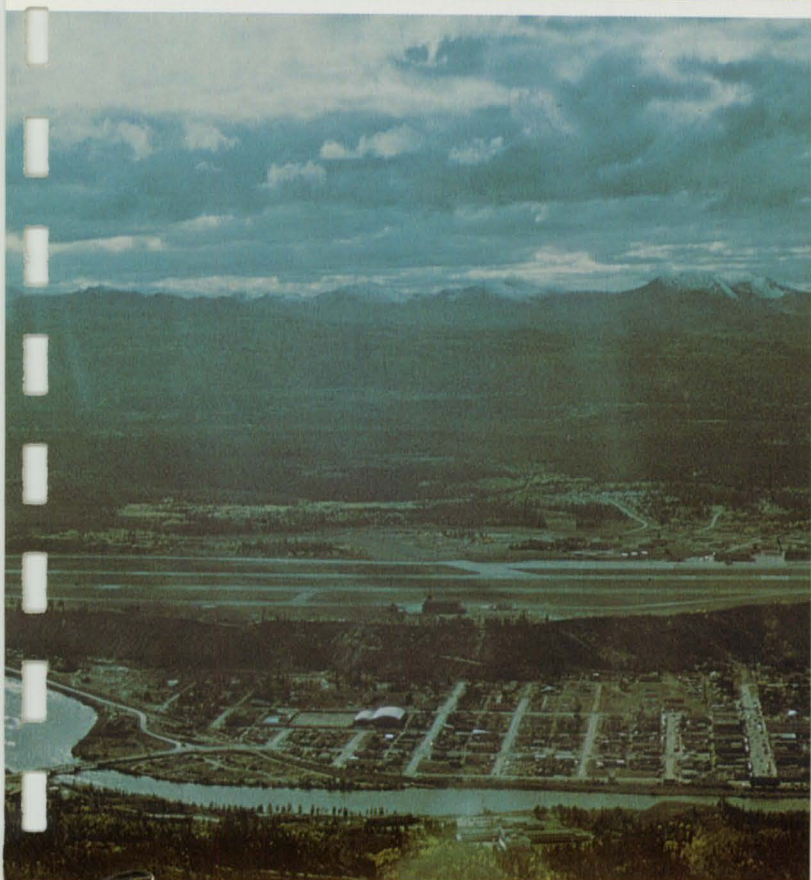
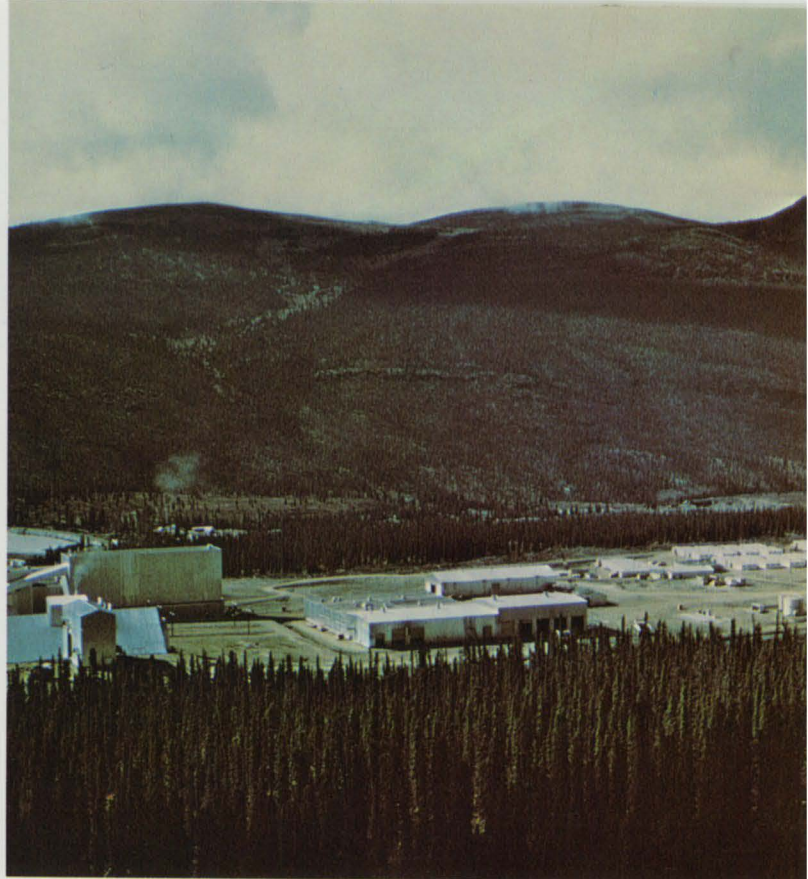
Effect on the Economy

Direct benefits will be derived by the Government in the form of corporate taxes and individual income taxes. Further, the tax base itself is widened generally as a result of the money which Anvil puts into circulation through contractors and through purchases of Canadian-made supplies and equipment. A considerable portion of the initial costs were defrayed with funds borrowed in Canada, thereby generating interest payments within the economy. Gross revenue to the company is estimated at \$70 million per year for at least 17 years. Although net revenue is not yet calculable, it is taxable and will therefore be contributing to further development of resources and opportunities for Canadians.

A much more important benefit is the initiative which the Anvil mine provides for further development of the North. The new roads, improved railroad and harbor facilities which have been vital to the development of the Anvil mine will now be available for the easier development of other mines. These services will also add impetus to an increasing tourist industry, the encouragement of further ocean shipping and to a burgeoning retail trade. The whole tempo of life in the Yukon has been stepped up with resulting greater prosperity for all.

One facet of the effect of this mine in the local community and one that is habitually overlooked in Anvil's Indian Program. A substantial number of the Indian population will be enlisted into a labour force by upgrading education and technical training. The result will be to increase the self-sufficiency of a segment of the population by providing an opportunity not previously available to them.

These scenes show evolution of a national asset. The virgin territory in which it started, the mill, Whitehorse through which the product goes, transferring here from truck to railroad, and members of the Indian community who will benefit.

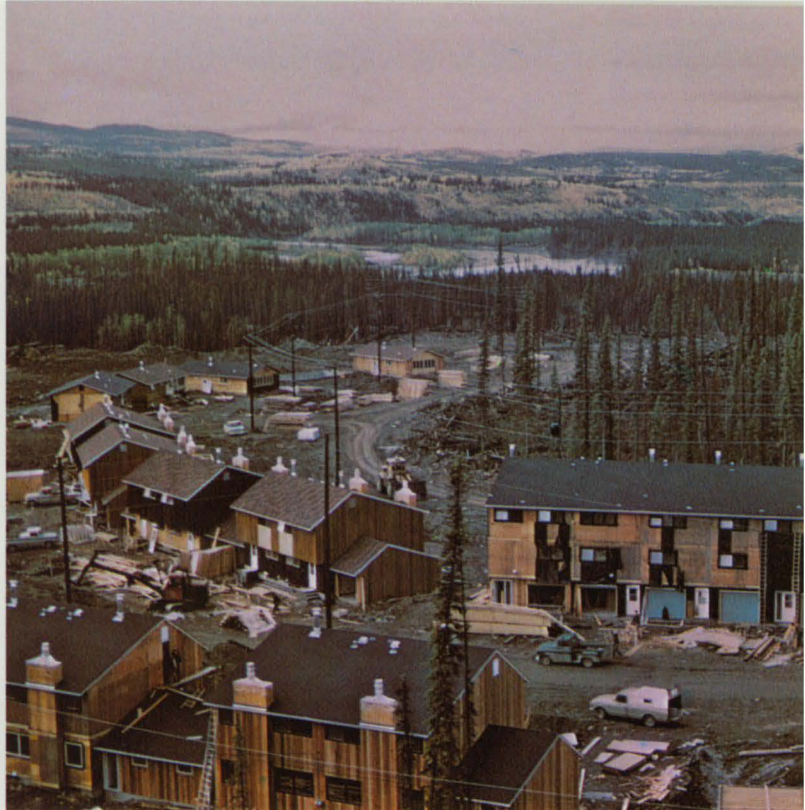


Future of Anvil

The first eight years of Anvil's operational life were planned so that the total output of the mine (245,000 tons of zinc concentrate and 125,000 tons of lead concentrate per year) would fulfill the Japanese contracts. However, before the plant was completed, arrangements were made for Metallgesellschaft of Frankfurt, Germany to purchase a different product, a mixed lead and zinc concentrate for a period of seven years. The contract calls for delivery of 90,000 tons a year, beginning in mid-1970. The increased production is being enabled by new construction and installation at the mill, and elsewhere as needed.

The present operation is designed to exploit only the known ore reserves in the immediate locale. It seems possible, even probable, that future exploration will reveal mineralization in some of the mining claims which Anvil holds. Further, the presence of an operating mine in this district of known mineralization will improve the economic conditions which must be considered in mining and processing any additional ore which may be discovered.

The Administration building and the new town are evidence of new wealth in the Yukon.



Acknowledgements

The Management of Anvil is justifiably proud of its accomplishments to date: however, it is acknowledged that little would have been possible without the wholehearted cooperation of all participants. Management is particularly grateful to Dynasty and Cyprus for their generous commitments of time and effort in Anvil's behalf, and to the Canadian Government in its several agencies, for prompt, imaginative and vigorous execution of the creative governmental functions.

Special thanks are extended to the employees of Anvil, often contributors "beyond the call of duty" and without whom the best laid plans would be no more than that.

Conclusion

This document records the first few chapters of the Anvil story. It is truly a success story and all who have been associated with it have a feeling of significant accomplishment. The next chapters, as yet unwritten, of the developments in the Yukon should make equally exciting reading.

Anvil Mining Corporation, Ltd.

