



**La Société minière Louvem  
inc.**  
Louvem Mines Inc.

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## **NEWS RELEASE**

### ***LOUDEM MINES INC. ANNOUNCES ITS FINANCIAL RESULTS FOR 2003***

MONTREAL, February 19, 2004 – Production at Louvem’s 50%-owned Beaufor Mine led to sales of 27,887 ounces of gold for the year ended December 31, 2003, compared with sales of 27,187 ounces in 2002. The cash production cost for 2003 was US\$241 per ounce sold compared with US\$159 in 2002. This increase in production costs is mainly attributable to the appreciation of the Canadian dollar and to the lower grades of ore obtained at the Beaufor Mine. Revenues for 2003 totalled \$14,420,773 compared with \$13,925,067 in 2002. Net earnings for 2003 totalled \$3,233,245, or \$0.12 per share, compared with \$4,710,801, or \$0.18 per share, in 2002. Cash flow from operations was \$3,097,610, or \$0.12 per share, compared with \$5,495,311, or \$0.21 per share, in 2002.

For the fourth quarter of 2003, gold sales totalled 7,882 ounces produced at a cash cost of US\$267 per ounce compared with sales of 7,052 ounces at a cash cost of US\$191 during the same period of 2002. Revenues for this quarter of 2003 totalled \$4,086,137 compared with \$3,719,354 for the corresponding period of 2002. Net earnings totalled \$778,110, or \$0.03 per share, compared with \$995,557, or \$0.04 per share, for the same period of 2002. Cash flow from operations for the fourth quarter was \$717,694, or \$0.03 per share, compared with \$1,140,102, or \$0.04 per share, in 2002.

#### **EXPLORATION**

##### **BEAUFOR**

Exploration at the Beaufor Mine made it possible to replace most of the gold produced in 2003. The new reserves are located primarily in the lateral extensions of Zones B and C. As of December 31, 2003, the proven and probable reserves of the Beaufor Mine stood at 1 million tons grading 0.23 ounces of gold per ton, for a total of 232,000 ounces (116,000 for Louvem). In addition to the reserves, resources stood at 845,800 tons grading 0.20 ounces of gold per ton, or 166,500 ounces (83,250 for Louvem). In 2004, approximately \$1 million will be invested in exploration at the Beaufor Mine, mainly to drill laterally and at depth in Zones B, C, 8 and 32.

## MONIQUE

Given the improvement in its financial position, Louvem Mines Inc. announces that it will initiate a \$250,000 exploration program on the Monique property in March 2004. This property, in which Louvem holds an 81% interest, is located in the Val-d'Or mining camp, 15 kilometres east of the Beaufor Mine. The program will mainly involve drilling to verify the extension at depth of the existing resources.

## APPOINTMENT

Louvem Mines Inc. is pleased to announce the appointment of Mr. Pierre Barbeau, CA, as a Director of the Company. Mr. Barbeau is a chartered accountant and has over 25 years of experience in this field. He will also serve as Chairman of the Audit Committee and as a Member of the Management Committee of the Beaufor Mine. Louvem would like to take this opportunity to thank Réal J. Lafleur and Jean Depatie, who recently left the Board, for their contributions to the Company in recent years.

## OUTLOOK

Over the past year, Louvem fully repaid its debt to the parent company and, as at December 31, 2003, had working capital of over \$2.1 million.

Jean-Guy Rivard  
President

**FINANCIAL DATA**

	<b>Three-month period ended December 31</b>		<b>Year ended December 31</b>	
	<b>(CAN\$)</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>
Revenues	<b>4,086,137</b>	3,719,354	<b>14,420,773</b>	13,925,067
Net earnings	<b>778,110</b>	995,557	<b>3,233,245</b>	4,710,801
Net earnings per share	<b>0.03</b>	0.04	<b>0.12</b>	0.18
Cash flow from operations before net change in non-cash working capital	<b>717,694</b>	1,140,102	<b>3,097,610</b>	5,495,311
Cash flow from operations before net change in non-cash working capital per share	<b>0.03</b>	0.04	<b>0.12</b>	0.21
Weighted average number of common shares outstanding	<b>26,277,989</b>	26,181,468	<b>26,254,975</b>	26,178,865
	<b>December 31, 2003</b>		December 31, 2002	
Working capital	<b>2,148,531</b>		(328,471)	
Due to the parent company	<b>-</b>		1,000,000	

**PRODUCTION AND SALES DATA**

<b>Beaufor Mine – 50 %</b>	<b>Three-month period ended December 31</b>		<b>Year ended December 31</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
Gold production (ounces)	<b>7,314</b>	5,214	<b>27,401</b>	28,033
Gold sales (ounces)	<b>7,882</b>	7,052	<b>27,887</b>	27,187
Cash cost (per ounce sold)	<b>US\$267</b>	US\$191	<b>US\$241</b>	US\$159
Average selling price of gold per ounce	<b>US\$369</b>	US\$324	<b>US\$357</b>	US\$316

2002 average exchange rate: US\$1 = CAN\$1.5704

2003 average exchange rate: US\$1 = CAN\$1.4015

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TSX Venture: LOV

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