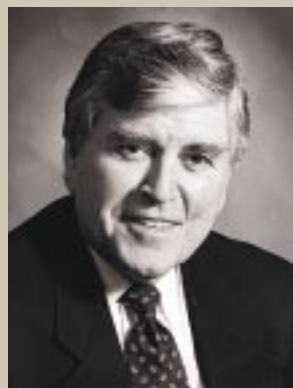




ROSLYN KUNIN



J. CHRIS LAY

POSITIONING FOR THE MILLENNIUM

Amid a difficult year for the securities industry, the Vancouver Stock Exchange, its members and staff worked diligently to improve market access and service levels, and to increase the global competitiveness of our country's junior equity markets.

From developing a restructuring plan for Canadian capital markets, to researching new market indexes, to implementing a Year 2000 readiness program, much of 1998's work will be realized in 1999 and beyond.

That is not to say that 1998 is without significant accomplishments. Under the leadership of President and CEO Michael Johnson, the Exchange's sound market integrity enabled us to provide better access to capital for listed companies and improved market information.

We are proud of VSE employees, who worked hard during a year of fiscal restraint and remained optimistic throughout the uncertainty that accompanies a significant market restructuring. We thank Mo-Yin Chan, Tony Chan, Mel Couvelier, Larry McFadden, Richard Rousseau, Lin Rubin, Terry Salman and Darryl Yea, who completed their service on the Board of Governors.

The VSE stands ready to greet tomorrow's entrepreneurs with the same spirit we have always shown in welcoming new ventures.

A handwritten signature in dark ink, appearing to read "R Kunin".

Roslyn Kunin
Chair

A handwritten signature in dark ink, appearing to read "J. Chris Lay".

J. Chris Lay
Vice Chair