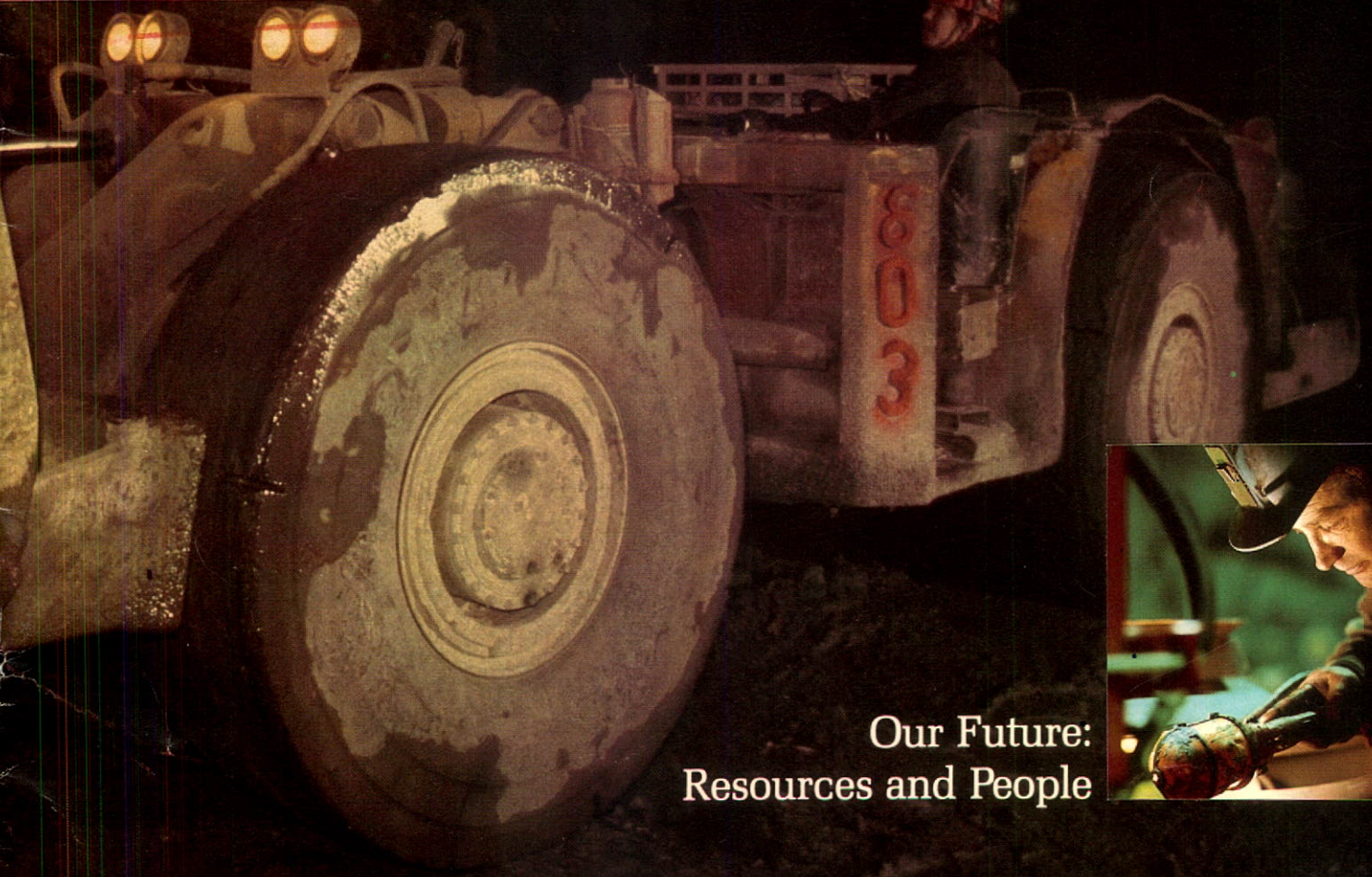
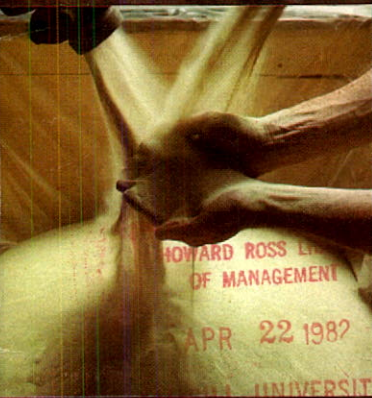




Canada  
**Tungsten**  
Mining Corporation Limited

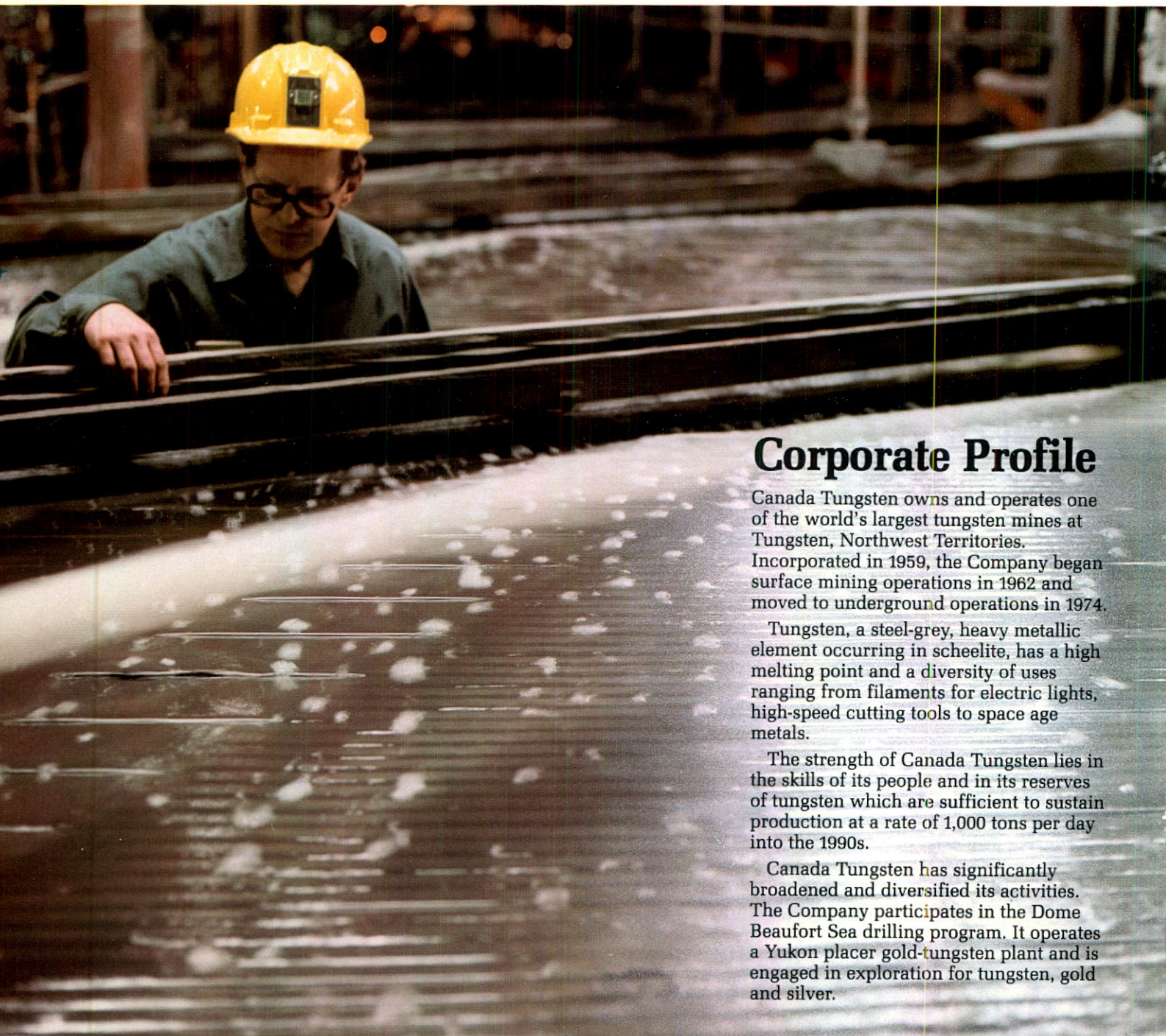
Annual Report 1981



Our Future:  
Resources and People

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## Corporate Profile

Canada Tungsten owns and operates one of the world's largest tungsten mines at Tungsten, Northwest Territories.

Incorporated in 1959, the Company began surface mining operations in 1962 and moved to underground operations in 1974.

Tungsten, a steel-grey, heavy metallic element occurring in scheelite, has a high melting point and a diversity of uses ranging from filaments for electric lights, high-speed cutting tools to space age metals.

The strength of Canada Tungsten lies in the skills of its people and in its reserves of tungsten which are sufficient to sustain production at a rate of 1,000 tons per day into the 1990s.

Canada Tungsten has significantly broadened and diversified its activities. The Company participates in the Dome Beaufort Sea drilling program. It operates a Yukon placer gold-tungsten plant and is engaged in exploration for tungsten, gold and silver.

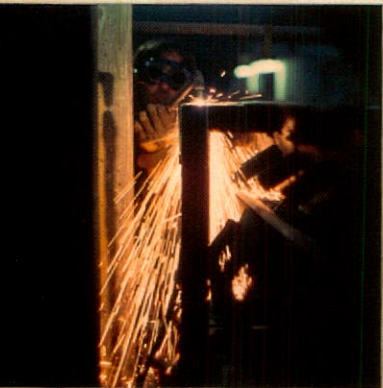
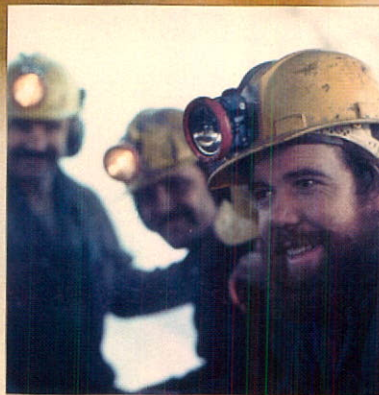
# Canada Tungsten Mining Corporation Limited

(Incorporated under The Business Corporation Act, Ontario)

## Highlights

<b>FINANCIAL</b> (Thousands of dollars except per share data)	<b>1981<sup>(1)</sup></b>	<b>1980</b>	<b>1979</b>	<b>1978</b>	<b>1977</b>
Net income	\$ 2,813	\$ 22,977	\$ 16,516	\$ 20,206	\$ 16,123
— per share	.56	4.60	3.31	4.05	3.23
Dividends paid	5,988	5,988	4,990	4,990	2,642
— per share	1.20	1.20	1.00	1.00	.53
Cash flow from operations	6,997	30,002	24,298	25,673	23,495
— per share	1.40	6.01	4.81	5.14	4.71
Working capital	16,320	29,428	21,296	24,110	17,714
Capital expenditures	12,169	6,523	12,560	12,933	10,089
Outside exploration expenditures	2,807	4,336	2,019	1,109	926
Shareholders' equity	73,851	77,026	60,037	48,511	33,295
Total assets	\$ 90,555	\$100,154	\$ 72,779	\$ 67,998	\$ 44,379
<b>SHARE INFORMATION</b>					
Number of shareholders	927	957	1,015	1,089	1,401
Share price range					
First quarter	\$43-32½	\$33-22	\$23½-20¾	\$12-9	\$9½-5%
Second quarter	40¾-34½	29-24	27½-22	19-12	10¾-8½
Third quarter	40-20	46-30	26-21½	26½-15¾	12¾-9¼
Fourth quarter	32½-21½	53-41	24¼-19	24¼-20½	11¾-9¼
<b>OPERATING</b>					
Ore Reserves — tons	3,550,000	3,600,000	3,900,000	4,200,000	4,200,000
% WO <sub>3</sub>	1.50	1.55	1.55	1.55	1.55
Ore Milled — tons	234,000	349,000	272,000	195,000	186,000
% WO <sub>3</sub>	1.40	1.45	1.58	1.96	1.65
Production — STU WO <sub>3</sub>	277,000	442,000	361,000	318,000	252,000
Average Recovery — % WO <sub>3</sub>	84.5	87.0	84.2	83.5	82.2
Price — LMB Average U.S. \$ per STU	\$130	\$131	\$126	\$130	\$155
Number of employees	267	245	238	209	200

(1) A six month strike, settled May 14, 1981, adversely affected results for the year.



# Report to the Shareholders

**T**he year 1981 was one of adversity and challenge for Canada Tungsten. Net earnings were \$2.8 million or \$0.56 per share, compared with \$23.0 million or \$4.60 per share in 1980. The unfavourable earnings were primarily a result of production curtailment during a six month strike at the Company's mine in Tungsten, N.W.T. The strike by the two locals of the United Steelworkers of America was settled May 14, 1981 and normal production was achieved by late June.

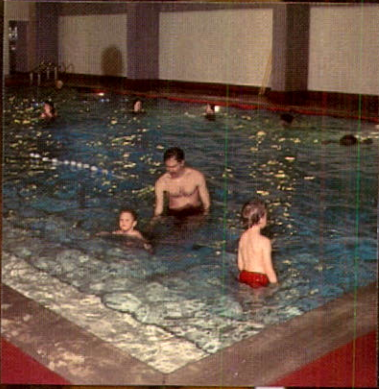
## PRODUCTION

During 1981, total production from the mine was 277,000 short ton units (STU) from 234,000 tons of ore at a grade of 1.40%  $WO_3$  compared with 442,000 STU from 349,000 tons at a grade of 1.45% during 1980. Recovery was 84.5% compared with 87% in 1980. Although world demand for tungsten dropped slightly during the latter half of 1981, tungsten was relatively stable considering the weak economic conditions and depressed metal prices generally. Your Company entered into a contract with AMAX of Michigan, Inc. in 1980 to supply low grade tungsten concentrates to its APT plant in Fort Madison, Iowa. Shipments under that contract commenced in the third quarter of 1981 and currently account for approximately 30% of sales.

Although the price of tungsten, as measured by the Metal Bulletin, averaged U.S. \$130 per STU during 1981 compared to U.S. \$131 per STU during 1980, prices declined during the last quarter of the year.



*The Board of Directors shown at a regular meeting are (left to right): George B. McKeen, J. M. Richard Corbet, John W. Goth, James H. Foreman, James B. Redpath, Douglas A. Berlis, Q.C., Malcolm A. Taschereau, Pierre Gousseland, H. A. Sawyer, Jr.*



## ORE RESERVES

The mineable ore reserve of the tungsten underground orebody was estimated to be 3,550,000 tons at 1.50% WO<sub>3</sub> at year-end compared with 3,600,000 tons at 1.55% WO<sub>3</sub> at December 31, 1980.

## CAPITAL INVESTMENT

A total of \$12.2 million was spent on fixed asset additions and replacements during the year. Your Company invested significantly in improved accommodations for employees.

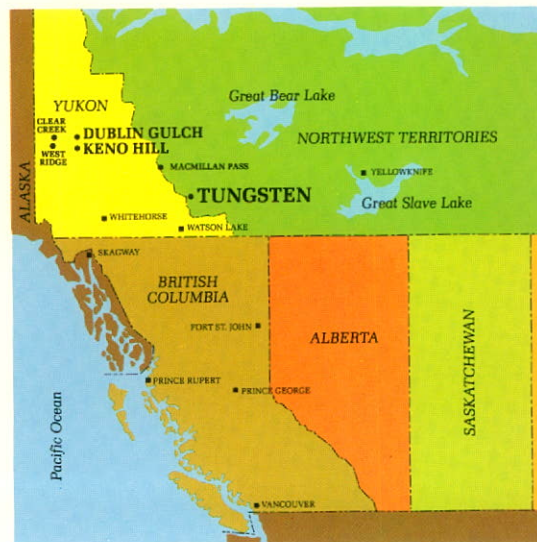
A community centre complex was essentially completed (1981 expenditures \$1.8 million), and construction continued on three twenty-one unit apartment buildings with an investment of \$7.3 million. Other improvement expenditures included: \$224,000 for a new assay laboratory, \$374,000 on the expanded copper recovery circuit in the mill, \$143,000 on a chlorinator plant to correct tailings discharge environmental problems, \$795,000 on a propane tank farm, and \$1,500,000 on improved maintenance facilities along with mobile and shop replacement equipment.

## EXPLORATION

The Company spent \$2.8 million on exploration during 1981 compared to \$4.3 million in 1980, the main exploration thrust was in the Yukon.

### Dublin Gulch Garnet-Skarn Zone

A program of geological mapping was carried out in the immediate area where drilling indicated six million tons at 0.8%



WO<sub>3</sub>. Additional skarn zones were located which will be investigated by diamond drilling in 1982 to determine their significance.

### Keno Hill Area

A program of tractor trenching on the optioned Mount Keno claims exposed the vein structure. A formerly used adit was opened and retimbered. Overburden drilling on the west Zap claims continued.

### West Ridge

A program of geological and geochemical sampling revealed some gold, tungsten and tin anomalies which warrant further consideration.

### **DUBLIN GULCH PLACER OPERATIONS**

The Company's placer operation resumed in May 1981 and continued through September. Operations in 1981 produced 26 tons of concentrate which included 2 tons of reprocessed jig concentrate from 1980 operations. Results did not approach earlier expectations due to significantly lower grades than indicated by earlier sampling. A pre-tax operating loss of \$3.1 million was recorded this year, which included a writedown of \$500,000 of concentrate inventory value for prior years.

A detailed drilling program was completed in October that defined a high grade gold pay channel section. Additional drilling is proposed for 1982 to determine extension of the high grade section and to evaluate grade in the remaining extensive placer claims held by the Company. A 1982 operating decision will be made following confirmation drilling and review of the gold price.

### **QUEENSTAKE RESOURCES**

Your Company has a 45% interest in Queenstake, which continued operation of the Clear Creek (Yukon) dredge as well as their exploration and property acquisition programs. A month start-up delay for environmental reasons, operating problems, and lower gold prices combined to make the results of the Clear Creek operation disappointing.

### **BOARD OF DIRECTORS**

Mr. C. Allen Born, director, President and Chief Executive Officer since January 1976, resigned in September to accept a similar position with a major Canadian mining company. During the six years of Mr. Born's leadership your company was expanded to be the largest tungsten mining company in the Western world. On your behalf the Directors thank him for an outstanding effort and wish him well.

Mr. Pierre Gousseland of Greenwich, Connecticut, Chairman and Chief Executive Officer of AMAX Inc., was appointed as a Director to fill the Board vacancy created by Mr. Born's resignation.

Mr. James Foreman was appointed as President and Chief Executive Officer to replace Mr. Born.

### **DIVIDENDS**

During 1981 your Company paid dividends of \$1.20 per share for a total of \$6.0 million equalling the amount paid in 1980.





### LOOKING AHEAD

Your Company cannot escape the consequences of the deep world wide recession and resultant depressed metal prices. However, your Board and Management will use every possible effort to ensure continued strength of the Company during these trying times.

### RECOGNITION

The Directors record their appreciation for the dedication of management and all staff during the difficult year under review.

On behalf of the Board of Directors,

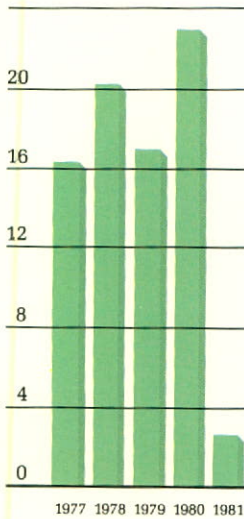
James H. Foreman  
President and Chief Executive Officer

Toronto, Ontario,  
March 12, 1982

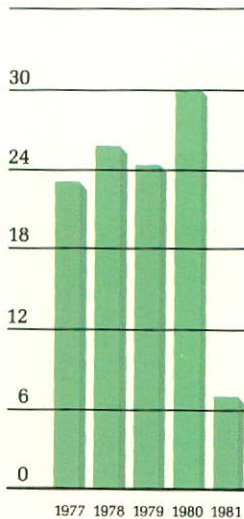


# Five Years at a Glance

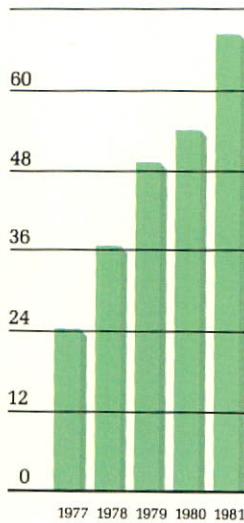
**NET EARNINGS**  
(millions of dollars)



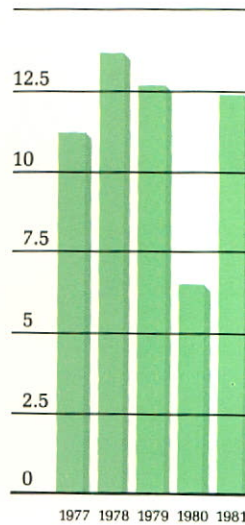
**CASH FLOW FROM OPERATION**  
(millions of dollars)



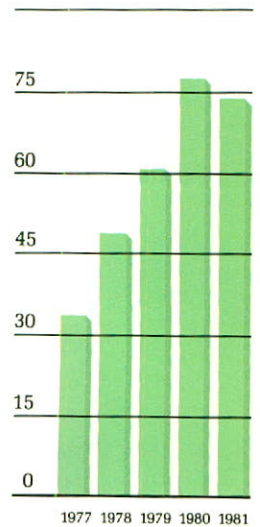
**PROPERTY, PLANT AND EQUIPMENT**  
(millions of dollars)



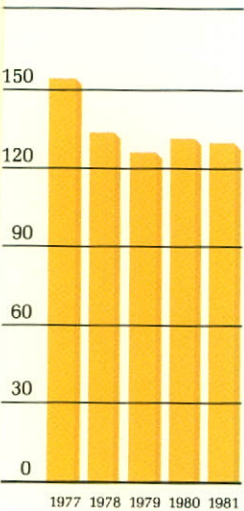
**FIXED ASSETS EXPENDITURES**  
(millions of dollars)



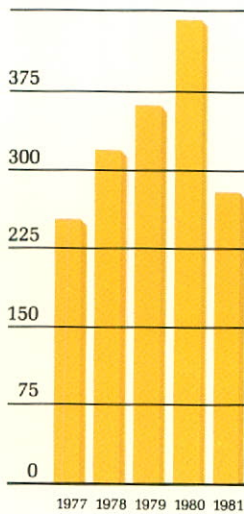
**SHAREHOLDERS' EQUITY**  
(millions of dollars)



**LMB PRICE OF WO<sub>3</sub>**  
(U.S. \$ per STU)



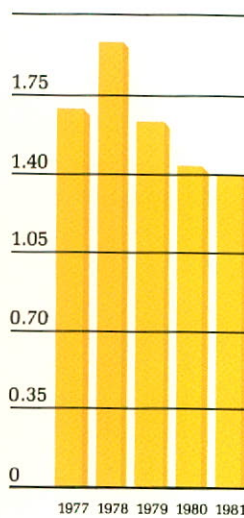
**PRODUCTION OF WO<sub>3</sub>**  
(thousands of STU)



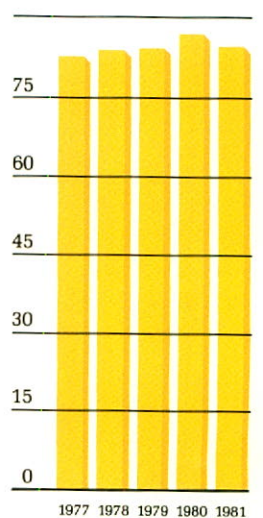
**TONS MILLED**  
(thousands of tons)



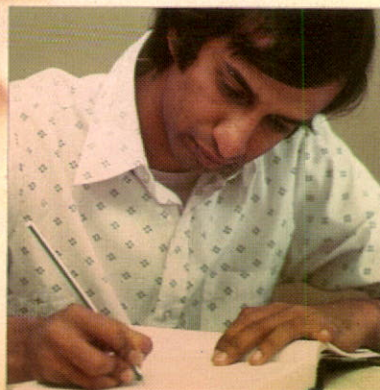
**ORE GRADE**  
(% of WO<sub>3</sub>)



**AVERAGE RECOVERY**  
(% of WO<sub>3</sub>)



# Financial Statements



# Canada Tungsten Mining Corporation Limited

(Incorporated under The Business Corporation Act, Ontario)

## Statement of Earnings

for the year ended December 31, 1981

	(in thousands)	
	1981	1980
EARNINGS FROM OPERATIONS BEFORE THE UNDERNOTED (note 1)	<b>\$6,388</b>	\$42,302
INTEREST INCOME	<b>3,242</b>	2,513
	<b>9,630</b>	44,815
OTHER COSTS AND EXPENSES		
Depreciation	<b>2,562</b>	3,282
Amortization of deferred preproduction and development costs	<b>357</b>	472
Exploration	<b>2,807</b>	4,336
	<b>5,726</b>	8,090
EARNINGS BEFORE TAXES AND OTHER ITEMS	<b>3,904</b>	36,725
PROVISION FOR INCOME TAXES AND NORTHWEST TERRITORIES ROYALTY		
Income taxes (note 6)		
Current	<b>4</b>	8,829
Deferred	<b>1,250</b>	3,047
	<b>1,254</b>	11,876
Northwest Territories Royalty	<b>37</b>	1,897
	<b>1,291</b>	13,773
EQUITY IN EARNINGS OF QUEENSTAKE RESOURCES LTD.	<b>200</b>	25
NET EARNINGS FOR THE YEAR	<b>2,813</b>	22,977
EARNINGS PER SHARE	<b>\$ 0.56</b>	\$ 4.60

## Statement of Retained Earnings

for the year ended December 31, 1981

	(in thousands)	
	1981	1980
BALANCE — BEGINNING OF YEAR	<b>\$73,409</b>	\$56,420
Net earnings for the year	<b>2,813</b>	22,977
	<b>76,222</b>	79,397
Dividends (1981 and 1980 — \$1.20 per share)	<b>5,988</b>	5,988
BALANCE — END OF YEAR	<b>\$70,234</b>	\$73,409

The accompanying notes are an integral part of these financial statements.

# Canada Tungsten Mining Corporation Limited

(Incorporated under The Business Corporation Act, Ontario)

## Statement of Changes in Financial Position

for the year ended December 31, 1981

(in thousands)

	1981	1980
WORKING CAPITAL PROVIDED FROM:		
Operations		
Net earnings for the year	\$2,813	\$22,977
Add (deduct) items not affecting working capital —		
Deferred income taxes	1,250	3,266
Depreciation	2,562	3,282
Equity in earnings of Queenstake Resources Ltd.	(200)	(25)
Amortization of deferred preproduction and development costs	357	472
Loss on disposal of fixed assets	15	5
Proceeds on disposal of fixed assets	11	—
	<b>6,808</b>	<b>29,977</b>
WORKING CAPITAL APPLIED TO:		
Fixed assets	12,169	6,523
Investments in resource companies	49	8,114
Deferred costs	1,710	1,220
Dividends	5,988	5,988
	<b>19,916</b>	<b>21,845</b>
INCREASE (DECREASE) IN WORKING CAPITAL	<b>(13,108)</b>	<b>8,132</b>
WORKING CAPITAL — BEGINNING OF YEAR	<b>29,428</b>	<b>21,296</b>
WORKING CAPITAL — END OF YEAR	<b>16,320</b>	<b>29,428</b>
REPRESENTED BY:		
Current assets	22,008	42,790
Current liabilities	5,688	13,362
	<b>\$16,320</b>	<b>\$29,428</b>

The accompanying notes are an integral part of these financial statements.

# Canada Tungsten Mining Corporation Limited

(Incorporated under The Business Corporation Act, Ontario)

## Balance Sheet

as at December 31, 1981

### ASSETS

(in thousands)

	1981	1980
<b>CURRENT ASSETS</b>		
Cash and short-term deposits	\$1,484	\$26,017
Accounts receivable	9,309	11,927
Inventories — concentrates	6,460	1,828
— materials and supplies	3,329	2,995
Income taxes recoverable	1,289	—
Prepaid expenses	137	23
	<b>22,008</b>	<b>42,790</b>
<b>INVESTMENTS</b>		
Oil and gas (note 2)	1,268	1,268
Resource companies (note 3)	11,009	10,760
	<b>12,277</b>	<b>12,028</b>
<b>FIXED ASSETS</b>		
Property, plant and equipment (note 4)	68,843	54,202
Less: Accumulated depreciation	17,631	15,084
	<b>51,212</b>	<b>39,118</b>
<b>DEFERRED COSTS (note 5)</b>	<b>5,058</b>	<b>6,218</b>
	<b>\$90,555</b>	<b>\$100,154</b>

Approved by the Board of Directors



DIRECTOR



DIRECTOR

## LIABILITIES

(in thousands)

	1981	1980
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$5,580	\$2,495
Income taxes payable	—	8,604
Northwest Territories royalty payable	108	2,263
	5,688	13,362
DEFERRED INCOME TAXES (note 6)	11,016	9,766
	16,704	23,128

## SHAREHOLDERS' EQUITY

CAPITAL STOCK (note 7)	3,617	3,617
RETAINED EARNINGS	70,234	73,409
	73,851	77,026
	\$90,555	\$100,154

The accompanying notes are an integral part of these financial statements.

# Canada Tungsten Mining Corporation Limited

(Incorporated under The Business Corporation Act, Ontario)

## Notes to Financial Statements

for the year ended December 31, 1981

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the company, which has substantially all of its operations in the mining industry, are in accordance with generally accepted accounting principles for the mining industry and conform in all material respects to International Accounting Standards except that pursuant to Section 79(a)(ii) of the 1978 Ontario Securities Act, an order has been obtained permitting the company to omit disclosure of sales in the statement of earnings for the years ended December 31, 1981 and 1980.

Outlined below are those policies considered particularly significant for the company.

#### Foreign Currency Translation

Foreign currency revenue and expense transactions are translated into Canadian dollars at the average monthly rate of exchange. Current assets and current liabilities are translated at the rate of exchange at the year-end. The resulting translation adjustments are included in the determination of net earnings.

#### Inventories

Inventories of concentrates are valued at the lower of cost or net realizable value. Cost is determined on the moving average basis and does not include depreciation or amortization of deferred preproduction and development costs. Inventories of materials and supplies are valued at lower of cost and replacement cost.

#### Oil and Gas Investments

The company considers that its oil and gas investments are distinct from its mining operations and has adopted the policy that all income tax deductions relating to these investments are treated as timing differences and the tax deferrals arising therefrom are applied to reduce the cost of the investment.

It is the company's policy to record depletion against the net cost of the investment using the unit-of-production method based on the company's share of total estimated recoverable reserves. No revenue has been received to date. Should the properties be abandoned, the net cost of the investment would be written off to earnings.

#### Investment in Resource Companies

The company follows the equity method of accounting for its investments in companies in which it exercises significant influence. Under this method the company includes in its earnings its share of the earnings and losses of the associated companies.

The excess of the cost of the investment over the underlying net book value at the various dates of acquisition is amortized over the estimated economic life of the properties of the associated companies following commencement of production.

#### Property, Plant and Equipment

Property, plant and equipment are recorded at cost. Expenses for repairs and maintenance are charged to operating expense as incurred. Replacements and major improvements are capitalized.

Buildings, plant and major equipment are depreciated over the estimated remaining life of the ore body at current and projected production levels, determined to be approximately 11 years.

Other items, principally mobile equipment, trailer bunkhouses and small vehicles, are depreciated on a straight-line basis over 5 years or such shorter period as their useful life shall be determined.

#### Deferred Costs

Acquisition costs of major mining and petroleum properties are deferred until the property is abandoned or placed into production.

Preproduction development and acquisition costs relating to ore bodies are deferred and charged to income over the estimated life of the ore bodies on the basis of production.

Costs of exploring for new ore occurrences are charged to earnings in the year in which they are incurred except where these costs relate to specific areas having indicated economically recoverable reserves in which case they are deferred.

#### Income Taxes

The company records income taxes on the tax allocation basis. Differences in amounts reported for tax purposes and accounting purposes result in deferred income taxes which are shown separately in the statement of earnings and the balance sheet. Deferred income taxes relate primarily to depreciation of property, plant and equipment. Investment tax credits reduce the current year's charge for income taxes.



**2. OIL AND GAS INVESTMENTS**

	(in thousands)	
	1981	1980
Oil and gas investments — at cost	<b>\$10,200</b>	\$10,200
Tax deferrals	<b>8,932</b>	8,932
Net cost	<b>\$ 1,268</b>	\$ 1,268

In 1977 the company invested \$5,000,000 in a Dome Petroleum Limited drilling programme. As a result of this investment the company earned a 1% net profits interest in future production from specified properties. In 1979 the company invested \$5,200,000 in Beaufort Petroleum Investment Limited, (Beaufort) and received 50,000 Class A common shares and 50,000 Class A redeemable preferred shares of Beaufort. At December 31, 1981 the quoted value of these shares was \$125,000 (1980 — \$150,000).

Exploration expenses, frontier allowance and depletion claimed for tax purposes on these investments have resulted in aggregate tax benefits and deferrals of \$8,932,000 to December 31, 1981. These amounts have not been reflected as a reduction of income tax expense in the statement of earnings, but have been treated as deferred taxes arising on timing differences and reflected in the balance sheet as a reduction in the cost of the investments.

The balance of the income tax reductions of \$237,000 relating to this investment, calculated at current rates, will be realized in future years through depletion claims and offset against the cost of the investment.

**3. INVESTMENTS IN RESOURCE COMPANIES**

	(in thousands)	
	1981	1980
Investments carried on an equity basis		
Queenstake Resources Ltd.		
— 1,982,034 common shares (1980 — 1,981,934 common shares)		
— Quoted market value — \$5,252,000 (1980 — \$18,828,000)	<b>\$10,931</b>	\$10,730
Investments carried at cost		
Imperial Metals Limited		
— 50,000 common shares		
— Quoted market value — \$42,000 (1980 — \$95,000)	<b>30</b>	30
Groundhog Coal Ltd.		
— 200,000 common shares		
— No quoted market value	<b>48</b>	—
	<b>\$11,009</b>	\$10,760

The quoted market values of these investments are not necessarily indicative of realizable values.

The company owns a 45% interest in Queenstake Resources Ltd. (Queenstake). The unamortized excess of the carrying value of this investment over the underlying equity in net assets acquired is \$7,475,000 (1980 — \$7,629,000).

Of the total Queenstake shares owned, 1,000,000 were purchased from treasury on December 31, 1980 for \$7,750,000. This investment is subject to approval by the Foreign Investment Review Agency (FIRA). If FIRA approval is not obtained, Queenstake is obligated to return the purchase price of the shares and the transaction will be cancelled. The company has agreed with the British

Columbia Superintendent of Brokers that the company's investment in Queenstake will not be sold without the Superintendent's approval.

**4. PROPERTY, PLANT AND EQUIPMENT**

	(in thousands)			
	1981		1980	
	Cost	Accumulated depreciation	Net	Net
Land	\$ 545		\$ 545	\$ 125
Buildings, plant and equipment	53,575	17,631	35,944	34,094
Construction in progress	14,723	—	14,723	4,899
	<b>\$68,843</b>	<b>\$17,631</b>	<b>\$51,212</b>	<b>\$39,118</b>

**5. DEFERRED COSTS**

	(in thousands)	
	1981	1980
Tungsten, Northwest Territories Deferred preproduction and development, net of accumulated amortization of \$6,034,000 (1980 — \$5,845,000)	<b>\$3,034</b>	\$2,118
Dublin Gulch, Yukon Territory Property, plant and equipment		2,310
Deferred preproduction and development, net of accumulated amortization of \$169,000 (1980 — nil)	<b>1,832</b>	1,790
	<b>1,832</b>	4,100
Other deferred costs	<b>192</b>	—
	<b>\$5,058</b>	\$6,218

Property, plant and equipment relating to Dublin Gulch was reclassified to fixed assets during the year.

The company is carrying out exploration and development of the Dublin Gulch properties under an agreement with Queenstake. The agreement grants Queenstake a 30% interest in these properties and provides that exploration, development and capital expenditures incurred by the company to place the properties into production are to be recovered from first production profits. Commercial production from certain of these properties commenced in 1981.

Under the provisions of two other agreements with Queenstake, the company has been granted options to acquire 80% and 85% interests in certain other mineral claims in return for conducting certain exploration work.

**6. INCOME TAXES**

(a) The rate of income tax expense on earnings before income tax varies from the combined statutory Federal, Provincial, and Territorial rates as follows:

	1981		1980	
	Amount (in thousands)	% of Pre-tax earnings	Amount (in thousands)	% of Pre-tax earnings
Income tax expense computed at statutory rates	\$1,870	48.3	\$16,760	48.1
Increase (decrease) in income taxes resulting from:				
Non-deductible royalties	18	.4	912	2.6
Resource allowance	(442)	(11.4)	(4,626)	(13.4)
Income tax depletion	—	—	(1,193)	(3.4)
Investment tax credits	(172)	(4.4)	—	—
Other	(20)	(.5)	23	.1
Income tax expense	\$1,254	32.4	\$11,876	34.0

(b) Deferred income taxes accumulated to December 31, 1981 arise from:

	(in thousands)	
	1981	1980
Income taxes deferred on:		
Deferred preproduction and development costs deducted for income tax purposes in excess of amounts amortized	\$1,424	\$1,383
Additional items, principally capital cost allowance deducted for income tax purposes in excess of depreciation recorded in the accounts	9,592	8,383
	\$11,016	\$9,766

The taxes deferred as a result of the company's oil and gas investments are netted against the cost of the investments. (See note 2).

**7. CAPITAL STOCK**

	(in thousands)	
	1981	1980
Authorized —		
10,000,000 shares without nominal or par value		
Issued and fully paid —		
4,990,000 shares	\$3,617	\$3,617

**8. RELATED PARTY TRANSACTIONS**

(a) All of the company's sales are export sales and are sold under an exclusive sales agency agreement with an affiliate of Amax Securities Inc., a 65% shareholder of the company. Commissions paid to this affiliate amounted to 3.9% of sales during the year (1980 — 2.5%).

Of total sales during the year, 30% (1980 — 13%) were to an affiliate of Amax Securities Inc.

(b) The company has housing loans outstanding to senior officers of \$119,000 (1980 — \$240,000).

**9. OTHER INFORMATION****(a) Strike at Mine Site**

The mine from which the company derives its principal source of revenue was closed by a strike of its union employees from November 14, 1980 to May 14, 1981.

**(b) Lease Commitments**

The company is committed under operating leases for office premises expiring in 1988 and 1986 and under operating leases for certain mining equipment expiring at various dates to 1985. Minimum lease payments in aggregate are \$2,142,000 and for each of the five succeeding years are as follows:

1982	\$ 806,000
1983	476,000
1984	290,000
1985	210,000
1986	139,000
	\$1,921,000

## Auditors' Report to the Shareholders

We have examined the balance sheet of Canada Tungsten Mining Corporation Limited as at December 31, 1981 and the statements of earnings, retained earnings 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.

As disclosed in note 1 to the financial statements, the company has obtained permission from the Ontario Securities Commission to omit disclosure of sales in the statement of earnings for the years ended December 31, 1981 and 1980. In this respect, the financial statements are not in accordance with generally accepted accounting principles.

In our opinion, except for the omission of sales as described in the preceding paragraph, these financial statements present fairly the financial position of the company as at December 31, 1981 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.

Vancouver, B.C.  
January 15, 1982

*Coopers & Lybrand*  
CHARTERED ACCOUNTANTS

# Corporate Directory

## DIRECTORS:

Douglas A. Berlis, Q.C.\*  
Toronto, Ontario

J. M. Richard Corbet\*  
Toronto, Ontario

James H. Foreman  
Vancouver, British Columbia

John W. Goth  
Greenwich, Connecticut

Pierre Gousseland  
Greenwich, Connecticut

George B. McKeen  
Vancouver, British Columbia

James B. Redpath  
Toronto, Ontario

H. A. Sawyer, Jr.\*  
Greenwich, Connecticut

Malcolm A. Taschereau  
Toronto, Ontario

\*Member of Audit Committee

## OFFICERS:

James B. Redpath,  
Chairman of the Board

James H. Foreman,  
President and Chief Executive Officer

Mervyn K. Coffin,  
Secretary and Treasurer

Douglas W. Thompson,  
Vice President of Operations

John J. Sutherland, Jr.,  
Controller and Assistant Treasurer

Dorothy I. Chisholm,  
Assistant Secretary

## OPERATING MANAGEMENT:

David B. Armstrong,  
Mine Manager — Tungsten, N.W.T.

William J. Fotheringham,  
General Superintendent

Nolan Boss,  
Safety Supervisor

Peter Bouma,  
Mill Superintendent

J. Gordon Conner,  
Technical Assistant to Mine Manager

Stewart I. Gilroy,  
Surface Superintendent

Zygmunt J. Kowal,  
Chief Mine Engineer

D. A. MacKinnon,  
Underground Superintendent

A. Robert O'Dell,  
Employee Relations Supervisor

Randolph T. Parker,  
Mine Controller

Donald Porter,  
Electrical Superintendent

Walter Wagner,  
Mechanical Superintendent

Brian F. Watson,  
Chief Mine Geologist

Martin Swizinski,  
Mine Manager — Dublin Gulch, Yukon

Leonard T. Chisholm,  
Purchasing Manager — Vancouver, B.C.

Lomer J. D'Aigle,  
Exploration Manager — Vancouver, B.C.

## COMPANY OFFICES:

Executive & Exploration Office:  
Suite 1600 - 1066 West Hastings Street  
Vancouver, B.C. V6E 3X1

Registered Head Office:  
Suite 2700 - 1 First Canadian Place  
Toronto, Ontario M5X 1H1

Mine:  
Tungsten, N.W.T. X0H 0A0

Leach Plant and Warehouse:  
80 Niobe Street  
North Vancouver, B.C. V7J 2C9

Placer Operation:  
Dublin Gulch  
Mayo, Yukon Y0B 1M0

## AUDITORS:

Coopers & Lybrand  
Vancouver, British Columbia

## SOLICITORS:

Russell & DuMoulin  
Vancouver, British Columbia

## BANKERS:

Canadian Imperial Bank of Commerce  
Main Branch  
Vancouver, British Columbia

## SHARES LISTED:

Toronto Stock Exchange

## REGISTRAR AND TRANSFER AGENT:

Canada Permanent Trust Company  
Toronto-Vancouver-Montreal

## ANNUAL MEETING:

The Annual Meeting of the Shareholders of Canada Tungsten Mining Corporation Limited will be held on Tuesday, May 11, 1982, at 10:30 a.m. in the Harbor Castle Hilton, Toronto, Ontario.

## VALUATION DAY:

The price of the Company's shares was \$1.55 per share on December 22, 1971, established by Revenue Canada as Valuation Day.



**Canada Tungsten Mining Corporation Limited**

