

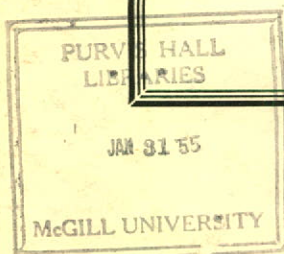
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*Ninth*  
...  
*Annual Report . . .*

**FROBISHER LIMITED**



FOR YEAR ENDED  
OCTOBER 31st, 1952





# FROBISHER LIMITED

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## HEAD OFFICE

25 King Street West, Toronto, Canada

## OFFICERS

Thayer Lindsley - - - - - President  
A. J. Anderson - - - - - Vice-President  
J. M. Cunningham-Dunlop - - - - - Vice-President  
H. H. Hemming - - - - - Vice-President  
A. G. Fulton - - - - - Secretary  
W. B. Malone - - - - - Treasurer  
G. T. N. Woodrooffe - - - - - Assistant Secretary & Assistant Treasurer

## DIRECTORS

A. J. Anderson    J. M. Cunningham-Dunlop    A. G. Fulton  
T. Lindsley    W. B. Malone    W. B. Maxwell    M. A. Thomson

## TECHNICAL CONSULTANTS

### Mining Engineers

B. G. Edward  
E. V. Neelands  
A. E. Pugsley

### Geologists

J. D. Bateman    D. R. Derry  
A. S. Dadson    J. A. Harquail  
A. G. Darling    D. C. Sharpstone  
Alex Smith

### Metallurgists

F. R. Archibald    W. G. Hubler    L. J. Lichty

## TRANSFER AGENTS AND REGISTRARS

**National Trust Company Limited**  
20 King Street East, Toronto, Ont.  
and  
225 St. James St., Montreal, Que.

**Registrar and Transfer Company**  
50 Church St., New York 7, N.Y.  
and  
15 Exchange Place, Jersey City 2, N.J.

## AUDITORS

Clarkson, Gordon & Co.  
Toronto

## BANKERS

The Canadian Bank of Commerce  
Toronto

## *Annual Meeting of Shareholders*

Tuesday, February 10, 1953, at 11 a.m.,  
Private Dining Room No. 7, Royal York Hotel, Toronto

# FROBISHER LIMITED

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## *Report of the Directors*

To the Shareholders:

Your Directors submit herewith the Ninth Annual Report of your Company, including the financial statements for the year ended October 31, 1952, as certified by your Auditors.

### FINANCIAL

The offering of 495,522 shares of the company's Capital stock at \$6.00 per share made to the shareholders since the last Special General Meeting held last April, was subscribed for in full.

Your Company has made such outstanding progress since the Spring of 1952 that your Directors have deemed it wise to increase the capital of your Company from 6,000,000 to 7,500,000 shares, in order to take advantage of the improvement in investment markets which has been coupled with the return of confidence since the election in the United States.

### GENERAL

Negotiations are continuing for financing Kilembe, and the progress made by Giant Yellowknife is very satisfactory, particularly the successful solution of the metallurgical problems.

Depth developments at United Keno are encouraging and satisfactory.

More recent drilling results at your Miferma Iron mine have shown exceptionally good returns at depth.

To date limited drilling has been done by the Williston Oil and Gas Company and useful information obtained. Confidence in the future potentialities of the Williston Basin is maintained in view of the recent Tidewater discoveries in the Saskatchewan portion of the Basin.

As to Consolidated Guayana, the site of that Company's activities has been transferred from Venezuela to Peru, and we are encouraged by the exploration work that has been done to date in that field.

Important developments are under consideration at this time regarding which we are not in a position to discuss, but we hope to crystallize these matters and bring them to the attention of the shareholders at an early date.

Your Directors again wish to express their appreciation of those whose sustained efforts have made possible the growth and success of this enterprise.

On behalf of the Board,

T. LINDSLEY,  
President.

Toronto, Ontario,  
January 23rd, 1953.

# FROBISHER LIMITED

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The President and Directors,  
Frobisher Limited.

Gentlemen:

The following summarizes the activities during the fiscal year ended October 31, 1952 at the properties in which your Company holds a substantial interest.

## *Producing Mines*

### GIANT YELLOWKNIFE GOLD MINES LIMITED

Mine at Yellowknife, N.W.T.

Production	Tons Milled	Gross Value of Metals Produced
Total to May 31, 1951 .....	362,914	\$ 9,687,101.47
For 13-month period ended June 30, 1952 .....	165,846	3,890,377.71
For 4-month period ended Oct. 31, 1952 .....	81,107	1,788,408.27
	609,867	\$ 15,365,887.45

During the period under review good progress was made on the construction and development required for the expansion program, and in October the objective of 700 tons per day had been attained.

Reserves of developed and partly developed ore reached a very satisfactory figure, being estimated, as of June 30, 1952, at 1,641,000 tons averaging 0.67 ounces gold per ton. Development of the 409 orebody on the 750 level was underway in October and preliminary results in this ore shoot indicated the highest grade ore yet found in the mine.

No major capital expenditures are planned for the near future, and with operations on a stable basis, the company can build up a good cash position.

### UNITED KENO HILL MINES LIMITED

Mines in the Mayo District, Yukon Territory

Production	Metals Produced				
	Tons Milled	Silver Ozs.	Lead Lbs.	Zinc Lbs.	Cadmium Lbs.
Total to October 31, 1951 .....	239,538	13,438,913	50,687,676	21,996,102	93,000
October 31, 1951, to Sept. 30, 1952 .....	116,393	3,892,937	16,342,000	10,938,000	150,768
	355,931	17,331,850	67,029,676	32,934,102	243,768

The matter of chief interest during the past year has been the deeper level development from the new internal production winze at the Hector Mine. This has exposed ore which compares favourably with anything mined in the older workings. To the end of September, drifting on the 525 level had opened up 1,240 feet of ore in Nos. 3, 4 and 5 veins, averaging 41.7 oz/ton silver, 14.4% lead, and 11.5% zinc, estimated at 651 tons per vertical foot. On the 650 level 960 feet of drifting completed on the No. 3 vein

was all in ore, averaging 45.8 oz/ton silver, 15.8% lead, and 12.6% zinc; and estimated at 373 tons per vertical foot. Crosscuts on the 775 and 900 levels were approaching their objectives at the year end. (See Note).

Development work was also carried on at the Calumet, No Cash and Onek Mines. At the Calumet rehabilitation of the old workings was virtually completed, and 1,082 feet of new drifting was performed, of which 64.6% was in ore. A new orebody was discovered in the northeast section of this mine. At the No Cash mine drifting has now developed approximately 600 feet of ore of an average width of 3 feet, and an average silver content in excess of 100 ounces per ton. At the Onek Mine there has been developed 123,491 tons averaging 10.27 oz/ton silver, 4.4% lead and 13.0% zinc. Because of falling zinc prices, further development here has been temporarily suspended.

At the end of September, ore reserves, exclusive of the Onek Mine, were estimated at 437,028 tons averaging 42.1 oz/ton silver, 11.5% lead, and 7.8% zinc, of which 81.0% are in the Hector Mine, and 16.3% in the Calumet.

NOTE: Since the end of the Frobisher fiscal year, the crosscut on the 775 level of the Hector Mine has intersected the No. 3 vein, exposing a width of 64 feet of ore averaging 53 ozs. of silver per ton, and high in lead. On the 900 foot level the crosscut has reached the zone, with ore mineralization, but due to a faulted condition considerable work will be needed before the picture here is clear.

### NEW CALUMET MINES LIMITED

#### Mine at Calumet Island, Quebec.

Production	Metals Produced in Concentrate Form				
	Tons Milled	Zinc Lbs.	Lead Lbs.	Silver Ozs.	Gold Ozs.
Total to September 30, 1951 .....	1,642,112	199,621,860	57,350,160	4,495,961	22,880
For Year ended September 30, 1952 ...	267,510	19,756,587	5,732,390	485,532	4,350
	<u>1,909,622</u>	<u>219,378,447</u>	<u>63,082,550</u>	<u>4,981,493</u>	<u>27,230</u>

Net profit for the year ended September 30, 1952, amounted to \$274,293.37, as compared with \$1,088,969.59 in the previous year. The drop in the prices for lead and zinc was the chief factor in this serious decline in earnings, but the decline of the U.S. Dollar in terms of Canadian funds, and the restoration of the duty on zinc entering the United States, also contributed. During the year dividends of 20 cents per share, totalling \$699,981.41, were paid.

The new production shaft, which was started in September 1951, had reached a depth of 1,324 feet by September 1952. Since then sinking has been suspended, at a depth of 1,400 feet, until the Company's finances improve. At the end of September, ore reserves were estimated at 846,821 tons averaging 6.5% zinc, 1.5% lead, 3.19 oz/ton silver, and 0.016 oz/ton gold. This includes 411,500 tons between the 1,500 and 2,100 feet horizons.

### MEDITERRANEAN MINES INC.

#### Mine in Greece

The treatment plant of Mediterranean Mines Inc. at Laurium, Greece operated throughout the year at a rate of between 150 and 250 tons per day. A lead and a zinc concentrate were produced and in addition a small quantity of pyrite was recovered and shipped. Operations have been carried on under considerable difficulties due to the erratic character of the ore and the presence of oxidized material. At present a new area is being opened up and explored by the extensions of old workings. Final figures of production for the year 1952 have not been received in time to be included in this report.

### CONNEMARA MINE (Wholly-owned)

#### Mine in Southern Rhodesia Africa.

Production	Tons Milled	Ounces Gold Recovered	Gross Value of Production
Total to October 31, 1951 .....	465,539	87,284	£1,005,631-18-4
For year ended October 31, 1952 .....	176,550	31,196	410,937- 6-8
	<u>642,089</u>	<u>118,480</u>	<u>£1,416,569- 5-0</u>

The Lindsley Shaft was completed to a vertical depth of 1,594 feet during the year, and lateral work was started on development of the Connemara Mine area below the dolerite sill. In the older portions of the mine, ore reserves at the year end were estimated at 450,000 tons averaging 4.6 dwt. gold per ton, with a further 116,000 tons of possible ore.

#### **BLACK DONALD GRAPHITE (Wholly-owned)**

##### **Mine at Calabogie, Ontario**

During the year ended October 31, 1952, sales of finished product amounted to 4,135,079 lbs. for a net return of \$262,129.20. Production was 4,557,120 lbs. from the treatment of 23,308 tons of ore. Operations remained on a salvage basis, but dewatering of the upper portion of the old underground workings has made available a considerable tonnage of high-grade ore which can be mined by open-pit methods. It is now anticipated that the ore supply will be adequate for at least another 2 years.

Drilling of the Kirkham property, near Kingston, Ontario, has demonstrated excellent mine-making possibilities, 207,160 tons grading 11.2% carbon being outlined to date, over a length of 400 feet and to a depth of 300 feet. The option on this property has been exercised.

## *Properties under Development*

#### **KILEMBE COPPER LIMITED**

##### **Mine in Uganda, Africa**

During the year under review work at the Property was concentrated on preparation for mining. Metallurgical research has been completed, and designs and layouts for the mining, milling and reduction plants are being prepared by Singmaster and Breyer. Arrangements have been made with the Uganda Electricity Board to obtain power from the hydro electric development on the upper Nile. Plans for financing, to bring the property into production, are being studied. Ore reserves remain much the same as reported last year, at 10,024,000 tons of developed and probable ore with a grade of 2.16% copper and 0.162% cobalt; plus 4,030,000 tons of inferred ore averaging 1.54% copper and 0.135% cobalt.

#### **MIFERMA (Societe des Mines de Fer de Mauritanie)**

##### **Mine in French West Africa**

Frobisher Limited holds a 34% interest in this project to develop high grade iron deposits in French Mauritania, Northwest Africa. The remaining interest is held by French Government and private interests and the British Iron and Steel Corporation. In the spring of 1952 a party went out to Mauritania with the object of testing the iron ore deposits by diamond drilling and tunnelling. Preliminary drilling results indicate that the high grade hematite iron ore persists, in the place first tested, to a considerable depth, while the grade and character of the ore remain unchanged. The main adit tunnel has not yet reached the ore but is expected to by early summer. While the testing of the orebodies is going on investigations are being started on rail and port facilities.

There are a number of operating difficulties to be overcome, but once these have been cleared away the deposits may well become the source of the best grade iron ore in the eastern hemisphere.

#### **QUEBEC METALLURGICAL INDUSTRIES LIMITED**

Quebec Metallurgical Industries was formed as a metallurgical research project to develop processes for the reduction of various metals and ferro-alloys. In addition the company holds control or interest in a number of properties that are potential sources of the metals in which research is being carried out. Particular emphasis has been placed on cobalt, manganese, nickel and tungsten. One of the properties concerned is S. A. Minerals Corporation which holds large reserves of high grade manganese ore in South West Africa.

#### **WILLISTON OIL AND GAS COMPANY**

##### **Acreage in Montana, North Dakota, South Dakota and Saskatchewan**

This Company was formed in the Spring of 1952 and is wholly owned by Frobisher Limited and Federated Petroleum Limited in equal proportions. Since May, 1952, the company has been actively engaged in exploration of its Williston Basin holdings in both the United States and Canada by seismic work and well drilling. The ground held by Williston Oil and Gas Company includes approximately

440,000 acres in that part of the Williston Basin falling within Montana and North and South Dakota and approximately 237,000 acres in Saskatchewan.

In the Glendive area of Eastern Montana two wells have been completed and a third is still drilling. The first well was completed dry, at a depth of 9,484 feet, after passing through some minor oil shows. This well was drilled under a farm-out agreement with the Delta Drilling Company at no cost to Williston Oil and Gas. The second well was drilled to a total depth of 9,210 feet. A small oil show was obtained in the Silurian formation but was not considered good enough to warrant the expense of completion tests and so was "farmed-out" for completion to an independent group for a 50% interest. After lengthy testing the well is now flowing 20 to 22 barrels of oil per day. The third well on the Glendive structure (Entzel No. 1) was started at the end of 1952 and is now in progress.

The holdings on the Canadian portion of the Williston Basin consist of three areas as follows:—

1. 5,000 acres in the vicinity of the town of Swift Current on which an option was exercised with the commitment to drill a well in the first half of 1953.
2. In the Abbey district of Western Saskatchewan 88,640 acres are held and an agreement has been made with the Shell Oil Company whereby two free wells will be drilled to the Madison formation in addition to other exploration work, for a 50% interest in the acreage.
3. In the area between Regina and Weyburn two oil and gas reservations are held totalling 148,960 acres. A farm-out agreement has been completed with British American Oil Company under which that company will drill one well on each of the two permits.

Thus it may be seen that in 1953 a minimum of 5 wells will be drilled on the Saskatchewan holdings of Williston Oil and Gas, four of which will be at no cost to the company.

Seismic work on the Montana and North Dakota holdings is being continued and further decisions on drilling will depend on the results from these surveys.

#### **CONSOLIDATED GUAYANA MINES LIMITED**

Following the expropriation of the properties of Guayana Mines Limited by the Venezuelan Government, a settlement was reached whereby the Company was paid Bs. 7,330,689.13. After meeting all claims, other than those representing advances made by associated companies, there remained, of this, approximately \$1,600,000. Since the associated companies agreed not to ask for immediate settlement, this amount was available for participation in other mining enterprises.

At a special general meeting held June 27, 1952, shareholders voted for re-organization, whereby capital was decreased to 3½ million shares, the outstanding shares to be exchanged on a basis of 1 for 2, and the name changed to Consolidated Guayana Mines Limited.

A 25% position has been acquired in Chavin Mine, a high-grade lead-zinc-silver mine in Peru. In addition, an aggressive exploration campaign is being carried on principally in the westerly part of South America.

#### **AKAITCHO YELLOWKNIFE GOLD MINES LIMITED**

**Mine at Yellowknife, N.W.T.**

There has been no change in the policy of this Company, and underground development is awaiting an improvement of the conditions which now face the gold mining industry.

#### **RAINVILLE COPPER MINES LIMITED**

**Mine in the Val d'Or Area, Quebec**

Underground development of this property was begun in July, 1951, with the sinking of a three compartment shaft to a depth of 425 feet. The No. 4 zone was explored by drifting on three levels. This work had indicated several ore lenses within a strike length of 2,160 feet. An estimate of probable and possible ore developed in the various lenses shows 286,670 tons at 2.32% copper, within a vertical range of 390 feet. The entire zone, over the same length and depth, is calculated to contain 471,670 tons of 1.67% copper. In view of these encouraging results, plans have been made to deepen the shaft and to continue development on deeper levels.

#### **CHARLEBOIS LAKE URANIUM MINES LIMITED**

**Properties in Northern Saskatchewan**

Surface investigations and diamond drilling carried out during 1951 and 1952 have shown promising indications for large tonnages of low-grade uranium ore. Further exploration is planned for the 1953 season.



## **LABRADOR CONCESSIONS**

### **Property in Labrador**

Frobisher Limited holds two concessions in Labrador known respectively as the "Seal Lake" (3,600 square miles approximately) and "Mealy Mountains" (2,730 square miles approximately) Concessions. Work during the 1952 season was concentrated on the Seal Lake Concession in following up the discoveries of native copper and high grade copper sulphides made during the previous season. A number of new copper occurrences were discovered during the summer, three of which appear to be important enough to follow up with further detailed work. It is intended during the 1953 season to continue a comprehensive campaign of exploration over the concession as a whole, and to do detailed work, possibly including some diamond drilling, on the discoveries already made.

## **NORTHERN MINING COMPANY (Nordisk Mineselskab A/S)**

### **Properties in Greenland**

Frobisher Limited holds 15% interest in this company in partnership with Danish and Swedish interests. The company is developing a promising lead-zinc deposit at Mesters Vig on the East Coast of Greenland. Previous work by adit and diamond drilling had indicated high grade lead and zinc ore over a length of approximately 1,000 feet in addition to a number of other surface showings in the general area. At present a new adit is being driven approximately 100 metres below the first adit with the object of proving that the ore reaches this depth or further and that there is sufficient tonnage to justify putting the mine into production.

## **ASSOCIATED TIN MINES (SOUTH WEST AFRICA) LIMITED**

### **Properties in South West Africa**

Frobisher Limited holds a 60% interest in this company which owns or controls a number of tin properties in South West Africa. The most important holding is that of the Uis Tin Mining Company which has very large reserves of ore containing between 5 and 6 pounds of tin per ton. Most of these deposits can be worked at first by open-cut and a pilot mill is in operation carrying out test work on the various deposits. A mill of 1,000 tons per day capacity is under construction and, it is hoped, will be in operation before the end of 1953. A further expansion of the milling rate appears to be justified in view of the large reserves of ore available.

## **FORT CHIMO MINES LIMITED**

### **Concession in Ungava, Northern Quebec**

A program of prospecting and geological mapping was carried out in the Fort Chimo concession during the summer of 1952. A new occurrence of manganiferous hematite was discovered in the northern part of the property. Though samples from preliminary trenching showed a silica content above commercial limits, the find is a promising indication which merits further investigation.

## **ZEBALLOS IRON**

### **Vancouver Island, British Columbia**

The program of diamond drilling, which was suspended in 1951 because of forest fires, was completed during the summer of 1952. Further work will be held in abeyance until a good market for the ore is assured.

A. J. ANDERSON,  
Vice-President.

Toronto, Ontario,  
January 22, 1953.

# FROBISHER

(Incorporated under The Companies Act)

## Consolidated Balance Sheet

### ASSETS

Cash on hand and in banks .....		\$	64,775.84	
Bullion in transit .....			76,928.62	
Accounts receivable—trade .....	\$	18,083.86		
—sundry .....		45,677.25	63,761.11	
Inventory of graphite valued at 50% of selling price .....			36,723.24	\$ 242,188.81
Interest in subsidiary companies (statement 4):				
Shareholdings at cost less amounts written off .....	\$	4,279,031.31		
Advances .....		1,346,764.19	\$ 5,625,795.50	
Interest in associated and other companies (statement 4):				
Shareholdings at cost less amounts written off .....	\$	8,541,833.55		
Advances .....		849,529.09	9,391,362.64	15,017,158.14
Exploration expenditures carried forward .....				1,084,746.39
Mining properties at cost .....			\$ 374,863.05	
Buildings, plant and equipment, at cost .....	\$	1,699,683.61		
Less reserve for depreciation .....		1,071,723.77	627,959.84	1,002,822.89
Deferred development expenses less amounts written off .....			\$ 55,011.06	
Supplies and spare parts at cost .....			323,070.43	
Sundry prepayments and deferred charges .....			47,480.20	425,561.69
				<u>\$ 17,772,477.92</u>

NOTES: (1) Current assets and liabilities in foreign currencies have been converted into Canadian dollars at the rate of exchange prevailing at the end of the period.  
 (2) The company has agreed to make expenditures subsequent to October 31, 1952, in the amount of \$4,955,170. This amount includes the following purchase of shares of Williston:

Prior to July 2, 1953 .....

Prior to July 2, 1954 .....

(3) There are share purchase warrants outstanding which, if exercised, would require the company to issue shares for \$4,955,170.

To the Shareholders of  
Frobisher Limited.

AUDITORS'

We have examined the consolidated balance sheet of Frobisher Limited and its wholly-owned subsidiary companies as at October 31, 1952, and the results of their operations for the year ended on that date, according to the best of our information and the accounts furnished to us. Our examination included a general review of the accounting procedures and such tests of accounting records and documents as we considered necessary in the circumstances.

In our opinion the accompanying consolidated balance sheet and statements of consolidated profit and loss, deficit and surplus, as at October 31, 1952, and the results of their operations for the year ended on that date, according to the best of our information and the accounts furnished to us, are correct.

Toronto, Canada,  
January 22, 1953.

# LIMITED

(Companies Act, Ontario)

as at October 31, 1952

## LIABILITIES

Bank loan (secured) .....	\$ 1,500,000.00		
Bank overdraft .....	24,094.52	\$ 1,524,094.52	
Accounts payable .....		214,113.93	
Amounts owing to associated companies .....		51,160.28	
Provision for taxes on income .....		2,711.25	\$ 1,792,079.98
Advances from Ventures Limited .....			2,418,606.03
Reserve for depletion on shares of associated companies .....			181,000.00
Capital:			
Authorized—6,000,000 shares of no par value			
Issued at October 31, 1951 .....	4,638,956 shares	\$ 9,496,256.99	
Issued during the year—			
For cash .....	745,527 shares	4,223,182.00	
For 1,080,000 shares of Kilembe Copper Limited .....	120,000 shares	1,020,000.00	
Issued at October 31, 1952 .....	<u>5,504,483 shares</u>	<u>\$ 14,739,438.99</u>	
Less:			
Deficit (statement 2) .....	\$ 373,759.20		
Special deficit (statement 2) .....	984,887.88	1,358,647.08	13,380,791.91
			<u>\$ 17,772,477.92</u>

converted at the closing rates of exchange at October 31, 1952.

October 31, 1952, which it is estimated may amount to \$6,150,000. This  
in Oil and Gas Company—

.....	303,030 shares	\$ 2,499,997.50
.....	393,940 shares	3,250,005.00
	<u>696,970 shares</u>	<u>\$ 5,750,002.50</u>

sed in full, will require the issue prior to June 27, 1953, of 495,517 shares

## REPORT

s as at October 31, 1952, and the statements of consolidated profit and loss, deficit and special deficit for the year ended on  
other supporting evidence as we considered necessary in the circumstances. All our requirements as auditors have been

and special deficit are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies  
ation and the explanations given to us and as shown by the books of the companies.

CLARKSON, GORDON & CO.,  
Chartered Accountants.

# FROBISHER LIMITED

## STATEMENT OF CONSOLIDATED DEFICIT FOR THE YEAR ENDED OCTOBER 31, 1952

Balance October 31, 1951 .....		\$367,941.16
Net loss transferred from statement of consolidated profit and loss (statement 3) .....		5,818.04
		\$373,759.20
Balance October 31, 1952 .....		\$373,759.20

## STATEMENT OF CONSOLIDATED SPECIAL DEFICIT

*(Consisting of the amounts written off exploration and research expenditures and investments in and advances to associated and other companies less the profit (net) on security transactions.)*

### FOR THE YEAR ENDED OCTOBER 31, 1952

Balance October 31, 1951 .....			\$412,642.46
Advances to associated companies written off .....	\$483,132.36		
Net loss on security transactions .....	38,125.59		
Exploration expenses written off .....	91,132.14		
			\$612,390.09
Deduct:			
Service fees earned by an exploration subsidiary less administration expenses .....	\$ 38,361.29		
Profit on conversion of net foreign currency assets of exploration subsidiaries .....	1,783.38	40,144.67	572,245.42
			\$984,887.88
Balance October 31, 1952 .....			\$984,887.88

# FROBISHER LIMITED

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED OCTOBER 31, 1952

**Head Office:**

Dividends received and interest earned .....	\$ 206,844.47		
Less portion thereof transferred to reserve for depletion .....	40,000.00	\$ 166,844.47	
Deduct:			
Administrative and general expenses .....	\$ 122,828.66		
Interest on bank loan, etc. ....	76,318.20	199,146.86	\$32,302.39 —

**Connemara Division (Southern Rhodesia):**

Net proceeds from production .....	\$ 1,116,998.26		
Sundry income .....	14,330.53	\$ 1,131,328.79	
Deduct:			
Operating expenses .....	\$ 911,994.82		
Provision for depreciation and deferred development .....	221,332.38		
Loss on conversion of foreign currencies .....	14,828.06		
Exploration expenditures written off .....	6,860.25	1,155,015.51	
Net loss of Connemara Division .....			23,686.72 —

**Black Donald Graphite Division:**

Net sales .....		\$ 262,129.20	
Deduct:			
Operating expenses .....	\$ 224,111.06		
Provision for depreciation .....	68,538.01	292,649.07	
Net loss of Black Donald Graphite Division .....			30,519.87 —
Net loss for the year (excluding items in consolidated special deficit) .....			\$86,508.98 —
Deduct provisions made in prior years for taxes on income—no longer required .....			80,690.94
Net loss transferred to statement of consolidated deficit .....			\$ 5,818.04 —

# FROBISHER LIMITED

## CONSOLIDATED STATEMENT OF INTEREST IN SUBSIDIARY, ASSOCIATED AND OTHER COMPANIES AS AT OCTOBER 31, 1952

Indicated Market Values	Number of shares or par value	Company	Cost less amounts written off	Advances
Subsidiary companies:				
	720,000	Associated Tin Mines (South West Africa) Limited .....	\$ 577,858.35	
	2,922,312	Kilembe Copper Limited .....	2,609,672.20	\$ 999,937.01
	1,733,185	Mediterranean Mines Inc. ....	381,516.61	8,576.23
	344,478	Quebec Metallurgical Industries Limited .....	439,535.11	336,279.45
	750,000	Tonopah Nicaragua Company .....	205,626.57	
		Miscellaneous participations of less than \$40,000 each .....	64,822.47	1,971.50
			<u>\$ 4,279,031.31</u>	<u>\$ 1,346,764.19</u>
Associated and other companies:				
\$ 1,272,286.90	1,235,230	Akaitcho Yellowknife Gold Mines Limited .....	\$ 450,242.59	
	200,000	Anyox Metals Limited .....		\$ 74,654.50
	947,055	Charlebois Lake Uranium Limited .....	192,775.27	
400,032.36	714,343	Consolidated Guayana Mines Limited .....	538,047.90	99,301.35
83,340.00	8,334	Dominion Magnesium Limited .....	66,672.00	
	746,802	Dupresnoy Mines Limited .....	78,580.10	
173,992.50	156,750	Eureka Corporation Limited .....	184,800.00	63,167.63
		Ferrum Limited—		
	26,265	shares .....		
	\$ 111,667.50	5% debentures due 1957/1960 .....	105,693.00	
	1,500,005	Fort Chimo Mines Limited .....	5.00	82,816.89
10,518,235.80	1,162,236	Giant Yellowknife Gold Mines Limited .....	907,731.95	
70,530.72	881,634	Horne Fault Mines Limited .....	84,900.10	
350,812.00	1,031,800	Joliet-Quebec Mines Limited .....	134,601.77	
	204,963	Lakefield Research Limited .....	81,985.20	
	874,111	Michipicoten Iron Mines Limited .....	304,819.49	85,513.58
1,157,634.85	1,006,639	New Calumet Mines Limited .....	155,567.18	
	20,003	Northfield Canada Limited .....	90,003.00	
73,260.00	222,000	Pershcourt Goldfields Limited .....	133,920.00	
	600,000	Pilley's Island Copper Pyrite Limited .....	125,000.00	
479,986.92	1,333,297	Rainville Copper Mines Limited .....	258,133.22	
	841,185	St. Eugene Mining Corporation Limited .....	319,988.54	360,442.45
		Societe Anonyme des Mines de Fer de Mauritanie—		
	6,800	ordinary shares .....		
	5,422	founders shares .....	195,387.95	55,524.73
7,305,467.10	820,839	United Keno Hill Mines Limited .....	587,738.82	
	303,030	Williston Oil and Gas Company .....	2,499,997.50	
450,236.56		Miscellaneous participations of less than \$60,000 each .....	1,045,242.97	28,107.96
<u>\$ 22,335,815.71</u>			<u>\$8,541,833.55</u>	<u>\$ 849,529.09</u>

CONNEMARA DIVISION OF  
**FROBISHER LIMITED**

BALANCE SHEET AS AT OCTOBER 31, 1952

<u>Assets</u>	<u>Southern Rhodesian funds</u>	<u>Canadian funds</u>
Cash on hand and in bank .....	£ 11,883:16: 6	\$ 32,220.02
Bullion in transit .....	28,373:17: 2	76,928.62
Sundry accounts receivable .....	1,153: 3: 3	3,126.51
	£ 41,410:16:11	\$ 112,275.15(A)
Advance to subsidiary company ....	14,357:12: 5	38,927.10(A)
Buildings, plant and equipment at cost .....	£361,304: 4: 3	\$ 1,255,917.61(B)
Less reserve for depreciation	187,833: 7: 2	698,326.00(C)
	£173,470:17: 1	\$ 557,591.61
Mining properties at cost less pro- ceeds of sale .....	93,003:17: 8	266,474:14: 9
	374,130.39(B)	931,722.00
Deferred development expenses less amounts written off .....	£ 11,162: 0: 0	\$ 44,109.51(B)
Exploration expenditure carried forward .....	7,616:14: 1	20,957.82(B)
Supplies and spare parts at cost ....	106,527: 2: 8	288,821.69(A)
Sundry prepayments and deferred charges .....	2,698: 9:10	128,004: 6: 7
	7,316.29(A)	361,205.31
	£450,247:10: 8	\$ 1,444,129.56
<u>Liabilities</u>		
Accounts payable—trade .....	£ 65,558: 5:10	\$ 177,744.92
Due to a subsidiary company .....	5,722: 3: 4	15,514.22
Provision for taxes on income .....	1,000: 0: 0	£ 72,280: 9: 2
	2,711.25	\$ 195,970.39(A)
Head office account (statement 6)	377,967: 1: 6	1,248,159.17
	£450,247:10: 8	\$ 1,444,129.56

NOTE: In the above balance sheet Rhodesian funds have been converted into Canadian funds as follows:

- (A) At the closing rate of exchange on October 31, 1952.
- (B) At the rates of exchange in effect at the date the expenditures were made.
- (C) The Canadian dollar equivalent of the depreciation reserve has been determined on the same basis as the fixed assets to which it applies.

CONNEMARA DIVISION OF  
**FROBISHER LIMITED**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED OCTOBER 31, 1952

(With comparative figures for the year 1951)

	1952		1951	
Tons ore milled .....	176,550 tons		164,990 tons	
Ounces gold produced .....	31,196 ounces		29,730 ounces	
		Shillings per ton ore milled		Shillings per ton ore milled
Bullion produced .....	£410,937: 6: 8	46.552 shs.	£373,600:17: 9	45.288 shs.
Less realization charges .....	4,986: 8: 8	.565	4,775: 6: 9	.579
	<u>£405,950:18: 0</u>	45.987 shs.	<u>£368,825:11: 0</u>	44.709 shs.
Sundry income .....	5,208: 2:11	.590	3,780: 5:11	.458
	<u>£411,159: 0:11</u>	46.577 shs.	<u>£372,605:16:11</u>	45.167 shs.
Expenses:				
Development .....	£ 49,301: 7: 9	5.585 shs.	£ 24,310:19: 3	2.947 shs.
Diamond drilling .....	12,053:16: 8	1.365	5,878: 1:11	.713
Exploration expenditures written off	2,493: 4: 5	.282		
Loss on disposal of fixed assets ...	27:10: 0	.003		
Mining .....	78,709: 2: 6	8.916	73,901:14:11	8.958
Milling .....	111,548:18:10	12.637	113,814:10: 1	13.796
Provision for depreciation .....	54,905: 7: 6	6.220	44,173:11: 7	5.355
Provision for deferred development expenses .....	7,814: 0: 0	.885	7,814: 0: 0	.947
Provision for Southern Rhodesia taxes on income .....			20,500: 0: 0	2.485
Shaft sinking .....	44,978: 5: 8	5.095	36,032:10: 0	4.368
General .....	34,823:19: 1	3.945	32,072:16: 7	3.888
	<u>£396,655:12: 5</u>	44.933 shs.	<u>£358,498: 4: 4</u>	43.457 shs.
Net profit for the year .....	£ 14,503: 8: 6	1.644 shs.	£ 14,107:12: 7	1.710 shs.
Provision made in prior years for Southern Rhodesia taxes on income — no longer required .....	26,000: 0: 0	2.945		
Net profit transferred to Head Office Account .....	<u>£ 40,503: 8: 6</u>	<u>4.589 shs.</u>	<u>14,107:12: 7</u>	<u>1.710 shs.</u>

STATEMENT OF HEAD OFFICE ACCOUNT FOR THE YEAR ENDED OCTOBER 31, 1952

Balance at October 31, 1951 .....	£326,238: 9: 3
Add:	
Net advances made by head office during the year ended October 31, 1952	£11,225: 3: 9
Net profit transferred from statement of profit and loss .....	40,503: 8: 6
Balance at October 31, 1952 .....	<u>£377,967: 1: 6</u>

NOTE: It will be noted that the net profit for the year shown above is £14,503:8:6, whereas on Statement 3 the equivalent in Canadian dollars is a loss of \$23,686.72. This is due to the following factors:—

- (a) Loss on conversion of foreign currencies;
- (b) The depreciation and deferred development provisions in Statement 3, on Page 11, have been determined on the basis of the rates of exchange in effect at the dates the expenditures on the fixed assets were made, which were substantially higher than the current rates of exchange.









