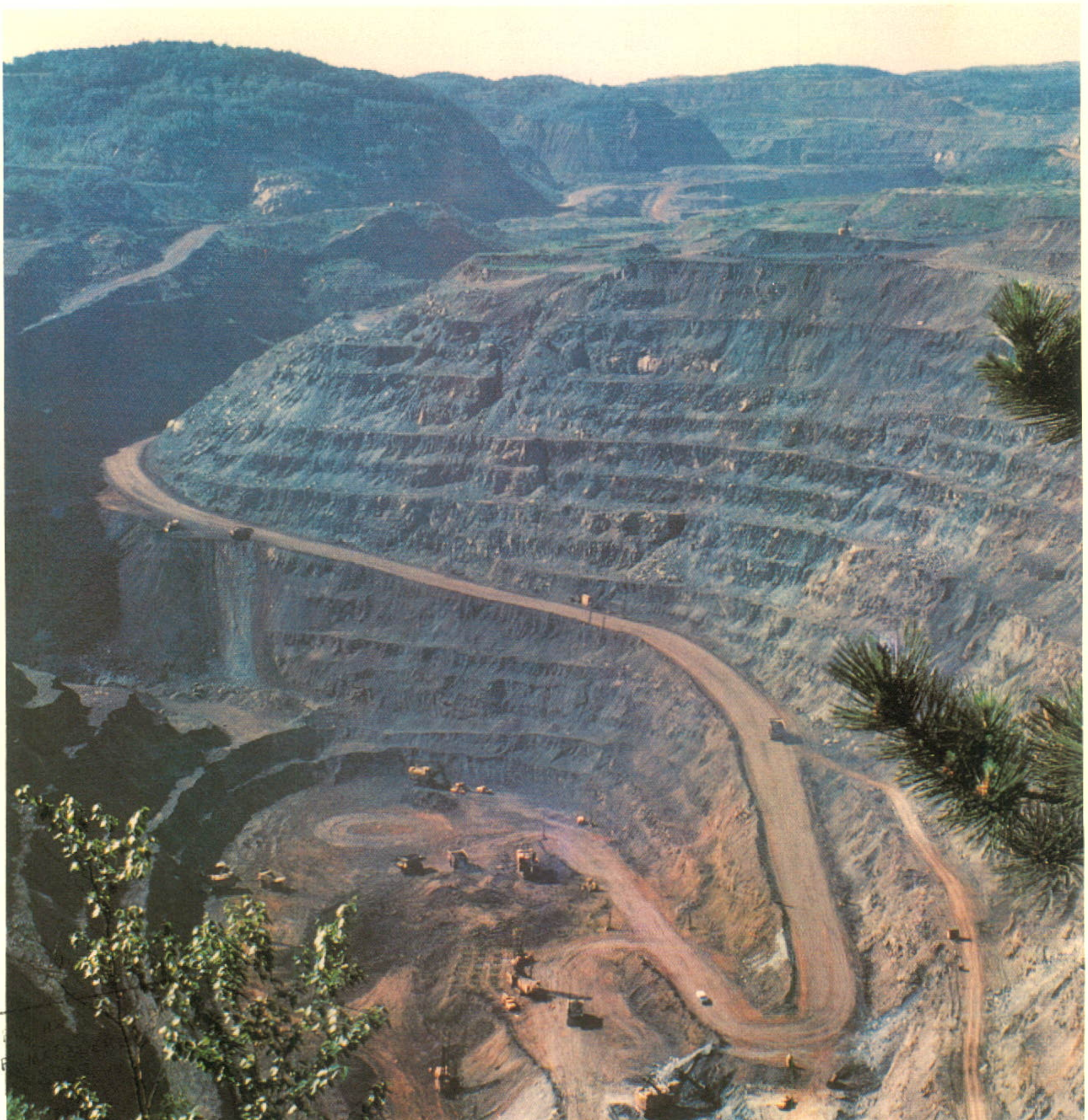
annual report 1979

Steep Rock Iron Mines Limited



Cover photograph:
Hogarth Open Pit, looking south, summer 1978
PHOTO BY BOB STARK

BOARD OF DIRECTORS

ROBERT S. DEMONE
Oakville, Ontario

†GERALD R. HEFFERNAN
Toronto, Ontario

†RICHARD M. HOGARTH
Willowdale, Ontario

*LAURENCE J. LAMB
Mississauga, Ontario

*PETER M. NIXON
Sault Ste. Marie, Ontario

†JOHN N. PATERSON
Thunder Bay, Ontario

*W. JOHN STENASON
Montreal, Quebec

*Member of the Executive Committee
†Member of the Audit Committee

AUDITORS

CLARKSON GORDON
Thunder Bay, Ontario

TRANSFER AGENTS

CROWN TRUST COMPANY
Toronto, Ontario
and
BANK OF MONTREAL TRUST COMPANY
New York, New York

OFFICERS

LAURENCE J. LAMB
Chairman of the Board
President & Chief Executive Officer

LOUIS ZUCCHIATTI
Vice President Finance & Secretary

PETER M. NIXON
Vice President

W. JOHN STENASON
Vice President

JOHN P. DUGGAN
Controller & Assistant Secretary

GORDON S. MacLEAN
Assistant Secretary

MAURICE ST. LOUIS
Assistant Secretary

BERJ J. ZAFIRIAN
Assistant Treasurer

GENERAL COUNSEL

JOHN A. CAMPBELL
Toronto, Ontario

CONSULTING GEOLOGIST

M. W. BARTLEY
Thunder Bay, Ontario

MINE MANAGER

COLIN F. MacIVER
Atikokan, Ontario

ANNUAL MEETING

The Annual and Special General Meeting of the Shareholders of Steep Rock Iron Mines Limited will be held in the Quebec Room of the Royal York Hotel, Toronto, Ontario, on April 8, 1980 at 2:00 p.m.

PRESIDENT'S LETTER TO THE SHAREHOLDERS

Net earnings for 1979 were $9,000,892, an improvement of $2,968,783 over 1978. The improvement was due principally to the gain on the disposal of fixed assets which amounted to $2,914,448. Lower operating revenues reflect primarily the lower tonnage. Improved dollar exchange rates and increased ore prices were offset by increased operating and termination costs. Decreased royalty income due to lower minimum royalty tonnage as provided in the lease agreement was more than offset by improved investment income. Total shipments for the year were 979,959 tons, mainly in the form of iron oxide pellets to The Algoma Steel Corporation, Limited.

As was the case in 1978 there was a significant increase in Working Capital of $15,386,209 to $52,451,454 at year end.

The mining operations were completed at the end of January 1979 when the mineable reserves were exhausted. The pelletizing operations were completed at the end of August 1979. Most of the mining and crushing equipment, except for certain items which are being retained for possible use in the Bending Lake Project was sold during the latter part of the year. The pellet plant will be kept in good condition and property security will be maintained.

Since 1975 the financial statements of the Corporation have been prepared on the basis of an accelerated write-off. Virtually all of the plant and equipment at Atikokan have now been fully depreciated.

Since the early part of 1978 there has been an ongoing reduction in the work force with significant lay-offs in February and September of 1979. During this period, employees were given assistance in obtaining alternative employment through co-operative efforts of various government agencies, union and company representatives. These efforts have been largely successful. It is estimated that about 80 per cent of our former employees who have sought other employment have been successful.

That productivity and job performance remained at a high level throughout the termination period is credit to all these men and women. The appreciation of the Management is again extended to them.

Caland Ore Company Limited terminated its lease on the "C" ore body at the end of the year. As a result, Steep Rock will not receive royalty payments from this source in the future. Studies performed by Steep Rock show that it would be uneconomic for Steep Rock to mine on this land.

On previous occasions, the future direction of the Corporation has been outlined. Our policy is to retain and improve the Corporation's Working Capital so that Steep Rock will be able to participate in the development of its iron ore properties at Bending Lake and Lake St. Joseph when it becomes economic for them to be developed. Very substantial amounts of capital will be required. During this interim period intense efforts are being made to develop Steep Rock Iron Mines as a significant producer of industrial minerals in Canada. In this connection, major acquisition studies were performed in 1979 on two substantial opportunities, but both were dismissed for economic and other reasons. In addition, an exploration and mineral evaluation programme has been organized. There is a substantial future in Canada in the industrial minerals field, and we remain optimistic that Steep Rock will develop a position in this industry.

The size of the Board of Directors was reduced from 10 to seven members, with Messrs. M. S. Bistrisky, C. J. Carter, W. Moodie and L. Zucchiatti not standing for re-election to the Board at the annual meeting in April. These gentlemen contributed greatly to the Corporation and I thank them for that contribution. Mr. Robert DeMone was elected as a Director for the first time.

Mr. Mark McKee who served as a Director of the Corporation from 1948 to 1976 and as Honorary Chairman until early 1979 did not stand for reappointment to that office. Mr. McKee played a very important role in the Corporation during his years on the Board of Directors. He too is worthy of our appreciation for his outstanding contribution.

We are looking forward to a renewed Steep Rock as we move forward into the 1980's.

L. J. LAMB
CHAIRMAN OF THE BOARD
PRESIDENT
AND
CHIEF EXECUTIVE OFFICER

FEBRUARY 12, 1980

STEEP ROCK IRON MINES LIMITED
(INCORPORATED UNDER THE LAWS OF ONTARIO)

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1979

(WITH COMPARATIVE FIGURES AT DECEMBER 31, 1978)

ASSETS

	1979	1978
CURRENT		
Cash and deposit certificates	$49,650,579	$25,309,628
Short-term investments, at cost which approximates market value	5,540,380	8,331,508
Accrued interest	815,418	210,813
Accounts receivable		
Algoma Steel Corporation (affiliated company) for ore produced	187,666	3,475,124
Other	2,374,732	2,067,451
Ore inventory, at the lower of cost or net realizable value	223,052	9,089,581
Supplies (Note 2(e))	–	1,343,831
Prepaid expenses	215,307	279,116
Total current assets	59,007,134	50,107,052
FIXED ASSETS AND HOUSING		
Fixed assets (Note 3(a))	647,142	2,891,217
Housing		
Properties owned, at cost less accumulated depreciation (1979 – $729,287; 1978 – $685,014)	402,635	502,646
Mortgages and sale agreements receivable (Note 3(b))	231,368	66,986
	634,003	569,632
Total fixed assets and housing	1,281,145	3,460,849
OTHER ASSETS AND DEFERRED CHARGES		
Deferred development expenditures (Note 4)	2,039,659	2,924,865
Deferred overburden removal costs	–	2,435,022
Investment in other mining company (Note 5)	1	116,483
Sundry	–	195,538
	2,039,660	5,671,908
	$62,327,939	$59,239,809

(See notes to consolidated financial statements)

LIABILITIES AND SHAREHOLDERS' EQUITY

	1979	1978
CURRENT		
Accounts payable and accrued liabilities	$ 964,525	$ 2,807,339
Provision for termination costs (Note 2(f))	391,555	1,380,000
Income and other taxes payable	5,199,600	1,219,000
Mortgage bond principal (Note 6)	–	7,635,468
Total current liabilities	6,555,680	13,041,807
NON-CURRENT		
Provision for future payments to Ontario Hydro (Note 8(b))	717,443	628,672
Obligation under capital lease (Note 8(d))	417,394	–
Unfunded pension liability (Note 8(a))	67,200	–
	1,202,037	628,672
SHAREHOLDERS' EQUITY		
Capital		
Authorized		
10,000 – preference shares of $100 each		
10,666,666 – common shares of $1 each		
Issued		
8,063,652 – common shares	8,063,652	8,063,652
Contributed surplus	3,674,675	3,674,675
Retained earnings	42,831,895	33,831,003
Total shareholders' equity	54,570,222	45,569,330
	$62,327,939	$59,239,809

On behalf of the Board

L. J. Lamb, Director

R. M. Hogarth, Director

STEEP ROCK IRON MINES LIMITED

CONSOLIDATED STATEMENT OF EARNINGS

YEAR ENDED DECEMBER 31, 1979
(WITH COMPARATIVE FIGURES FOR 1978)

	1979	1978
INCOME		
Gross operating revenues		
From production for Algoma Steel Corporation (Note 2(b))	$35,203,234	$39,900,497
Other sales revenue	141,762	195,034
	35,344,996	40,095,531
Royalty income	4,941,051	7,082,464
Investment income	5,246,465	2,343,335
Gain on disposal of fixed assets	2,914,448	33,179
	48,446,960	49,554,509
COSTS AND EXPENSES		
Operating costs, other than those shown below	26,222,157	30,743,242
Administrative and corporate expenses	1,225,792	1,076,029
Interest on bonds	432,876	627,637
Depreciation	3,106,334	4,855,295
Depletion	120,046	466,464
Amortization of deferred development expenditures	942,165	1,802,065
Termination costs and expenses	2,976,437	1,537,168
Sundry exchange losses (gains)	(65,221)	1,092,500
Write-down of investment in other mining company	116,482	115,000
	35,077,068	42,315,400
EARNINGS before income and mining taxes and extraordinary item	13,369,892	7,239,109
Income and mining taxes	6,350,000	3,580,000
EARNINGS before extraordinary item	7,019,892	3,659,109
EXTRAORDINARY ITEM		
Income tax credit arising from carry-forward of prior years' write-offs (Note 7)	1,981,000	2,373,000
NET EARNINGS for the year	$ 9,000,892	$ 6,032,109
PER SHARE		
Earnings before extraordinary item	$0.87	$0.45
Net earnings for the year	$1.12	$0.75

(See notes to consolidated financial statements)

STEEP ROCK IRON MINES LIMITED

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

YEAR ENDED DECEMBER 31, 1979
(WITH COMPARATIVE FIGURES FOR 1978)

	1979	1978
Balance, beginning of year	$33,831,003	$27,798,894
Add net earnings for the year	9,000,892	6,032,109
Balance, end of year	$42,831,895	$33,831,003

(See notes to consolidated financial statements)

STEEP ROCK IRON MINES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 1979
(WITH COMPARATIVE FIGURES FOR 1978)

		1979	1978
SOURCE OF FUNDS			
From operations			
Earnings before extraordinary item		$ 7,019,892	$ 3,659,109
Add (deduct) items not affecting working capital			
Depreciation		3,106,334	4,855,295
Depletion		120,046	466,464
Amortization of deferred development expenditures		942,165	1,802,065
Net reduction of deferred overburden removal costs		2,435,022	5,972,232
Gain on disposal of fixed assets		(2,914,448)	(33,179)
Provisions for future payments to Ontario Hydro and unfunded pension liability		155,971	157,168
Income tax credit arising from carry-forward of prior years' write-offs		1,981,000	2,373,000
Write-down of investment in other mining company		116,482	115,000
Total funds from operations		12,962,464	19,367,154
Sale of fixed assets		2,944,584	105,706
Decrease in mortgages and sale agreements receivable		–	61,159
		15,907,048	19,534,019
APPLICATION OF FUNDS			
Additions to fixed assets and housing	$912,430	–	109,851
Less obligation under capital lease	417,394	495,036	–
Long-term debt paid or included in current liabilities – mortgage bonds		–	6,923,875
Other		25,803	188,708
		520,839	7,222,434
Increase in working capital		15,386,209	12,311,585
Working capital, beginning of year		37,065,245	24,753,660
WORKING CAPITAL, end of year		$52,451,454	$37,065,245
Changes in components of working capital			
Increase (decrease) in current assets			
Cash and deposit certificates		$24,340,951	$11,870,792
Short-term investments		(2,791,128)	4,497,548
Accrued interest		604,605	73,648
Accounts receivable			
Algoma Steel Corporation (affiliated company) for ore produced		(3,287,458)	(3,060,094)
Other		307,281	1,619,140
Ore inventory		(8,866,529)	4,583,815
Supplies		(1,343,831)	(358,042)
Prepaid expenses		(63,809)	93,624
		8,900,082	19,320,431
Decrease (increase) in current liabilities			
Accounts payable and accrued liabilities		1,842,814	437,091
Provision for termination costs		988,445	(1,380,000)
Income and other taxes payable		(3,980,600)	(1,219,000)
Current instalments of mortgage bond principal		7,635,468	(4,846,937)
		6,486,127	(7,008,846)
INCREASE IN WORKING CAPITAL		$15,386,209	$12,311,585

(See notes to consolidated financial statements)

STEEP ROCK IRON MINES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1979

1. CESSATION OF OPERATIONS AT ATIKOKAN

The Company's mining operations at Atikokan terminated at the end of January 1979 when mineable reserves were exhausted; pelletizing operations were completed at the end of August 1979. Most of the mining and crushing equipment, except for certain items which are being retained for possible use in the Bending Lake Project (see Note 4), was sold during the latter part of the year. The pellet plant (whose cost has been fully depreciated) is being maintained for possible future use in connection with the Bending Lake Project. The Company has a small inventory of processed ore on hand which will be sold over the next few years.

As previously announced, Caland Ore Company Limited also terminated its lease on the "C" orezone at the end of 1979, so that Steep Rock will no longer receive royalty payments from this source in future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared by management in accordance with generally accepted Canadian accounting principles consistently applied. Except as indicated in Note 2 (c) such principles are also in conformity, in all material respects, with accounting principles generally accepted in the United States. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Basis of consolidation

The financial statements are drawn up on a consolidated basis to include the accounts of the Company and its subsidiaries, Steerola Explorations Limited, Sanjo Iron Mines Limited and Don Park Homesites Limited (all of which are wholly owned).

(b) Statement presentation of joint venture operations

Under agreements entered into in 1965 certain of the Company's open pit ore reserves at Atikokan were leased to a joint venture participant, The Algoma Steel Corporation, Limited (now an affiliated company), and the Company was appointed operator to mine and process the ore on Algoma's behalf. As in prior years, the 1979 financial statements have been drawn up to reflect in "gross operating revenues" the proceeds received from Algoma for the ore produced, and in "costs and expenses" the full costs of mining and processing the ore. As a result of the cessation of operations in Atikokan in 1979 (see Note 1) these joint venture arrangements have now been terminated.

(c) Exchange translation

The Company's operating revenues and royalty income, which are based on U.S. dollar prices, are reflected in the statement of earnings at their Canadian dollar exchange equivalent for the month in which earned.

U.S. dollar current assets and current liabilities are translated into Canadian dollars on the basis of year-end exchange rates. At December 31, 1977 the Company had U.S. $6,755,000 of outstanding First Mortgage Sinking Fund Bonds which matured beyond one year and were translated at an historical exchange rate. Under U.S. translation principles such long-term debt would have been translated at the 1977 year-end rate. At December 31, 1978 there were no similar adjustments arising from differences between U.S. and Canadian translation principles since all of the first mortgage bonds then outstanding (which were repaid during 1979) were shown as current liabilities and translated at current rates. However because of the differences in translation methods applicable to long-term debt outstanding at the beginning of 1978, net earnings as reported for the year ending December 31, 1978 under Canadian accounting principles was approximately $468,000 lower than it would have been under U.S. accounting principles. There were no similar exchange translation differences in the case of net earnings reported for the year 1979.

(d) Depreciation, depletion and amortization

Except for certain items which are being retained for possible use in the Bending Lake Project, the mining properties, plant and deferred development expenditures at Atikokan have now been fully written off. No depreciation is being provided on the assets being retained for use at Bending Lake since they are not in use and it is estimated that their residual value is in excess of their present carrying value.

Housing assets (which are expected to have a continuing value after 1979) are being written off at an annual rate of 5 per cent on the straight-line basis. Furniture and leasehold improvements at the Company's Toronto office are being written off over a period of five years.

(e) Supplies

The bulk of the Company's inventory of supplies was either used, returned to suppliers, or sold during 1979. The remaining inventory has been fully written off.

(f) Termination costs

Provision has been made for various termination costs (severance and holiday pay, environmental expenditures, etc.) which it is expected will be incurred in 1980 as a result of the cessation of operations at Atikokan.

3. FIXED ASSETS AND HOUSING

(a) The balance of $647,142 shown for fixed assets on the balance sheet at December 31, 1979 ($2,891,217 at December 31, 1978) is made up as follows:

	1979	1978
Equipment being retained for possible use at Bending Lake		
Capitalized value of equipment under lease (Note 8(d))	$503,526	–
Equipment previously under lease, which was purchased during 1979	68,650	–
	572,176	–
Remaining plant, buildings and equipment at Atikokan	1	$2,771,170
Mining properties at Atikokan	1	120,047
Toronto office furniture and leasehold improvements, at cost less accumulated depreciation and amortization of $5,355	74,964	–
	$647,142	$2,891,217

While the Company has now disposed of most of its surplus equipment and supplies, it expects to receive some further proceeds in 1980 from the disposal of remaining items in this category, as well as from the disposal of certain airport and other facilities whose sale is now being negotiated. Any such proceeds will be reflected in income as received.

(b) Mortgages and sale agreements receivable include housing loans of $151,500 made to two officers of the Company during 1979 in connection with their relocation to Toronto.

4. DEFERRED DEVELOPMENT EXPENDITURES

Changes in deferred development expenditures during the year were as follows:

	Lake St. Joseph	Bending Lake	Atikokan	Total
Balance, December 31, 1978	$1,184,208	$798,492	$942,165	$2,924,865
Expenditures during year (net)	–	56,959	–	56,959
	1,184,208	855,451	942,165	2,981,824
Deduct amortization	–	–	942,165	942,165
Balance, December 31, 1979	$1,184,208	$855,451	$ –	$2,039,659

Deferred development expenditures relating to Lake St. Joseph represent accumulated expenditures (net of recoveries and prior years' write-offs) incurred in connection with the Company's Lake St. Joseph claims.

The deferred development expenditures relating to Bending Lake represent the amounts expended by the Company to December 31, 1979 with respect to the possible development of an iron oxide deposit located approximately 40 air miles from Atikokan. Feasibility studies have been conducted jointly with Algoma Steel and Canadian Pacific Investments Limited. The Company has an option which, if exercised, will entitle it to lease the claims from the present owner upon payment of $1,500,000 (in five annual instalments) and future royalties based on production. This option, which was originally scheduled to expire at the end of 1978, has been extended, on an annual basis, for a three-year term, to December 31, 1981, upon a payment in advance for each year. The payment for the year 1980 has been made as required.

In view of the current iron ore surplus and other economic factors the Company has no plans to proceed with the development of either the Lake St. Joseph properties or the Bending Lake property at this time. The development of these properties at some future date will be dependent on market and economic conditions.

5. INVESTMENT IN OTHER MINING COMPANY

The Company has an 11 per cent share interest in International Iron Ores Limited, a company which either directly, or through a subsidiary, holds exploration permits (expiring in 1987) covering certain iron oxide deposits on the west side of Ungava Bay. Since no substantial development work at the properties has been carried out for some years the Company decided to write down the cost of its investment by $115,000 in 1978, and by a further $116,482 in 1979, thereby reducing the carrying value to $1.

6. REPAYMENT OF FIRST MORTGAGE SINKING FUND BONDS

The termination of operations at Atikokan in 1979 resulted in the remaining principal instalments of the First Mortgage Sinking Fund Bonds becoming due and payable. The bonds were fully repaid by December 31, 1979.

7. INCOME TAXES

In June 1979 the Company refiled certain of its prior years' income tax returns claiming additional capital cost allowances. This had the effect of increasing the amount of prior years' write-offs available as a deduction against taxable income, and the estimated tax credits resulting therefrom of $1,981,000 ($868,000 in respect of 1978 and $1,113,000 in respect of the year ended December 31, 1979) are shown as an extraordinary item in the consolidated statement of earnings.

8. COMMITMENTS AND CONTINGENT LIABILITIES

(a) The Company's unfunded past service pension obligation at December 31, 1979 (all of which relates to the non-contributory plan for the Company's unionized employees) is estimated at $72,500. This amount has been fully provided for in the accounts ($5,300 in current liabilities for the instalment payable in 1980, and $67,200 in non-current liabilities for instalments payable over the period 1981-1993).

Total pension contributions or provisions in respect of the non-contributory and the salaried employees' retirement plan amounted to $89,696 in 1979 and $75,561 in 1978.

(b) Under an agreement dated March 15, 1949 relating to the diversion of the Seine River, the Company is committed to make annual payments of $92,357 (covering principal and interest) to Ontario Hydro until November 1, 1989. The principal portion of these future payments has been provided for in the accounts at December 31, 1979.

(c) The Company is obligated under certain outstanding sale agreements to repurchase houses if so requested by the employees or ex-employees concerned. The maximum commitment at December 31, 1979 is estimated at approximately $50,000.

(d) Under the terms of the lease agreement covering a large mining shovel being retained for possible use at Bending Lake the Company is committed to make lease payments of $102,252 annually until December 1984 (for an aggregate of $511,260), at which time it can exercise an option (acquired during 1979) to purchase the shovel for $71,690. The present value of future lease payments (including the option price) was capitalized during 1979 and included in fixed assets (see Note 3(a)). The related liability for future lease payments outstanding at December 31, 1979 (after deducting interest of $95,929 based on an implicit rate of 8½ per cent) is carried on the balance sheet ($69,627 in current liabilities and $417,394 in non-current liabilities).

(e) When operations at Atikokan were shut down in August 1979 and gas consumption ceased, the Company gave notice of contract suspension to the supplier stating that such suspension was in accordance with the provisions of the "force majeure" clause contained in its gas supply contract (which contract was originally entered into in 1966 for a 21-year period expiring in 1987). The Company's right to suspend the contract has not been accepted by the supplier and the matter may become the subject of litigation. In the meantime the supplier is invoicing the Company for the minimum monthly quantities provided for in the contract but these have not been recorded in the Company's accounts since it believes, on the advice of counsel, that notice of suspension has been properly given under the contract and that all obligations for payments under the contract are suspended effective August 31, 1979. It is not possible, at this time, to estimate the amount, if any, of the Company's contingent liability in connection with this matter; however, in the opinion of counsel for the Company, any such liability would not be material to the Company's financial position.

AUDITORS' REPORT

To the shareholders of
Steep Rock Iron Mines Limited

We have examined the consolidated balance sheet of Steep Rock Iron Mines Limited as at December 31, 1979 and the consolidated 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.

In our opinion, these consolidated financial statements present fairly the financial position of the Company as at December 31, 1979 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.

Thunder Bay, Canada,
February 8, 1980.

Clarkson Gordon
Chartered Accountants

10 YEARS IN REVIEW

	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970
	(Thousands of Dollars)									
Income										
Gross operating revenues	35,345	40,096	38,255	31,082	22,741	21,628	19,620	18,730	18,330	17,967
Royalty income	4,941	7,082	4,916	5,391	3,543	3,683	3,335	2,968	4,937	4,935
Investment income	5,247	2,343	1,034	402	534	769	563	423	434	480
Gain on fixed asset disposals	2,914	33	13	90	94	6	76	–	–	–
	48,447	49,554	44,218	36,965	26,912	26,086	23,594	22,121	23,701	23,382
Costs and expenses										
Operating costs, etc.	30,475	34,563	31,859	28,989	22,051	19,839	18,229	16,247	14,991	14,597
Interest	433	628	777	881	1,022	1,154	1,331	1,474	1,707	1,888
Depreciation, depletion and amortization	4,169	7,124	7,016	6,910	6,361	3,780	3,592	3,584	3,789	4,096
	35,077	42,315	39,652	36,780	29,434	24,773	23,152	21,305	20,487	20,581
Earnings (loss) before income and mining taxes and extraordinary items	13,370	7,239	4,566	185	(2,522)	1,313	442	816	3,214	2,801
Income and mining taxes	6,350	3,580	1,813	115	–	510	–	78	1,145	990
Earnings (loss) before extraordinary items	7,020	3,659	2,753	70	(2,522)	803	442	738	2,069	1,811
Extraordinary items										
Income tax credit arising from carry-forward of prior years' write-offs	1,981	2,373	1,813	115	–	510	48	78	1,145	372
Exchange credits less exchange losses (net of related tax)	–	–	–	–	–	–	–	–	–	1,300
Gain (provision for loss) on investments	–	–	–	–	(352)	–	–	–	–	545
Write-off of land and plant facilities no longer required (net of related tax)	–	–	–	–	–	–	–	–	–	(483)
Special payment received from Ontario Hydro (net of related tax)	–	–	–	–	–	–	291	–	–	–
	1,981	2,373	1,813	115	(352)	510	339	78	1,145	1,734
Net earnings (loss)	9,001	6,032	4,566	185	(2,874)	1,313	781	816	3,214	3,545
Per share										
Earnings (loss) before extraordinary items	0.87	0.45	0.34	0.01	(0.31)	0.10	0.05	0.09	0.26	0.22
Net earnings (loss)	1.12	0.75	0.57	0.02	(0.36)	0.16	0.10	0.10	0.40	0.44
Dividends	–	–	–	–	–	–	–	0.15	0.15	0.15
Iron ore and pellets										
Tons (000)										
Sales	980	1,324	1,432	1,313	1,065	1,362	1,442	1,469	1,415	1,501
Royalty ore	1,244	1,996	1,622	1,985	1,358	1,937	2,000	1,922	3,000	3,000
Total tons	2,224	3,320	3,054	3,298	2,423	3,299	3,442	3,391	4,415	4,501

Town of Atikokan