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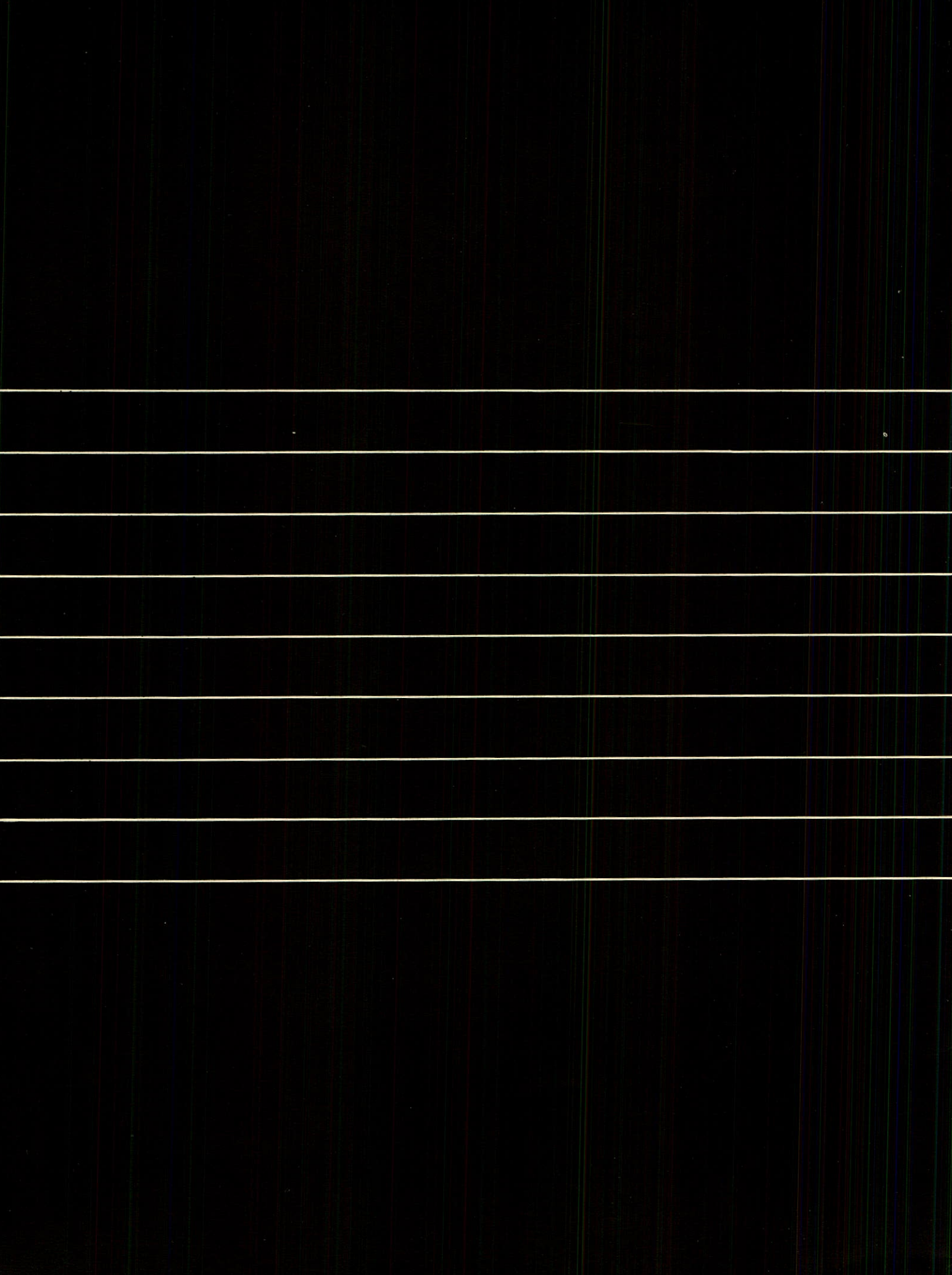
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**NORANDA
MINES
LIMITED**

ANNUAL REPORT
FOR THE FISCAL YEAR ENDING DECEMBER 31, ST

1948

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NORANDA MINES

L I M I T E D

ANNUAL REPORT

FOR THE FISCAL YEAR ENDING DEC. 31, ST.

1948

NORANDA MINES, LIMITED

DIRECTORS

JAMES Y. MURDOCH, O.B.E., K.C., LL.D.	- - -	Toronto, Ontario
H. L. ROSCOE	- - -	Toronto, Ontario
HARRY G. HASKELL	- - -	Wilmington, Delaware
A. L. ELLSWORTH	- - -	Toronto, Ontario
F. M. CONNELL, O.B.E.	- - -	Toronto, Ontario
H. W. CHADBOURNE	- - -	New York, N.Y.
LEO H. TIMMINS	- - -	Montreal, Quebec
HON. ALPHONSE RAYMOND, LL.D., M.L.C.	- -	Montreal, Quebec
N. C. URQUHART, C.B.E.	- - -	Toronto, Ontario
JULES R. TIMMINS, O.B.E.	- - -	Montreal, Quebec

OFFICERS

JAMES Y. MURDOCH, O.B.E., K.C., LL.D.	- - -	President
H. L. ROSCOE	- - -	Vice-President and General Manager
J. R. BRADFIELD	- - -	Secretary
R. G. RUDOLF	- - -	Treasurer
C. H. WINDELER	- - -	Assistant Secretary
C. C. MUIR	- - -	Assistant Secretary
HAROLD PINNOCK	- - -	Assistant Treasurer

CONSULTING ENGINEER

OLIVER HALL	- - -	Toronto, Ontario
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HEAD OFFICE

2 King Street East, Toronto 1, Ontario

TRANSFER AGENTS

Chartered Trust and Executor Company, Toronto and Montreal, Canada
Bank of The Manhattan Company, New York, U.S.A.

REGISTRARS

Imperial Bank of Canada, Toronto and Montreal
The Chase National Bank of the City of New York, U.S.A.

BANKERS

Imperial Bank of Canada
The Royal Bank of Canada
The Bank of Nova Scotia
Chartered Trust and Executor Company

GENERAL COUNSEL

Holden, Murdoch, Walton, Finlay & Robinson, Toronto

ANNUAL MEETING

April 29th, 1949, 2.30 p.m. King Edward Hotel, Toronto

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors submit herewith the Twenty-sixth Annual Report of your Company with Balance Sheet as at December 31, 1948, Auditors' Report and Statement of Operations for the year; Reports of the Vice-President and General Manager, Consulting Engineer and the Manager; together with Statements of Operations, Surplus and Working Capital of Waite Amulet Mines, Limited, Pamour Porcupine Mines, Limited, Hallnor Mines, Limited, Aunor Gold Mines Limited, Compania Minera La India and Canada Wire and Cable Company, Limited.

Net profit for the year was \$4.45 per share, inclusive of \$2.29 per share from dividends and interest on investments. This compares with \$3.00 per share in 1947, including \$1.63 from dividends and interest; earnings of that year being adversely affected by a strike in the first quarter and a shortage of miners throughout the year. Three dividends of 75¢ per share and one dividend of \$1.00 were paid during the year.

The domestic price of 21½¢ per pound of copper, which prevailed since June, 1947, was increased to 23½¢ in August, 1948. Your Company's copper production is sold to the end of 1949 with a percentage sold beyond that date. The number of employees on the payroll at the year end was 1602, the highest figure since 1944 and, with a better supply of labour available, your Company is now returning to a more normal mining and development program which is resulting in a gradual increase in production.

Last October your Company purchased 149,000 shares of Mining Corporation of Canada, Limited; total holdings at this date being 224,000 shares with a book value of \$2,529,000. At the same time, Waite Amulet Mines, Limited also purchased a block of Mining Corporation shares and at this date the combined holdings of Noranda and associated companies total 31% of the issued capital of Mining Corporation. The latter Company owns control of Quemont Mining Corporation, Limited, whose property is adjacent to the Horne Mine and will shortly be coming into large scale production of gold, copper and zinc; and also owns control of Normetal Mining Corporation, Limited, a copper-zinc producer.

In January, 1949, your Company purchased 375,000 shares of Anglo-Huronian Limited, increasing your Company's shareholding to a total of 492,662 shares, having a book value of \$4,748,300. At the same time, Hallnor Mines, Limited, purchased 155,000 shares, bringing the total combined shareholdings to slightly over 43% of the Anglo-Huronian shares outstanding. Anglo-Huronian owns or controls a substantial block of shares of Kerr-Addison Gold Mines, Limited with the result that Noranda and associated companies hold 44.5% of the outstanding shares of this important gold producer.

The object and goal of your Board of Directors over the years has been to secure the continuity of life and earning power of your Company. By the acquisition of substantial share interests in Anglo-Huronian and Mining Corporation and thus acquiring important share interests in companies owning or controlling production of copper, zinc, gold, silver and other minerals, your Directors feel that the long term position of the Company has been greatly strengthened.

WAITE AMULET MINES, LIMITED (NORANDA, QUEBEC)—A net profit of \$1.90 per share was earned, compared with \$1.15 per share in 1947. After milling 423,000 tons, ore reserves of Waite Amulet and its subsidiary at the year end totalled 1,449,400 tons compared with 1,765,000 tons at the end of 1947. Production operations at the Waite section terminated early in the year and it is expected the "C" and "F" orebodies will be mined out by the end of 1949. A copper-zinc orebody recently discovered on the easterly part of the Waite section is being actively explored by diamond drilling, preparatory to shaft sinking at an early date.

CANADIAN COPPER REFINERS LIMITED (MONTREAL EAST, QUEBEC)—Copper production totalled 95,410 tons compared with 88,930 tons in 1947. The extension program which will increase refinery capacity by approximately one-eighth, and provide for the production of special shapes is scheduled for completion in June.

PAMOUR PORCUPINE MINES, LIMITED (PAMOUR, ONTARIO)—A net profit of \$16,000 was earned compared with a loss of \$24,000 in 1947, due to a credit of some \$180,000 under the Emergency Gold Mining Assistance Act. Ore reserves at the year end showed only a slight decrease compared with the year prior.

HALLNOR MINES, LIMITED (PAMOUR, ONTARIO)—The net profit per share amounted to 29.96¢ as compared with 26.97¢ in 1947. Drilling on the 2760 ft. level has indicated ore areas comparable in size to the upper levels, but of lower grade. Drifting on the 3060 ft. level has been started. Dividends of 28¢ per share were paid, the same as in the year previous.

AUNOR GOLD MINES LIMITED (TIMMINS, ONTARIO)—Net earnings, which included a credit of approximately 3¢ per share under the Emergency Gold Mining Assistance Act, amounted to 20.70¢ per share, compared with 24.43¢ per share in 1947. Dividends of 20¢ per share were paid, the same as in 1947.

COMPANIA MINERA LA INDIA (NICARAGUA, C.A.)—A net profit of \$499,000 (U.S.) was earned, compared with \$324,000 in 1947. This includes dividends of \$427,500 from its subsidiary, Empresa Minera de Nicaragua, compared with \$95,000 in 1947. Dividends paid by La India totalled \$400,000 during the year. A net profit of \$498,000 was earned by Empresa compared with \$554,000 in 1947. The average price received for gold sold during the year amounted to \$43.50 per ounce.

CANADA CHINA CLAY AND SILICA, LTD. (KASIL, QUEBEC)—This plant, which was operating at a deficit, was closed down in June, the equipment sold and the mill demolished; only the land and a few buildings remain for disposal. No further write-off will be required after liquidation.

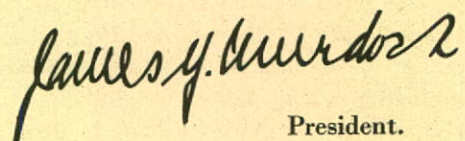
CANADA WIRE AND CABLE COMPANY, LIMITED (LEASIDE, ONTARIO)—The net profit amounted to \$1,360,000 as compared with \$1,470,000 in 1947. These figures include inventory gains of \$300,000 and \$700,000 respectively in the two years in consideration of which a Reserve Fund of \$1,000,000 was set up against possible future inventory losses. Dividends paid during the year amounted to \$344,000, compared with \$420,000 in 1947. Production at the Company's plants is normal and present sales prospects are satisfactory.

NORANDA COPPER AND BRASS LIMITED (MONTREAL EAST, QUEBEC)—This new operation is still in process of conversion to a more complete line of products with additional equipment to be installed in the next few months. Finances available are deemed to be adequate. Domestic sales of products available during the year were satisfactory, but export business was disappointing.

In November, Mr. Jules R. Timmins, O.B.E., was appointed a Director of your Company in the place and stead of the late Honourable J. E. Perrault, K.C., B.A., LL.D.

Your Directors wish to express their appreciation of the loyal and able services rendered by the Management, Staff and Employees throughout the year.

On behalf of the Board,



President.

Toronto, March 1st, 1949.

VICE-PRESIDENT & GEN. MANAGER'S REPORT

TO THE PRESIDENT AND DIRECTORS

I herewith transmit the report of Mr. R. V. Porritt, Manager, on the operations at the Horne Mine for 1948, with the following comments:—

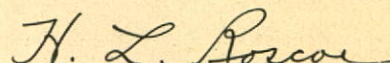
The indicated reserve of sulphide ore above the 2975-ft. level at the year end was 752,000 tons less than at the end of 1947. The average copper content of the sulphide ore mined was 2.46%, as compared with the ore reserve average of 2.26%, and the average gold content was 0.161 oz. per ton, as compared with the sulphide ore reserve average of 0.187 oz. per ton.

The tonnage now being treated in the smelter is approaching the maximum that can be efficiently smelted in one reverberatory furnace so, with some expected increase in production from the Horne mine and increased shipments of concentrate from other companies, it is probable that the second furnace, which has been idle since 1944, will be placed in operation shortly.

Encouraging results were obtained from the operation of the experimental test plant designed to investigate the possibility of producing elemental sulphur and high-grade iron oxide (iron ore) from pyrite. This test work is being continued, as well as a study of by-products, location of markets and general economics.

The two smelter stacks are in poor condition after over twenty years of operation and one of them, which has been overloaded for a number of years, will be replaced in 1949 with a larger one, 525 feet in height and 21 feet in diameter at the top. The increasing proportion of concentrate being smelted has overtaxed the existing dust-collecting equipment, so a new Cottrell plant will be built in order to reduce metal losses. These replacements and improvements, together with the expansion programme being carried out at Canadian Copper Refiners Limited, will involve substantial capital expenditures in 1949.

Respectfully submitted,



Vice-President and General Manager.

Toronto, March 1st, 1949.

CONSULTING ENGINEER'S REPORT

TO THE PRESIDENT AND DIRECTORS

Exploration was carried on in 1948 for copper in Gaspé, for iron in the Norancon Concession in Northern Quebec, for copper and gold in Western Quebec, Western Ontario, Northern Manitoba, Saskatchewan and British Columbia and for lead and copper in the Yukon.

Diamond Drilling in 1948 on the Gaspé Copper property indicated an additional 6,000,000 tons averaging 1.8 percent copper. Drilling before the war had indicated 35,000,000 tons averaging 0.9 percent copper. Drilling has been stopped for the winter but will start again in April.

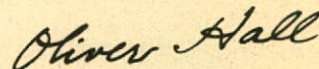
The operation of Norancon in Northern Quebec, north of the Hollinger North Shore and Labrador Mining Concessions consisted of detailed mapping. No major discoveries were made but the iron formation was mapped and exploration will continue in 1949.

In Western Quebec two properties with sulphide showings north of the Waite were purchased and prospecting parties were maintained in the Lake Chibougamau area.

Examinations were continued in British Columbia and a copper area in the Yukon near Whitehorse was tested. Numerous copper showings in a belt ten miles long were mapped and all the major showings were magnetically surveyed. Diamond drilling gave disappointing results. The copper areas were found to be relatively small and the grade too low for the conditions. Prospecting parties were maintained in the Yukon and one is working on a lead-silver showing.

A participation was taken in an exploration project west of Hudson Bay and at the end of the year a participation was taken in an option on a lead-zinc showing on the north shore of Great Slave Lake. Due to labour conditions little progress was made in the Midcamp property in the Porcupine gold camp but conditions have improved and some progress should be made in 1949.

Respectfully submitted,



Consulting Engineer.

Toronto, March 1, 1949.

MANAGER'S REPORT

TO THE VICE-PRESIDENT AND GENERAL MANAGER

REPORT OF OPERATIONS FOR THE YEAR 1948

HORNE MINE: Despite some easing of the shortage of mine workmen, it was necessary to limit underground exploration to diamond drilling, of which 62,557 feet was done. In preparing stopes for production, 1,188 feet of drifts and 300 feet of raises were driven. Exploration by surface diamond drilling of the area along the Horne Creek Fault is being continued.

ORE RESERVES: From information obtained by diamond drilling and other openings in the various orebodies, there is now indicated above the 2975 foot level, as of January 1, 1949, the following tonnage of ore:

	Tons	Copper %	Gold Per Ton, Oz.
Sulphide Ore over 4% Copper.....	4,528,000	7.16	0.161
Sulphide Ore under 4% Copper.....	14,000,000	0.67	0.195
Total Sulphide Ore.....	18,528,000	2.26	0.187
Silicious Fluxing Ore.....	957,900	0.09	0.121
Total Ore.....	19,485,900		

ORE SHIPMENTS: The tonnage and grade of ore delivered from the Horne Mine to the Smelter and Concentrator during 1948 were as follows:

	Tons	Copper %	Gold Per Ton, Oz.	Silver Per Ton, Oz.
Direct Smelting Ore.....	398,584	2.10	0.185	0.39
Concentrating Ore.....	574,103	2.72	0.145	0.39
Silicious Fluxing Ore.....	4,716	0.84	0.064	0.23
Total.....	977,403			

SMELTER: During the year, the smelter treated 836,450 tons of ore, concentrate and secondary products such as refinery slag and scrap copper and brass, from which 102,707,500 pounds of anodes were produced. Included in the total tonnage treated were 327,049 tons of materials which were treated for other companies on a toll basis. After deducting the copper, gold and silver recovered from secondary products, the estimated recovery of new metals was 97,756,497 pounds of fine copper, 186,602 ounces of gold and 1,254,365 ounces of silver. The estimated recovery from Horne Mine ores and concentrate was 43,731,979 pounds of copper, 142,273 ounces of gold and 437,493 ounces of silver.

In addition, 2,291 tons of blister copper received from a customs shipper were melted and processed into anodes.

CONCENTRATOR: In 1948, the concentrator treated 572,688 tons of ore from the Horne Mine and 30,828 tons of custom ore from which 107,735 tons of copper-gold concentrate and 94,822 tons of pyrite concentrate were produced. The copper-gold concentrate was sent to the smelter and the pyrite concentrate was treated by cyanidation, with a recovery of 6,682 ounces of gold. After cyanidation, 86,932 tons of the pyrite concentrate was dried and sold to chemical plants.

STATISTICS: The following table shows the amount of ore hoisted, the tonnage treated in the smelter and concentrator, and the output of metals each year since the commencement of operations in December, 1927:

Year	Tons of Ore Hoisted, Horne Mine	Tons of Ore Milled	Tons of Horne Mine Ore and Concentrate Smelted	Tons of Material Smelted For Other Companies	Pounds of New Copper Produced	Ounces of Gold Produced	Pounds of Copper From the Horne Mine	Ounces of Gold From the Horne Mine
1927.....	10,740	-----	10,740	-----	552,345	767	552,345	767
1928.....	265,970	4,468	266,095	5,831	33,065,261	52,949	32,113,413	52,335
1929.....	323,316	51,689	383,537	44,684	51,223,115	68,732	44,472,520	66,756
1930.....	849,303	191,856	713,143	20,930	75,509,373	117,393	69,244,529	116,179
1931.....	1,012,005	317,792	762,796	2,748	62,010,910	252,561	61,800,247	251,617
1932.....	1,218,295	379,637	915,157	3,410	60,588,127	338,255	60,584,462	338,025
1933.....	1,541,524	676,168	1,007,778	2,851	63,548,524	283,109	63,518,749	283,058
1934.....	1,777,021	920,363	1,044,294	6,390	68,433,016	247,128	68,208,741	242,112
1935.....	1,906,661	1,048,806	1,069,912	6,320	74,478,436	265,538	74,106,222	259,763
1936.....	2,011,730	1,070,597	1,116,381	4,074	62,750,342	342,495	62,697,995	340,664
1937.....	2,024,468	1,106,609	1,101,191	54,564	87,060,237	280,806	80,122,543	274,157
1938.....	1,996,485	1,107,977	1,070,194	221,498	96,966,169	337,025	75,934,608	300,544
1939.....	1,926,902	1,103,418	1,022,024	313,275	105,363,477	318,599	82,626,816	267,504
1940.....	1,970,957	1,118,338	1,040,584	322,100	133,854,138	290,628	76,720,860	251,665
1941.....	1,956,866	1,099,391	1,071,148	340,267	144,130,669	298,874	74,403,256	259,039
1942.....	1,862,966	1,109,231	933,276	441,870	141,661,397	319,475	67,516,855	263,901
1943.....	1,844,692	1,090,166	946,652	434,087	132,762,100	333,261	66,364,854	269,903
1944.....	1,553,857	1,055,473	703,153	345,285	113,086,814	246,990	56,580,845	196,402
1945.....	1,330,534	858,523	626,571	296,520	102,323,546	226,095	53,565,532	174,217
1946.....	953,437	562,034	500,625	250,226	70,378,097	198,660	27,525,548	155,197
1947.....	516,705	194,601	359,631	289,123	85,317,228	127,447	27,539,066	85,462
1948.....	977,403	603,516	509,401	327,049	97,756,497	186,602	43,731,979	142,273
TOTAL	29,831,837	15,670,653	17,174,283	3,733,102	1,862,819,818	5,133,389	1,269,931,985	4,591,540

GENERAL: The working force was increased by 314 to a total of 1,602 employees at the year end, the major part of the increase being in the underground force. A considerable training programme was required because almost all the new underground employees were inexperienced, but it was possible to increase the monthly rate of ore production from the Horne Mine from 57,000 tons in January to 101,700 tons in December.

I wish to express my appreciation to Mr. C. E. Anderson, Assistant Manager; Mr. J. N. Anderson, Smelter Superintendent; Mr. C. G. McLachlan, General Superintendent of Mills; Mr. H. L. Ames, Concentrator Superintendent; Mr. J. A. Costa, Mine Superintendent; Mr. B. C. Rochester, Plant Engineer; Mr. J. A. Carter, Accountant, and their staffs, for the efficient and loyal services rendered during the past year.

Respectfully submitted,

R. J. Bennett

Manager.

BALANCE SHEET

December 31, 1948

ASSETS

Current:			
Cash on hand and on deposit.....		\$ 2,797,324	
Marketable bonds and shares at cost (market value \$7,875,810).....		7,822,939	
Secured loans.....		1,189,800	
Accounts and interest receivable.....		287,300	
Refundable portion of taxes on income.....		75,000	
Smelting and refining tolls receivable on metals in process, etc.....		438,441	
Refinery settlements outstanding and metals on hand as determined and certified by the management and valued as in the previous year, at—copper 10¢ per lb., silver 45¢ per oz., gold \$35 per oz., less estimated refining and marketing charges.....		5,905,968	\$18,516,772
Deferred:			
Materials and supplies.....		\$ 1,331,567	
Mortgage loans on townsite lots, etc.....		451,024	
Charges to operations.....		172,537	1,955,128
Capital Expenditures:			
Mining properties at cost.....		\$ 919,779	
Plant, buildings and equipment at cost.....	\$14,723,041		
Investment in hotel, houses, etc.....	1,985,618		
	\$16,708,659		
Less reserve for depreciation.....	15,507,807	1,200,852	2,120,631
Investments at cost, less amounts written off:			
Subsidiary companies.....		\$13,326,709	
Affiliated and other companies.....		8,972,150	22,298,859
Advances to Subsidiary and Affiliated Companies.....			
			284,701
Prospecting and Exploration on Outside Properties, less amounts written off.....			
			160,233
			<u>\$45,336,324</u>

LIABILITIES

Current:			
Accounts and wages payable and accrued.....		\$ 737,641	
Custom ore settlements outstanding.....		1,150,418	
Unclaimed dividends.....		35,610	
Unclaimed portion of dividend paid December 15, 1948.....		257,906	
Provision for taxes.....		1,679,000	\$ 3,860,575
Reserve for Investments and Contingencies:.....			
	(increased during the year by transfers from surplus and other reserves, \$1,123,060, less losses on and amounts written off investments and advances, \$854,467)		5,339,726
Capital and Surplus:			
Capital—			
Authorized—2,250,000 shares of no par value.....		\$11,303,140	
Issued —2,239,772 shares.....		24,832,883	36,136,023
Earned surplus.....			
Notes:			
1. The company has guaranteed interest and principal on \$3,500,000 outstanding bonds of Noranda Copper and Brass Limited, a subsidiary.			
2. The company has commitments outstanding for capital expenditure and purchase of investments of approximately \$1,375,000 and \$850,000 respectively.			
3. As noted in the directors' report, the company made a substantial investment in shares of Anglo-Huronian, Limited in January 1949 under an option agreement that was outstanding on December 31, 1948.			
			<u>\$45,336,324</u>

MINES, LIMITED

THE PROVINCE OF ONTARIO, CANADA)

STATEMENT OF OPERATIONS

for the year ended December 31, 1948

Revenue:

From metals produced.....	\$14,468,228	
Dividends and interest earned.....	5,129,207	\$19,597,435

Expenditure:

Cost of metal production including mining, treatment and delivery.....	\$ 6,377,145	
Provision for depreciation of plant, buildings and equipment, etc.....	321,403	
Administrative and general expenses.....	315,551	
Municipal and sundry taxes.....	171,226	
Company's contributions to employees' insurance and pension plans.....	202,167	7,387,492
		<u>\$12,209,943</u>
Provision for taxes on income.....	\$ 1,999,900	
Outside exploration written off.....	250,960	2,250,860
		<u>\$ 9,959,083</u>

Net profit for year transferred to surplus.....

EARNED SURPLUS

Balance December 31, 1947.....	\$23,153,059
Add net profit for year ended December 31, 1948.....	9,959,083
	<u>\$33,112,142</u>

Less:

Dividends paid in 1948—

#56—75¢ per share March 15th.....	\$ 1,679,829
#57—75¢ per share June 15th.....	1,679,829
#58—75¢ per share September 15th.....	1,679,829
#59—\$1.00 per share December 15th.....	2,239,772

\$ 7,279,259

Transferred to reserve for investments and contingencies.....

1,000,000

8,279,259

Balance December 31, 1948 per balance sheet.....

\$24,832,883

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of Noranda Mines, Limited as at December 31, 1948 and the statements of operations and earned surplus for the year ended on that date. In connection therewith we made a general review of the accounting methods, and without making a detailed audit of the transactions, examined or tested the accounting records of the company. All our requirements as auditors have been complied with.

We report that in our opinion the above balance sheet and the related statements of operations and earned surplus have been drawn up so as to exhibit a true and correct view of the state of the company's affairs at December 31, 1948 and of the results of its operations for the year, according to the best of our information and the explanations given us and as shown by the books.

Toronto, Canada,
February 25, 1949.

CLARKSON, GORDON & CO.,
Chartered Accountants.

WAITE AMULET MINES, LIMITED

(INCORPORATED UNDER THE LAWS OF THE DOMINION OF CANADA)

CAPITAL

Authorized—3,500,000 shares of no par value
 Issued —3,300,000 shares of no par value
 (Held by Noranda Mines, Limited—2,227,630 shares)

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 31ST DECEMBER, 1948

Revenue:		
Metal recoveries and miscellaneous income.....		\$2,463,087
Expenditure:		
Development, mining, treatment and delivery charges.....	\$1,507,087	
Provision for depreciation of buildings, plant and equipment.....	27,469	
Administrative and general expenses.....	36,129	
Directors' fees.....	7,000	
Registrar and transfer expense.....	7,894	
Legal fees.....	1,600	1,587,179
		<u>\$ 875,908</u>
Dividends received:		
From subsidiary company.....	\$5,610,000	
From affiliated companies.....	16,536	5,626,536
		<u>\$6,502,444</u>
Provision for taxes on income.....		237,812
		<u>\$6,264,632</u>
SURPLUS		
Balance 31st December 1947.....		\$5,021,618
Add:		
Net profit for year 1948 as above.....		6,264,632
		<u>\$11,286,250</u>
Less:		
Dividends No. 29, 30, 31 and 32.....		4,950,000
		<u>\$6,336,250</u>
WORKING CAPITAL		
Current assets.....		\$4,548,875
Current liabilities.....		1,199,068
		<u>\$3,349,807</u>

NOTE: Issued Capital of Subsidiary, Amulet Dufault Mines Limited—
 3,520,000 shares of no par value.
 Held by Waite Amulet Mines, Limited, 3,300,000 shares.
 Net Profit of Subsidiary for 1948, \$5,767,595.
 Dividends paid by Subsidiary during 1948, \$5,984,000.
 Waite Amulet's share of 1948 dividends, \$5,610,000.

PAMOUR PORCUPINE MINES, LIMITED

(INCORPORATED UNDER THE LAWS OF THE DOMINION OF CANADA)

CAPITAL

Authorized and Issued—5,000,000 shares of no par value
(Held by Noranda Mines, Limited—2,293,236 shares)

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 31ST DECEMBER, 1948

Revenue:

Metal recoveries.....	\$1,330,822	
Income from investments.....	89,212	\$1,420,034

Expenditure:

Cost of metal production, including mining, milling, delivery and mint charges.....	\$1,435,275	
Administrative and general expenses (including legal fees \$889 and directors' fees \$250).....	28,184	
Provision for depreciation of buildings, plant and equipment.....	65,319	
Amount written off special development expenditure.....	45,845	
Loss on sale of investments.....	5,375	

\$1,579,998

Less: Recoverable under The Emergency Gold Mining Assistance Act.....	179,833	\$1,400,165
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Provision for provincial income taxes.....		\$ 19,869
		3,247

Net profit for year.....		\$ 16,622
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SURPLUS

Balance 31st December, 1947.....		\$2,316,306
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Add:

Net profit for year 1948 as above.....		16,622
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Balance 31st December, 1948.....		\$2,332,928
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WORKING CAPITAL

Current assets.....		\$3,254,193
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Current liabilities.....		238,299
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\$3,015,894

HALLNOR MINES, LIMITED

(No Personal Liability)

(INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO, CANADA)

CAPITAL

Authorized and Issued—2,000,000 shares of the par value of \$1.00 each

(Held by Noranda Mines, Limited—1,884,646 shares)

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 31ST DECEMBER, 1948

Revenue:

Metal recoveries.....	\$1,585,075	
Income from investments.....	87,435	\$1,672,510

Expenditure:

Cost of metal production, including mining, milling, delivery and mint charges.....	\$ 863,378	
Administrative and general expenses.....	34,066	
Provision for depreciation of buildings, plant and equipment.....	13,041	

	\$ 910,485	
Less: Recoverable under The Emergency Gold Mining Assistance Act.....	20,000	\$ 890,485

		\$ 782,025
Provision for income and production taxes.....		182,729

Net profit for year.....		\$ 599,296
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SURPLUS

Balance 31st December, 1947.....		\$2,150,496
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Add:

Net profit for year 1948 as above.....		599,296
		\$2,749,792

Less:

Dividends.....		560,000
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Balance 31st December, 1948.....		\$2,189,792
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WORKING CAPITAL

Current assets.....		\$3,127,895
Current liabilities.....		233,454

\$2,894,441

AUNOR GOLD MINES LIMITED

(INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO, CANADA)

CAPITAL

Authorized and Issued—2,000,000 shares of the par value of \$1.00 each
(Held by Noranda Mines, Limited—1,104,778 shares)

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 31ST DECEMBER, 1948

Revenue:

Metal production.....	\$2,001,122	
Income from investments.....	48,088	
Profit on sale of investments.....	31	\$2,049,241

Expenditure:

Cost of metal production, including mining, milling, delivery and mint charges.....	\$1,483,568	
Head office administrative and general expenses.....	40,812	
Amount written off deferred mine development and administrative expenses.....	59,592	
Depreciation on buildings, plant and equipment.....	58,467	

	\$1,642,439	
Less: Credit under The Emergency Gold Mining Assistance Act.....	100,642	\$1,541,797
Net profit before provision for taxes on income.....		\$ 507,444
Reserved for taxes on income.....		93,406
Net profit for the year.....		\$ 414,038

SURPLUS

Balance 31st December, 1947.....		\$1,531,553
Add:		
Net profit for year 1948 as above.....		414,038
		\$1,945,591
Less:		
Dividends.....		400,000
Balance 31st December, 1948.....		\$1,545,591

WORKING CAPITAL

Current assets.....		\$2,070,074
Current liabilities.....		200,056
		\$1,870,018

COMPANIA MINERA LA INDIA

(INCORPORATED UNDER THE LAWS OF NICARAGUA, C. A.)

CAPITAL

Authorized and Issued—10,000 shares of \$4 each
(Held by Noranda Mines, Limited—6,375 shares)

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 31ST DECEMBER, 1948

		(U.S. Funds)
Revenue:		
From metals produced.....		\$ 1,199,107
Expenditure:		
Cost of metal production, including mining, milling, delivery and mint charges.....	\$ 726,390	
Administration, engineering and general expenses.....	153,943	880,333
		<u>\$ 318,774</u>
Reserved for depreciation of buildings, plant and equipment.....	\$ 190,100	
Production taxes.....	48,371	
Outside exploration.....	8,920	247,391
		<u>\$ 71,383</u>
Dividends from Subsidiary Company.....		427,500
Net profit for year transferred to surplus.....		<u>\$ 498,883</u>
	SURPLUS	
Balance 31st December, 1947.....		\$ 1,653,356
Add:		
Prior year adjustments.....	\$ 42,191	
Net profit for year 1948 as above.....	498,883	541,074
		<u>\$ 2,194,430</u>
Less:		
Dividends.....		400,000
Balance 31st December, 1948.....		<u>\$ 1,794,430</u>
	WORKING CAPITAL	
Current assets.....		\$ 874,490
Current liabilities.....		17,888
		<u>\$ 856,602</u>

NOTE: Issued Capital of Subsidiary Empresa Minera de Nicaragua—10,000 shares of \$4 each.
Held by Compania Minera La India, 9,500 shares.
Net Profit of Subsidiary for 1948, \$498,125.
Dividends paid by Subsidiary during 1948, \$450,000.
La India's share of 1948 dividends, \$427,500.

CANADA WIRE AND CABLE COMPANY, LIMITED

and Subsidiary Companies

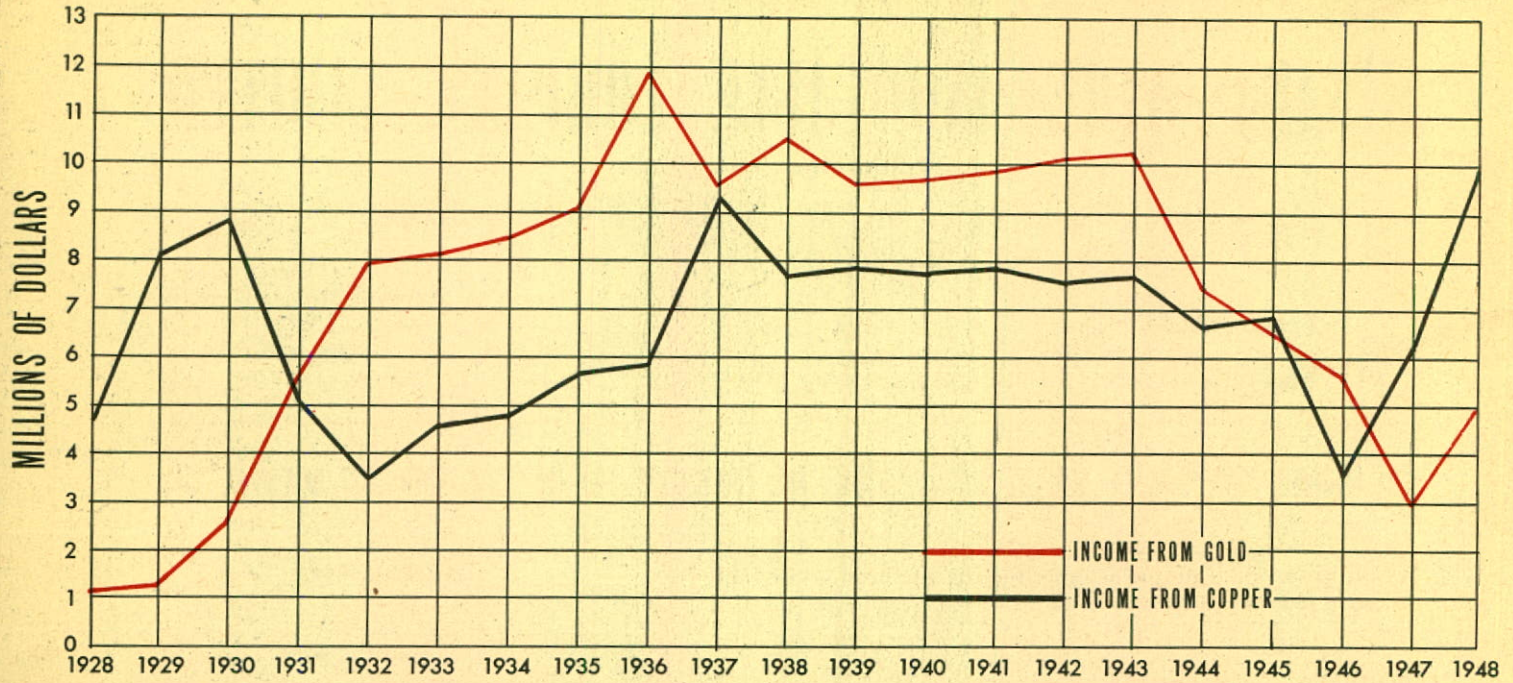
(INCORPORATED UNDER THE LAWS OF THE DOMINION OF CANADA)

	Issued	Held by Noranda Mines, Limited
Common Shares—Class "A", no par value.....	29,668	12,000
Class "B", no par value.....	150,664	105,450
Debentures—3% Serial Debentures maturing 1950-1967.....		\$2,700,000

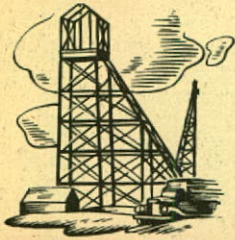
CONSOLIDATED STATEMENT OF SURPLUS AND OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER, 1948

Profit from Operations before effecting undernoted deductions...		\$ 2,941,066	
Income from Investments.....		710	
			\$ 2,941,776
Deduct:			
Provision for Depreciation.....	\$ 419,661		
Executive Remuneration and Legal Fees.....	93,511		
Directors' Fees.....	8,175		
Employees' Retirement Income Plan.....	169,128		
Serial Debenture Interest.....	88,238		
Provision for Income Taxes.....	798,292	1,577,005	
Net Profit for year ended 31st December, 1948.....			\$ 1,364,771
Surplus, 31st December, 1947:			
Refundable Portion of Excess Profits Tax.....	\$ 463,154		
Balance.....	3,142,889	\$ 3,606,043	
Add:			
Adjustment of refundable portion of excess profits tax, 1943 and 1944.....	\$ 5,961		
Profit on sale of investments.....	7,094		
Profit on sale of dwelling houses.....	21,436	34,491	3,640,534
			\$ 5,005,305
Deduct:			
Dividends declared and paid:			
Common, Class "A".....	\$ 118,672		
Common, Class "B".....	225,996	344,668	
Provision for decline in inventory values.....			\$ 4,660,637
			1,000,000
Surplus, 31st December, 1948:			
Refundable Portion of Excess Profits Tax.....	\$ 336,157		
Balance.....	3,324,480	\$ 3,660,637	
			\$ 7,078,095
WORKING CAPITAL			
Current Assets.....			\$ 9,844,119
Current Liabilities.....			2,766,024
			\$ 7,078,095

RELATIVE INCOME FROM GOLD AND COPPER --- HORNE MINE



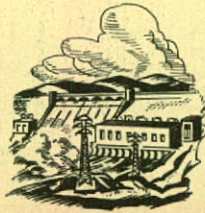
PURCHASES IN 1948 BY NORANDA MINES, LIMITED AND SUBSIDIARY COMPANIES



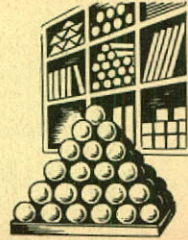
BUILDING MATERIALS
\$465,870



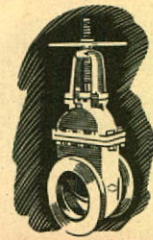
MISCELLANEOUS
\$1,222,145



HYDRO ELECTRIC POWER
\$1,030,148



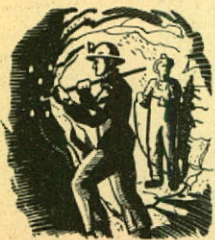
IRON & STEEL PRODUCTS
\$2,024,609



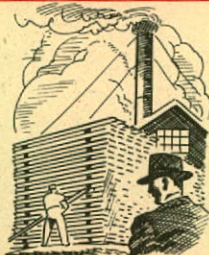
PIPE, FITTINGS & VALVES
\$148,959



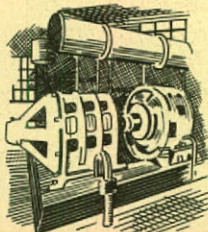
PNEUMATIC EQUIPMENT, DRILL STEEL & BITS
\$206,737



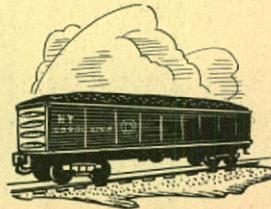
EXPLOSIVES
\$340,599



LUMBER & TIMBER
\$756,723



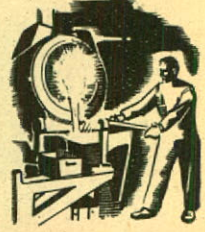
ELECTRICAL
\$247,491



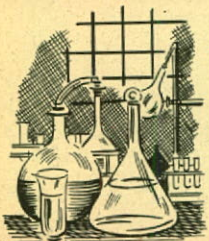
COAL & COKE
\$1,278,037



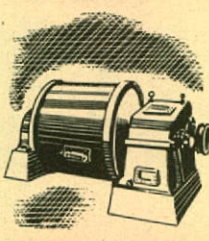
PETROLEUM PRODUCTS
\$575,993



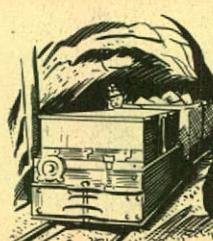
REFRATORIES
\$173,451



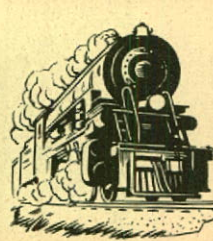
CHEMICALS
\$491,814



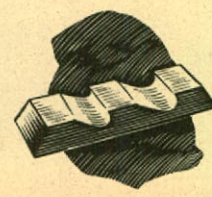
TOOLS & MACHINERY
\$1,645,902



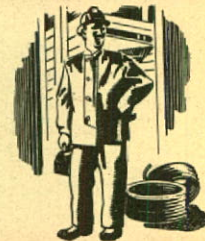
LOCOMOTIVES, CARS & PARTS, TRACK & FITTINGS
\$88,297



FREIGHT & EXPRESS
\$1,848,196



NON-FERROUS METALS
\$2,321,485



RUBBER, PLASTICS, ETC.
\$2,161,904

OF THE ABOVE PURCHASES TOTALLING SOME \$17,000,000, OVER 90% WERE PLACED WITH 1700 CANADIAN FIRMS AND PROVIDED EMPLOYMENT IN 170 CANADIAN CITIES AND TOWNS.

