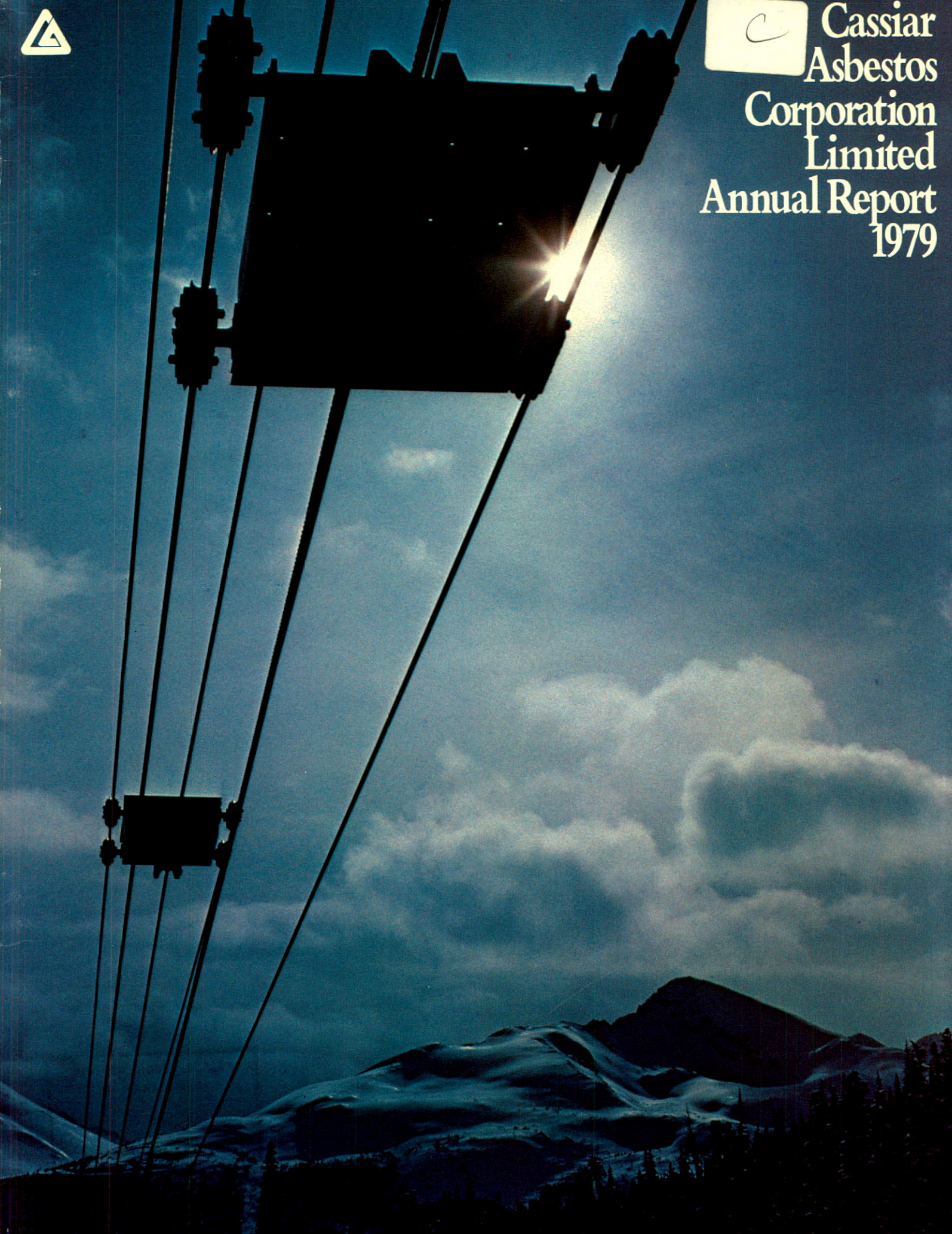


Cassiar
Asbestos
Corporation
Limited
Annual Report
1979



Cassiar Asbestos Corporation Limited

Officers

J. D. Little, *President and Chief Executive Officer*

A. T. Kana, *Vice-President, Finance and Administration and Secretary*

B. G. Pewsey, *Vice-President, Operations*

G. E. Carter, *Assistant Secretary*

Directors

K. H. Dixon, *Manchester, England*

†W. D. H. Gardiner, *Toronto, Ontario*

S. Gibbs, *Manchester, England*

A. P. Higgins, *Sydney, Australia*

*J. D. Little, *Vancouver, British Columbia*

*P. Malozemoff, *New York, New York*

†H. E. McArthur, *Vancouver, British Columbia*

*P. M. Reynolds, *Vancouver, British Columbia*

W. S. Simpson, *Trumbull, Connecticut*

*†D. D. Thomas, *Toronto, Ontario*

J. E. Thompson, *New York, New York*

*Member of Committee of Directors

†Member of Audit Committee

Transfer Agents and Registrars

Crown Trust Company,
Toronto, Ontario;
Vancouver, British Columbia;
Calgary, Alberta

Bankers

The Royal Bank of Canada

Solicitors

Bourne, Lyall, Davenport & Herbert,
Vancouver, British Columbia

Day, Wilson, Campbell,
Toronto, Ontario

Lawrence & Shaw,
Vancouver, British Columbia

Shea & Gardner,
Washington, D.C., U.S.A.

Auditors

Price Waterhouse & Co.

Head Office

Twentieth Floor,
1055 West Hastings Street,
Vancouver, British Columbia

Mine

Cassiar, *British Columbia*

COVER:

Backlighted by the afternoon spring sun, the ore carrying trays of the multicable aerial tramway pass in the course of delivering 300 tons of ore per hour to the mill, some 3 miles from, and 2300 feet below, the mine. Completed in 1975, this installation has substantially reduced ore delivery costs.

The Year in Brief

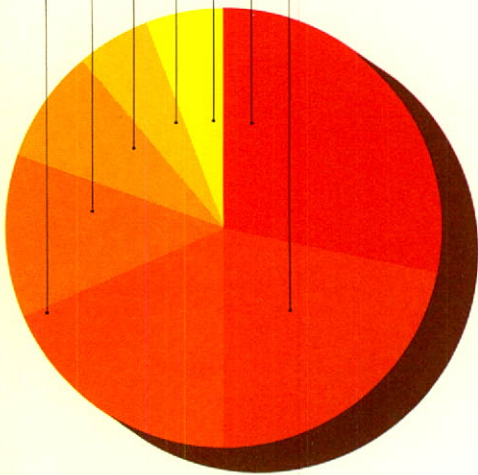
Financial

	1979	1978
Asbestos sales	\$83,219,947	\$80,774,633
Waste removal expenditure	15,899,667	10,853,401
Capital expenditures (net)	7,985,372	14,236,218
Salaries and wages	18,147,191	20,403,520
Provision for taxes	7,147,000	4,550,000
Net earnings	11,992,503	11,825,204
Average price of asbestos per ton	659.00	618.00
Net income per share	2.18	2.15

Operational

	1979	1978
Ore mined, tons	1,083,444	828,072
Fibre produced, tons	109,606	75,135
Waste removed, cubic yards	6,335,560	5,080,948

Waste Removal Costs
 Capital Expenditures
 Loan Repayment
 Other Expenditures
 Including Taxes
 Dividends
 Supplies & Services
 Salaries & Wages



Distribution of Revenue

To Our Shareholders

Your Company reached anticipated sales and achieved net earnings for the year ended December 31st, 1979 of \$11,992,503 or \$2.18 per share, compared to \$11,825,204 or \$2.15 per share for the previous year. The strike, which ended on January 15th, 1979, had a negligible affect on the year's overall results. The sale of Cassiar mine's fibre gen-

erated 96% of the total pre-tax earnings. By year-end, all of the Clinton mine's fibre inventory, produced in 1978, had been sold. Fibre prices were increased by approximately 5% at the beginning of 1979. A comparison of sales for the last two years is as follows:

	1979		1978	
	Tons	\$000	Tons	\$000
Cassiar fibre	109,245	74,463	82,140	55,721
Clinton fibre	17,067	8,757	48,575	25,054
	126,312	83,220	130,715	80,775

During 1979, most of the fibre produced by the Cassiar mine was transported to Vancouver by the newly established route via Stewart, B.C.

The quarterly dividend rate was increased from 10¢ to 15¢ per share for the first three quarters, and the last quarter's dividend payment of 25¢ remained at the same rate as during the previous two years. The higher dividend reflects the improved cash position and continuing trend of increased earnings. Despite the relatively high level of capital expenditures and waste removal costs incurred, there was a marked improvement in the financial position of your Company, as indicated by an increase in working capital of approximately \$4.7 million and the repayment of the bank loan.

The total capital expenditures at Cassiar for 1979 amounted to \$9,595,369 as compared to \$15,275,880 for the previous year. A large portion of 1979 expenses represented the completion of the prior year's projects which were interrupted by the 1978 strike. The

major projects were the installation of shrink wrap equipment for packaging palletized fibre, a new fuel oil tank farm and the completion of the conveyor system from concentrator to dryer.

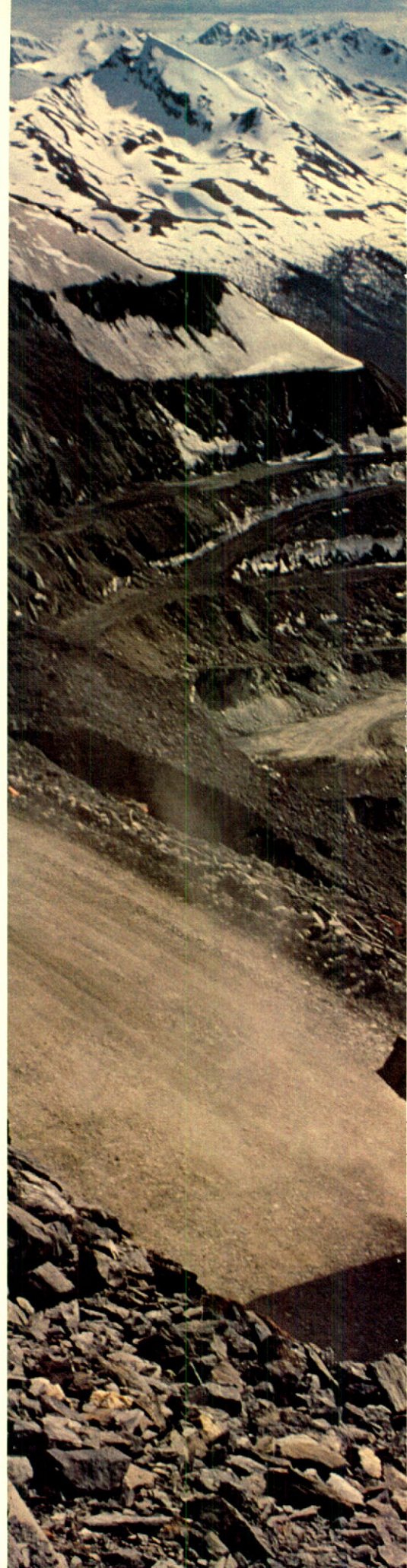
A program, initiated in 1977, to improve housing and community facilities, has been a major factor in reducing the turnover at the Cassiar mine, from 92% in 1977 to 49% in the current year.

The continuing waste removal program has maintained the availability of ore for mining, consistent with requirements of the life-of-mine plan. During the year, 6,335,560 cubic yards of waste were removed at a cost of \$2.51 per cubic yard compared to a unit cost of \$2.04 in 1978. Due to the re-evaluation of waste quantities, and projected cost of waste to be removed, the amortization rate charged to operations was increased from \$9.50 to \$10 per ton of ore mined.

During the year 1,083,444 tons of ore were mined from which 945,807 tons of concentrate was produced. The recoverable mine



The plunge of the orebody into the side of McDame mountain requires the removal of massive quantities of waste rock to sustain continuous ore mining. This mine truck hauls an 85 ton load to the waste dump, part of over 500 such loads every day throughout the year.









grade increased to 9.82% from 9.07% in the previous year.

Despite a strike abbreviated year, the 1979 production of 109,606 tons of fibre represents a record mill output since the inception of operations at Cassiar. The average daily production rate per operating day was 427 tons of fibre.

Effective January 1980, the British Columbia Government revised the standard of the permissible level of airborne asbestos in the working environment from 5 to 2 fibres per cubic centimeter. Continued emphasis on maintenance and housekeeping, together with optimum utilization of air filtration systems already installed in the plant, has achieved the required standard in most areas. Further revisions and modifications are being implemented to bring the remainder of the plant to the permissible standard.

Of particular interest are the encouraging results of the diamond drilling program from the adit at Cassiar which, from a preliminary study, indicate a downward faulted extension of the orebody. Diamond drilling from the adit will continue in 1980. The Company remains a participant in the CUB joint-venture program to search for tungsten and other metals. Nothing significant has been found to date but exploration will continue during 1980. Cassiar also entered into another joint-venture program, to explore for asbestos, with Cominco Limited and Exploram Minerals Limited. The consulting firm of Archer Cathro & Associates Limited is acting as operating manager of both ventures. Drilling will be done in 1980 on a known molybdenum occurrence south of the Cassiar mine and further exploration will be conducted on properties in the

Dease Lake and Terrace areas in northern British Columbia.

Personal injury actions against Cassiar Asbestos Corporation Limited and others are continuing in the United States. None of the cases have progressed sufficiently to make a determination as to the likelihood of Cassiar's liability or to permit a reasonable estimate of the amount of Cassiar's liability, if any. Certain cases have been dismissed or settled and the Company has commenced actions against its insurers to recover costs incurred in connection with these cases.

With sadness, your Directors record the death of Mr. Patrick W. C. Griffith who had a long association with the Company. Mr. Griffith was replaced on the Board by Mr. Stephen Gibbs, the newly-appointed Chairman of Turner & Newall Limited. Early in 1979 Mr. C. W. Newton resigned as a Director and Mr. K. H. Dixon of Turner & Newall was appointed to fill the vacancy.

The Directors wish to express appreciation to all Cassiar employees for their loyalty and dedication during 1979.

On behalf of the Board,

J. D. Little,
President &
Chief Executive Officer

March 12, 1980

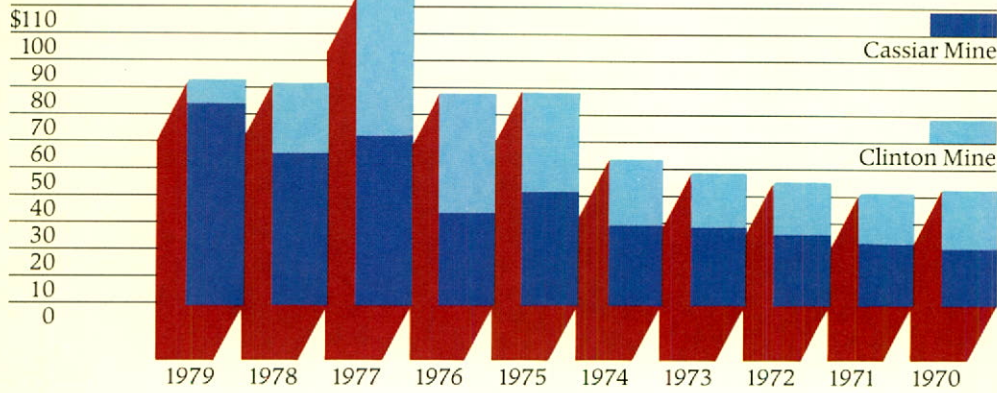
Left: The late afternoon sun throws a warm glow on the snow covered waste benches which disguises the frigid environment of winter waste removal operations.

Right: Against a mountain backdrop, fireweed frames the dry rock storage building and a portion of the drying circuit.



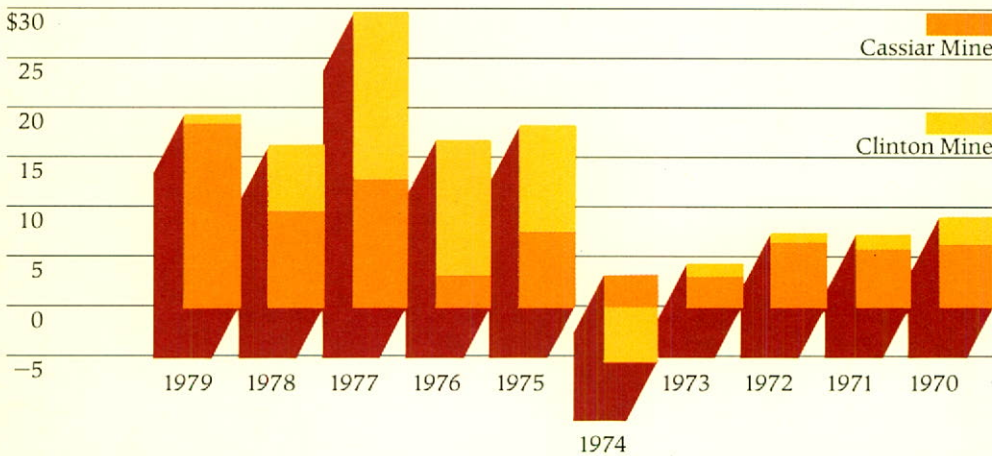
Fibre Sales

(Dollars in millions)



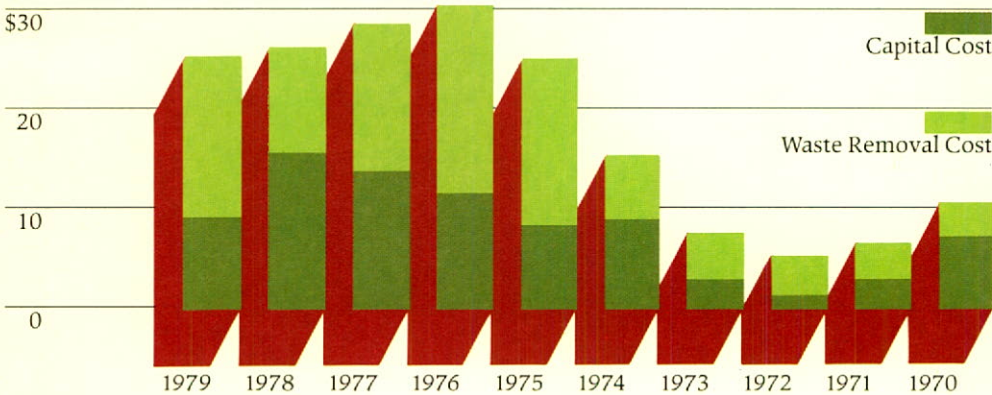
Pre-tax Earnings from Operations

(Dollars in millions)



Cassiar Mine Capital and Waste Removal Costs

(Dollars in millions)



From the environmentally secure vantage point of his cab, this shovel operator uses power assisted controls to guide his dipper through the waste pile.





Cassiar Asbestos Corporation Limited

Consolidated Balance Sheet

as at December 31

Assets

	1979	1978
Current assets:		
Cash	\$ 1,752,519	\$ —
Accounts receivable	9,781,324	2,220,217
Taxes recoverable	865,612	1,786,886
Asbestos fibre	6,859,020	15,136,943
Ore stockpiled	265,022	785,703
Inventory of supplies	6,102,086	5,748,870
Prepaid expenses	328,362	592,823
	25,953,945	26,271,442
Investments, at cost which approximates market	80,888	75,862
Employees' home purchase agreements	2,771,451	2,506,770
Fixed assets, at cost:		
Mine plant and equipment	92,269,042	85,120,518
Automotive equipment	7,511,448	7,735,272
Transportation facilities	3,516,216	3,536,787
Whitehorse—buildings and equipment	761,184	761,184
Leasehold improvements, office furniture and equipment	574,428	533,008
Roads	1,009,194	1,009,194
	105,641,512	98,695,963
Less: Accumulated depreciation	45,187,610	40,013,090
	60,453,902	58,682,873
Land and mining claims	535,846	535,945
	60,989,748	59,218,818
Deferred charges, at cost less amounts amortized:		
Exploration and development	4,777,878	3,099,416
Waste removal	48,562,302	43,497,075
	53,340,180	46,596,491
	\$143,136,212	\$134,669,383

Liabilities

	1979	1978
Current liabilities:		
Bank indebtedness	\$ —	\$ 6,901,718
Accounts payable and accrued liabilities	6,154,159	5,842,736
Taxes payable	1,585,621	—
Dividends payable	1,375,000	1,375,000
	9,114,780	14,119,454
Taxes deferred	34,793,000	29,464,000

Shareholders' Equity

Share capital:		
Authorized and issued—		
5,500,000 shares without nominal or par value	28,903,473	28,903,473
Retained earnings	70,324,959	62,182,456
	99,228,432	91,085,929

Approved by the Board:



J. Douglas Little, *Director*



W. D. H. Gardiner, *Director*

	\$143,136,212	\$134,669,383
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Consolidated Statement of Operations and Retained Earnings

for the year ended December 31

Operations

	1979	1978
Revenue:		
Asbestos fibre sales	\$ 83,219,947	\$ 80,774,633
Expenses:		
Cost of sales (Note 2)	48,953,111	48,370,134
Transportation and warehousing	10,610,358	10,689,304
Administration, selling and general	3,643,931	4,036,566
Exploration	319,866	547,120
Interest	553,178	756,305
	64,080,444	64,399,429
Income before taxes	19,139,503	16,375,204
Taxes:		
Current	1,818,000	750,000
Deferred	5,329,000	3,800,000
	7,147,000	4,550,000
Net income for the year	\$ 11,992,503	\$ 11,825,204
Net income per share	\$2.18	\$2.15

Retained Earnings

Balance at beginning of year	\$ 62,182,456	\$ 53,382,252
Net income for the year	11,992,503	11,825,204
	74,174,959	65,207,456
Dividends, \$0.70 per share (1978, \$0.55 per share)	3,850,000	3,025,000
Balance at end of year	\$ 70,324,959	\$ 62,182,456

Consolidated Statement of Changes in Financial Position

for the year ended December 31

	1979	1978
Source of working capital:		
Operations—		
Net income for the year	\$ 11,992,503	\$ 11,825,204
Add (deduct) items not involving a current flow of working capital:		
Waste removal costs amortized	10,834,440	8,817,716
Depreciation	6,312,247	6,785,619
Exploration and development costs amortized	108,344	478,622
Disposals of assets	(97,805)	(3,578,766)
Deferred taxes	5,329,000	3,800,000
Working capital provided by operations	34,478,729	28,128,395
Proceeds from disposals of fixed assets	1,663,824	3,793,717
	36,142,553	31,922,112
Application of working capital:		
Plant and equipment, Cassiar Mine	9,595,369	15,275,880
Transportation facilities	—	2,171,964
Other	53,827	582,091
Waste removal costs—		
Cassiar Mine	15,899,667	10,374,869
Clinton Mine	—	478,532
Dividends	3,850,000	3,025,000
Exploration and development	1,786,806	1,794,054
Employees' home purchase agreements	264,681	(204,923)
Investments	5,026	—
	31,455,376	33,497,467
Increase (decrease) in working capital	4,687,177	(1,575,355)
Working capital at beginning of year	12,151,988	13,727,343
Working capital at end of year	\$ 16,839,165	\$ 12,151,988

Cassiar Asbestos Corporation Limited

Notes to Consolidated Financial Statements

December 31, 1979

1. Accounting policies:

Principles of consolidation—

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Kutcho Creek Asbestos Company Limited and Territorial Supply Company Limited.

Inventories—

Inventories of asbestos fibre and ore stockpiled are valued at the lower of cost and net realizable value; cost is determined on a first-in, first-out basis. Supplies are valued at the lower of cost and replacement cost; cost is determined principally on a moving-average basis.

Fixed assets—

The basis of depreciation, except for Clinton Creek Mine noted below, is as follows—

- Buildings—straight-line at 5%
- Equipment—straight-line at 10%
- Leasehold improvements—straight-line over the seven-year lease period
- Automotive equipment—charged to operations on a unit of use basis

At Clinton Creek Mine, the undepreciated costs of remaining surplus equipment and buildings were adjusted in 1978 to reflect their estimated net realizable values. As at December 31, 1979, undepreciated costs of \$1,706,395 are included in the consolidated balance sheet (December 31, 1978, \$1,988,263).

Deferred charges—

The basis of amortization and write-off is as follows—

Waste removal—

Waste removal costs are charged to production on a per ton of ore mined basis, the rate being determined by dividing the sum of the projected cost of waste to be removed and the unamortized balance of costs incurred, by the estimated ore reserves.

Exploration and development—

General exploration expenditures are charged to operations during the year incurred. The direct cost of acquisition of mining properties and exploration expenditures thereon are initially capitalized. When disposal or abandonment of an area is effected or considered probable, the resulting net gain or loss is reflected in the consolidated statement of operations. Development costs are amortized on a per ton of ore mined basis, the rate being determined by dividing the costs accumulated by the estimated ore reserves.

Taxes—

The Company follows the tax allocation method of accounting for all differences in the timing of deductions for tax and accounting purposes arising with respect to mining claims and land, depreciation and waste removal, exploration, development and preproduction costs. Taxes deferred of \$34,793,000 have arisen to date from claiming such items for tax purposes in excess of the amounts recorded in the accounts.

2. Mine closure:

The Company's asbestos mine at Clinton Creek ceased production in August, 1978. Additionally, as a result of this mine closure and the commencement of transportation of Cassiar mine fibre through Stewart, B.C., the transport division and related facilities were also closed.

Included in Cost of Sales, as a net cost is an amount relating to the closure of the Clinton Creek mine of \$98,732. (1978—a net reduction of \$1,112,959).

In the opinion of Management, the Company will not incur significant additional net costs to complete the shutdown of the Clinton Creek mine.

3. Remuneration of officers and directors:

The Company and its subsidiaries paid aggregate direct remuneration as follows—

	Year ended December 31	
	1979	1978
To the fourteen directors (seventeen in 1978)	\$ 56,675	\$ 28,775
To the three officers of whom one is a director (three officers of whom two were directors in 1978)	\$223,269	\$246,518
	\$279,944	\$275,293

4. Pension plan:

As at December 31, 1979 the unfunded portion of past service benefits is approximately \$808,000 which is being

funded and charged to operations by annual payments of \$120,700.

5. Lease commitments:

At December 31, 1979, the Company is committed to future minimum lease payments estimated as follows:

Year ended December 31	Mine Equipment	Other	Total
1980	\$1,788,500	\$ 347,900	\$2,136,400
1981	1,237,600	347,900	1,585,500
1982	1,125,200	365,100	1,490,300
1983	298,300	223,700	522,000
1984	—	129,200	129,200
	<hr/> \$4,449,600	<hr/> \$1,413,800	<hr/> \$5,863,400

The Canadian Institute of Chartered Accountants introduced recommendations, effective January 1, 1979, regarding the accounting for lease transactions which require, with respect to a capital lease entered into thereafter, that the present value of future minimum lease payments be disclosed in the lessee's accounts as a capital asset and a long-term obligation. The amount capitalized would be amortized over the economic life of the asset leased, and the long-term obligation reduced by the principal portion of future lease payments. The Company has not entered into any

new capital leases in 1979, however, certain of its continuing equipment leases would be considered capital leases under the new recommendations. Had the Company retroactively adopted the new disclosure requirements, fixed assets and liabilities in the accompanying consolidated balance sheet would have increased by \$2,469,600 and \$2,599,400 respectively, at December 31, 1979 (1978—\$2,943,800 and \$3,122,600) and consolidated net income would have increased by \$50,400 (\$0.01 per share) for the year then ended (1978—\$44,500; \$0.01 per share).

6. Legal actions:

The Company, as well as others, is continuing to be named as a defendant in product liability suits in the United States in which substantial damages are claimed for alleged injuries to the health of asbestos workers or members of their families by reason of the inhalation and ingestion of asbestos fibres or dust. The

Company is contesting or defending such suits. Neither the existence of liability nor the extent of any possible damages can be determined at this time. Thus no provision for such liability, if any, has been made in the accompanying consolidated financial statements.

Auditors' Report

To the Shareholders of Cassiar
Asbestos Corporation Limited:

We have examined the consolidated balance sheet of Cassiar Asbestos Corporation Limited as at December 31, 1979 and the consolidated statements of operations and 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, subject to the outcome of the legal actions referred to in Note 6,

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.

PRICE WATERHOUSE & CO.
Chartered Accountants

March 12, 1980

Cassiar Asbestos Corporation Limited

Ten Year Review

		1979	1978
	Ore mined (tons)	1,083,444	1,606,571
	Ore and concentrate milled (tons)	945,807	1,395,921
	Waste removed (cubic yards)	6,335,560	5,355,934
	Fibre produced (tons)	109,606	132,790
	Fibre sold (tons)	126,312	130,715
	Fibre sales	\$ 83,219,947	\$ 80,774,633
	Profit before deducting the following	\$ 36,394,534	\$ 32,457,161
	Depreciation	6,312,247	6,785,619
	Exploration and development written off	10,942,784	9,296,338
	Net earnings (loss) before taxes	19,139,503	16,375,204
	Provision for current taxes	1,818,000	750,000
	Provision for deferred taxes	5,329,000	3,800,000
	Net income (loss)	\$ 11,992,503	\$ 11,825,204
	Net income (loss) per share	\$2.18	\$2.15
	Dividends declared per share	70¢	55¢
Capital Expenditures:	Land, plant and equipment (net)	\$ 7,985,372	\$ 14,236,218
	Mine development—Cassiar	17,300,428	11,151,006
	—Clinton	—	478,532
	Exploration	525,912	1,242,671
Balance Sheet— at end of fiscal period	Net working capital and investments	\$ 19,691,504	\$ 14,734,620
	Plant and equipment	105,641,512	98,695,963
	Mining claims and land	535,846	535,945
	Deferred development	53,340,180	46,596,491
	Total	179,209,042	160,563,019
	Deduct—Term bank loan	—	—
	—Taxes deferred	34,793,000	29,464,000
	—Accumulated depreciation	45,187,610	40,013,090
	—Minority interest in subsidiary	—	—
	Shareholders' equity	\$ 99,228,432	\$ 91,085,929
	Shares of capital stock issued at end of period	5,500,000	5,500,000

**Included as subsidiary*

1977	1976	1975	1974	1973	1972	1971	1970
(restated)				(restated)	(restated)	(restated)	(restated)
3,299,383	2,790,170	2,881,832	3,237,808	2,872,605	2,904,478	2,715,039	2,398,155
2,324,542	2,078,179	2,183,797	2,301,660	2,116,032	2,022,367	2,187,817	2,024,475
7,652,517	7,306,653	7,439,164	6,855,202	7,383,001	7,958,384	6,770,107	3,913,795
212,284	191,417	197,432	184,101	208,626	209,252	180,206	190,256
212,711	175,461	199,404	183,982	218,121	202,296	182,077	196,387
\$115,077,217	\$ 78,285,544	\$ 79,491,557	\$ 53,187,426	\$ 49,611,809	\$ 45,034,633	\$ 40,563,996	\$ 41,321,623
\$ 57,417,351	\$ 36,089,210	\$ 36,173,163	\$ 20,427,368	\$ 17,803,606	\$ 17,951,374	\$ 15,102,173	\$ 16,471,450
6,355,747	6,097,270	5,056,745	9,706,587	4,768,177	4,589,820	4,096,354	3,939,274
19,890,208	12,996,520	13,328,582	12,906,561	8,606,955	6,363,396	4,437,673	4,211,864
31,171,396	16,995,420	17,787,836	(2,185,780)	4,428,474	6,998,158	6,568,146	8,320,312
9,042,451	1,791,864	5,681,000	500,000	125,000	200,000	(130,000)	760,000
2,563,000	3,364,000	3,817,000	(540,000)	1,435,000	2,655,000	2,250,000	600,000
\$ 19,565,945	\$ 11,839,556	\$ 8,289,836	\$ (2,145,780)	\$ 2,868,474	\$ 4,143,158	\$ 4,448,146	\$ 6,960,312
\$3.56	\$2.15	\$1.51	(39c)	52c	75c	81c	\$1.27
55c	—	—	15c	60c	70c	80c	80c
\$ 13,118,983	\$ 10,870,960	\$ 9,091,078	\$ 10,043,871	\$ 3,567,310	\$ 2,785,573	\$ 4,580,199	\$ 9,901,130
15,544,910	19,516,786	16,636,966	6,016,374	4,439,946	3,622,077	3,707,584	3,516,559
1,447,771	897,080	3,328,185	5,615,064	5,150,517	5,636,806	4,629,078	2,073,600
475,195	15,070	8,000	321,436	465,139	162,939	181,465	334,584
\$ 16,514,898	\$ 6,601,353	\$ 5,477,451	\$ (1,173,159)	\$ 2,721,222	\$ 2,965,525	\$ 2,567,925	\$ (118,687)
97,207,032	87,523,516	77,661,047	69,404,320	60,705,869	58,439,174	57,975,526	54,454,456
587,855	961,732	1,175,768	1,374,669	1,598,289	1,799,189	2,006,238	2,208,919
43,245,374	45,307,827	37,674,874	30,830,457	31,560,522	29,911,875	26,653,449	22,372,995
157,555,159	140,394,428	121,989,140	100,436,287	96,585,902	93,115,763	89,203,138	78,917,683
—	5,000,000	7,000,000	2,000,000	3,000,000	4,000,000	5,000,000	—
25,664,000	23,101,000	19,737,000	15,920,000	16,460,000	15,025,000	12,370,000	10,120,000
49,605,434	46,548,648	41,346,916	36,900,899	28,539,734	25,073,069	22,819,281	19,821,513
—	—	—	—	—	—	289,321*	299,780*
\$ 82,285,725	\$ 65,744,780	\$ 53,905,224	\$ 45,615,388	\$ 48,586,168	\$ 49,017,694	\$ 48,724,536	\$ 48,676,390
5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000

Cassiar Asbestos Corporation Limited

Summary of Consolidated Operations

for the year ended December 31

1979

	Total	Cassiar Mine	Clinton Mine	Subsidiary Company
Revenue:				
Asbestos fibre sales	\$83,219,947	\$74,462,726	\$ 8,757,221	
Expenses:				
Cost of sales	48,953,111	43,230,139	5,722,972	
Transportation to Vancouver and warehousing	10,610,358	8,865,489	1,744,869	
Administration, interest, selling and general	4,197,109	3,732,539	445,395	19,175
Exploration	319,866	319,866		
	64,080,444	56,148,033	7,913,236	19,175
Income before taxes	\$19,139,503	\$18,314,693	\$ 843,985	\$ (19,175)

1978

	Total	Cassiar Mine	Clinton Mine	Subsidiary Company
Revenue:				
Asbestos fibre sales	\$80,774,633	\$55,720,559	\$25,054,074	
Expenses:				
Cost of sales	48,370,134	36,935,668	12,426,273	\$ (991,807)
Transportation to Vancouver and warehousing	10,689,304	5,974,971	4,714,333	
Administration, interest, selling and general	4,792,871	3,021,027	1,876,532	(104,688)
Exploration	547,120	482,017	65,103	
	64,399,429	46,413,683	19,082,241	(1,096,495)
Income before taxes	\$16,375,204	\$ 9,306,876	\$ 5,971,833	\$ 1,096,495

Management and Operating Personnel

Head Office

President & Chief Executive Officer: J. Douglas Little

Vice-President, Finance & Administration, and Secretary: Anthony T. Kana

Vice-President, Operations: B. G. Pewsey

Assistant to the Chairman & President: J. G. Berry

Assistant Secretary: G. E. Carter

Corporate Counsel: David J. Elgee

Marketing Manager: J. W. Oughtred

Engineering Manager: E. L. Alexander

Industrial Relations & Personnel Manager: R. F. Langford

Chief Geologist: D. R. Budinski

Purchasing Manager: Jim S. Giles

Operating Division, Cassiar Mine, Cassiar, B.C.

Mine Manager: P. C. Jones

Production Superintendent: P. R. Clark

Mine Superintendent: E. Komperdo

Superintendent of Projects & Technical Control: D. C. Cook

Chief Engineer: F. G. Hewett

Office Manager: C. F. MacQuarrie

Personnel Manager: L. G. Vujanich

Townsite Administrator: F. J. Buckley

Plant Superintendent: W. Zemenchik

Assistant Plant Superintendent (Tramline): F. Cousins

Assistant Plant Superintendent (Mechanical): B. Chandler

Assistant Plant Superintendent (Electrical): J. Minnaar

Assistant Mill Superintendent (Production): W. Riddle

Assistant Mill Superintendent (Maintenance): J. J. Forbes

Assistant Mill Superintendent (Shipping): E. Thirlwell

Asbestos Wharf, North Vancouver, B.C.

Superintendent, Shipping: D. Carlsen

