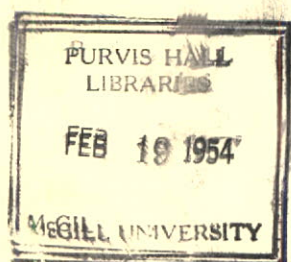




Ventures Limited
1951
Annual Report



23rd Annual Report

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VENTURES LIMITED

HEAD OFFICE

25 King Street West, Toronto, Canada

OFFICERS

President

T. LINDSLEY

Vice-Presidents

A. J. ANDERSON	J. M. CUNNINGHAM-DUNLOP	H. J. FRASER	A. G. FULTON
W. B. MALONE	W. B. MAXWELL	H. S. MCGOWAN	J. P. MILLENBACH

Secretary

A. G. FULTON

Treasurer

W. B. MALONE

Assistant Secretary and Assistant Treasurer

G. T. N. WOODROOFFE

DIRECTORS

DR. P. P. ALEXANDER	H. J. FRASER	H. S. MCGOWAN
A. J. ANDERSON	A. G. FULTON	J. P. MILLENBACH
DR. CHARLES CAMSELL	T. LINDSLEY	W. S. MORLOCK
J. S. DICKSON	W. B. MALONE	J. C. RIX
J. M. CUNNINGHAM-DUNLOP	W. B. MAXWELL	G. W. TOWER

TRANSFER AGENTS AND REGISTRARS

Crown Trust Company

302 Bay Street
Toronto, Ontario

Registrar and Transfer Company

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

AUDITORS

Clarkson, Gordon & Co.
Toronto, Ontario

BANKERS

The Canadian Bank of Commerce
Toronto, Ontario

Annual Meeting of Shareholders

FRIDAY, JUNE 20TH, 1952, 11 A.M. (TORONTO TIME)
Private Dining Room No. 10
Royal York Hotel
Toronto

Report of the Directors

TO THE SHAREHOLDERS:

It is now about twenty-five years since the first steps were taken in the organization of Ventures Limited. During this quarter-century it has been the policy of your directors to discover and bring mines into production and also to build up a backlog of investment in natural resources in the ground. This, it is felt, is an insurance against the inflationary tendencies of the present time. Diversity in natural resources has been the keynote in the acquisition and development of properties, with gold, base metals, and more recently oil, playing their part in successive changes in industrial and financial conditions.

The chief field of activity of course has been in Canada and this country will continue to receive the greatest attention. Next in attraction comes Africa, which is destined to play such an important part in the economy of Europe. Peru and Brazil are also regarded favorably and in general any project, though it may be situated where political conditions are less desirable, will be given serious consideration if it is found to be of exceptional merit.

Ventures Limited is essentially a company whose success will permit the investing public to share in the growth and appreciation of a diversified list of mining enterprises. Further details on these operations and properties are given in the following pages, together with a tabulation showing the percentage held by both Ventures Limited and Frobisher Limited.

Your Directors wish to express their deep regret at the passing of Mr. A. K. Muir who, although a Director of the Company for only a few months in 1951, played a prominent part in the development of Giant Yellowknife Gold Mines Limited, being its General Manager from its early years to the date of his death.

Your Directors express their appreciation of the excellent services performed by the employees of the various Companies associated with the Ventures group.

On behalf of the Board,

T. LINDSLEY,
President.

Toronto, Ontario,
May 15, 1952.

SUBSIDIARY HOLDING AND EXPLORATION COMPANIES

Frobisher Limited
Hoyle Mining Company Limited

ASSOCIATED HOLDING COMPANIES

Nipissing Mines Company Limited
Tonopah Mining Company of Nevada

OPERATIONS AND ASSOCIATED COMPANIES

TYPE OF PRODUCT	STAGE OF DEVELOPMENT	COMPANY
GOLD AND SILVER		
Gold.....	Producing.....	Giant Yellowknife Gold Mines Limited
Gold.....	Producing.....	Coniaurum Mines Limited
Gold.....	Producing.....	Canadian Malartic Gold Mines Limited
Gold.....	Producing.....	La Luz Mines Limited, Nicaragua
Gold.....	Producing.....	Connemara Mine, (Frobisher Limited) S. Rhodesia,
Gold.....	Ore blocked out by drilling preparations for shaft.....	Akaitcho Yellowknife Gold Mines Limited
Silver, Cobalt.....	Underground exploration.....	Nipissing-O'Brien Mines Limited
BASE METALS		
Nickel, copper.....	Producing.....	Falconbridge Nickel Mines Limited
Zinc, Lead, Silver.....	Producing.....	New Calumet Mines Limited
Silver, Lead, Zinc.....	Producing.....	United Keno Hill Mines Limited
Copper, Zinc, Gold.....	Producing (through Amulet-Dufault).....	Lake Dufault Mines Limited
Lead, Zinc, Silver.....	Producing.....	Mediterranean Mines Inc., Greece
Copper, gold.....	Producing under lease.....	Joliet Quebec Mines Limited
Copper, cobalt.....	Being prepared for production.....	Kilembe Mines Limited, Uganda (Kilembe Copper Limited)
Copper, gold.....	Being prepared for production.....	Opemiska Copper Mines (Quebec) Limited
Copper, lead, zinc.....	Being prepared for production.....	Ontario Pyrites Company Limited
Copper.....	Under development.....	Rainville Copper Mines Limited
Lead, zinc, silver, gold.....	Under development.....	Eureka Corporation Limited
Lead, zinc.....	Preparation for development.....	Blyklippen, Greenland
Lead, zinc, silver, gold.....	Surface exploration, former producer.....	St. Eugene Mining Corporation Limited
Lead, zinc, gold.....	Gold Producer. Preparing to treat lead-zinc ore.....	Matachewan Consolidated Mines Limited
IRON		
	Under exploration.....	Miferma, French Mauritania, Africa
	Under development.....	Zeballos Iron, Vancouver Island
	Drilled.....	Strawhat Lake Lease
	Partly developed properties.....	Canada Iron Mining Limited
	Producing under lease.....	Michipicoten Iron Mines Limited
RADIO ACTIVE MINERALS		
Uranium.....	Surface drilling and trenching.....	Charlebois Lake Uranium Limited
INDUSTRIAL MINERALS		
Magnesium, calcium, etc.....	Producing.....	Dominion Magnesium Limited
Nepheline Syenite.....	Producing.....	American Nepheline Limited
Graphite.....	Producing.....	Black Donald Graphite Mine (Frobisher Limited)
Rutile, zircon.....	Producing.....	Metal Recoveries Pty. Limited, Australia (International Titanium Corporation)
OIL AND GAS		
	Exploration and Development.....	Williston Oil & Gas Company
RESEARCH AND METAL INDUSTRY		
	Metallurgical Research.....	Quebec Metallurgical Industries Limited
	Production of Metal Castings, Alloys, etc.....	Fahralloy Canada Limited
	Custom Assaying, Mill Test, Research.....	Lakefield Research Limited
	Production of high purity metals and chemicals.....	Metal Hydrides Inc.

GIANT YELLOWKNIFE GOLD MINES LIMITED

		<i>Outstanding</i>	<i>Ventures</i>		<i>Frobisher</i>	
CAPITALIZATION	Common Shares -----	4,000,000	73,042	1.8%	1,162,236	29.1%

LOCATION Mine at Yellowknife, N.W.T.

		<i>Tons ore Milled</i>	<i>Gold ozs.</i>	<i>Silver ozs.</i>	<i>Gross Value</i>
PRODUCTION	Total to Dec 31, 1950 -----	304,478	202,460	73,691	\$ 7,544,781
	For year ended Dec. 31, 1951 --	147,337	107,730	35,222	4,004,684
	Total Production -----	<u>451,815</u>	<u>310,190</u>	<u>108,914</u>	<u>\$11,549,466</u>

HISTORY Giant Yellowknife, the eighth largest producing gold mine in Canada, is situated on Yellowknife Bay on the North shore of Great Slave Lake in the Northwest Territories. Gold was first discovered on the property in 1935 at the time the claims were staked; but the principal orebody system was not disclosed until 1944, when diamond drilling was initiated under the direction of Frobisher. The discovery of substantial and rich orebodies on Giant initiated one of the largest prospecting and staking rushes in Canadian history and accelerated the whole development of the Northwest Territories.

Production commenced in 1948 at a rate of 250 tons per day and was subsequently stepped-up to 420 tons per day. In 1951 the mill capacity was doubled and preparations are in progress for a further increase towards a goal of 700 or more tons per day. From the commencement of production in May, 1948, to March 31, 1952, a total of 490,081 tons was milled having an average grade of 0.793 oz/ton, the value of the gold recovered being \$12,345,483.

Mine development has been undertaken from three shafts to a maximum depth of 750 feet below surface. Underground workings have been interconnected on the 750-foot level and are being extended over a distance of two miles. Ore reserves above this level amount to approximately 3,000,000 tons averaging in excess of one-half ounce per ton in gold, sufficient for more than 10 years operation at the presently expanded production rate.

Underground development to date has been confined to less than two-thirds of the length of the property, and most of the production up to the present has come from the higher grade "B" Shaft orebodies. Preliminary exploratory drilling of the northern part of the property has indicated the presence of orebodies between the most northerly shaft and the boundary with Akaitcho Yellowknife. Ultimately a fourth shaft will be required to develop this section. Diamond drilling beneath the 750-foot level on the central part of the property has disclosed good quality ore sections, and there does not appear to be any geological limit imposed on the depth to which ore will be found.

Your President believes that when the increase in price of gold takes place a production rate of 3,000 tons per day would be a reasonable objective.

CANADIAN MALARTIC GOLD MINES LIMITED

CAPITALIZATION	Common Shares	<i>Outstanding</i> 3,651,355	<i>Ventures</i> 1,388,685	38.0%
LOCATION	Mine at Malartic, Quebec.			
PRODUCTION		<i>Tons Milled</i>	<i>Gold Ozs.</i>	<i>Silver Ozs.</i>
	Total to Dec. 31, 1950	4,714,471	511,230	374,106
	For year ended Dec. 31, 1951	462,203	38,993	17,527
	Total Production	<u>5,176,674</u>	<u>550,223</u>	<u>391,633</u>

HISTORY This property was discovered in 1923 and acquired by Ventures in 1934 from the previous company, Malartic Gold Mines Ltd., which company had carried out underground work on three levels. The property was brought into production in 1935 on a scale of 150 tons per day, being the first gold producer in the Malartic camp. Production was raised in several stages to the present rate of 1,300 tons per day. Since commencing production and up to the end of 1951 the mine has produced a gross value of \$20,551,039 in gold and silver.

Dividends were initiated in 1937 and, in spite of the low grade of ore and rising costs, have been paid continuously since that time, to a total of \$3,047,656. The mining costs are among the lowest of gold mines in Canada.

The ore reserves as at the end of 1951 were estimated at 2,260,000 tons grading .109 ozs. per ton gold.

Any future rise in the price of gold would be particularly advantageous to this property with its large reserves of low to medium grade ore and the plant and equipment largely written off.

CONNEMARA MINE

CAPITALIZATION	Wholly-owned by Frobisher.			
LOCATION	Mine in Southern Rhodesia, Africa.			
PRODUCTION		<i>Tons Milled</i>	<i>Ounces Gold Recovered</i>	<i>Gross Value of Production</i>
	Total to Oct. 31, 1950	300,549	57,554	£ 632,031
	For year ended Oct. 31, 1951	164,990	29,730	373,600
	Total Production	<u>465,539</u>	<u>87,284</u>	<u>£1,005,631</u>

HISTORY Prior to Frobisher acquiring the property some production had been obtained from the Connemara and Zabonkwe sections of the property, then separate operations. Under the present management the property was placed in production for testing purposes in 1947 and on a regular scale of 250 tons per day in 1948, later raised to the present scale of about 500 tons per day. Development has been carried out on both the Connemara and Zabonkwe sections, both of which are on the same mineralized zone in altered Precambrian sediments. During the past year a new shaft has been put down to 1,200 feet to open up four new levels. At October 31st, 1951, the calculated ore reserves were 531,000 tons averaging 0.24 ozs. per ton gold, besides a further 75,400 tons of possible ore indicated by drilling.

A reasonable expectation is that this property can, in time, be built up to a scale of 1,000 tons per day.

LA LUZ MINES LIMITED

CAPITALIZATION	Common Shares	<i>Outstanding</i>	<i>Ventures</i>
		1,504,412	1,051,089 69.9%
LOCATION	Mine at Siuna, Nicaragua.		
PRODUCTION		<i>Ore Milled Tons</i>	<i>Gold Ozs.</i>
	Total to Dec. 31, 1950	4,882,326	698,483
	For year ended Dec. 31, 1951	638,382	63,144
	Total Production	<u>5,520,708</u>	<u>761,627</u>

HISTORY The mine was acquired by Ventures interests in 1937 and the present company incorporated in 1938. Production commenced in 1939 on a scale of 200 tons per day rising to 1,000 tons in 1941 with ore at first coming entirely from open cut mining. In 1943 underground stoping was added and gradually increased in proportion until today it accounts for over two thirds of the mill feed. The grade of ore, which was about 0.2 ozs/ton in the parts of the orebody mined at first, dropped gradually to 0.1033 in 1951. To offset this the plant was expanded to treat 2,000 tons per day and efficiency generally improved so that operating costs in 1951 were \$3.16 per ton, and the net profit \$195,078. Dividends were initiated in 1944 and have been paid since then, with the exception of the years 1946 - 48, amounting to \$859,649 by the end of 1951.

Recent underground developments have been encouraging in that better than average grade ore has been proved over big widths in the deeper part of the mine below the 500 ft. level. Reserves of positive ore now stand at 6,175,000 tons of 0.135 ozs/ton gold plus possible ore amounting to 2,766,000 tons of 0.120 ozs/ton gold.

La Luz holds, with other Ventures associates, 60% interest in the Rosita Copper mine, 30 miles northeast of Siuna, which contains deposits of copper-gold ore. The property has been developed by underground work and drilling which has outlined 3,500,000 tons of ore of average grade 2.9% copper and 0.028 ozs/ton gold, including over a million tons running better than 4.8% copper. Recent drilling indicates that a continuation of irregular sulphide orebodies in depth may be expected. East of Rosita lies a district of interesting silver-gold veins of the epithermal type in which La Luz owns 74 claims in the Riscos de Oro area.

La Luz has also in its portfolio substantial holdings in associated base metal enterprises.

CONIAURUM MINES LIMITED

CAPITALIZATION	Common Shares	<i>Outstanding</i> 2,766,743	<i>Ventures</i> 1,430,800	51.7%
LOCATION	Mine at Schumacher, Ontario.			
PRODUCTION	By present company	<i>Tons Milled</i>	<i>Ounces Gold Recovered</i>	<i>Net Value of Metals Recovered (after mint charges)</i>
	1929 to Dec. 31, 1950	3,126,845	775,842	\$26,440,760
	For year ended Dec. 31, 1951	126,295	31,939	1,285,067
	Total Production	<u>3,253,140</u>	<u>807,781</u>	<u>\$27,725,827</u>

HISTORY This property, the oldest gold producer in the Ventures group, was acquired from Coniagas Mines in 1929 and some other claims added. Prior to 1929 the mine had produced approximately 31,850 ozs. of gold. It lies immediately east of the McIntyre Mine and northeast of Hollinger and it was partly with the hope of getting at depth the ore systems of these two mines on their easterly rake that Coniaurum was acquired. This hope was realized to a degree by the development of considerable new ore below the 2,000 level on the Goldale claim which, with the eastern ore system on which the Bishop shaft was sunk, has kept the mine in production since 1929. Production is currently 400 tons per day of average grade 0.23 ozs/ton.

In spite of the difficulties and relatively high cost of the present deep level development (down to 5,500 ft.), added to the general rise in costs of production, the mine has been making enough profit to continue a dividend. To the end of 1951 since the initiation of dividends they have amounted to \$4,016,276.

Ore reserves were calculated at December 31, 1951, as 276,623 tons of 0.23 ozs/ton gold.

In association with Central Porcupine this company owns, below the 7,500 foot level, a large portion of the major structure of the district.

FALCONBRIDGE NICKEL MINES LIMITED

		<i>Outstanding</i>	<i>Ventures</i>	
CAPITALIZATION	Common Shares	3,410,247	2,400,140	70.4%
	Long-Term Debt—			
	3% Mortgage payable	\$918,552.90	Nil	
LOCATION	Mine at Falconbridge, Ontario. Refinery at Kristiansand, Norway.			
PRODUCTION	<i>Year</i>	<i>Tons Treated</i>	<i>Gross Metal Sales and other revenue</i>	
	1930-1950 (incl.)	11,132,271	\$ 139,042,352	
	1951	1,083,670	20,782,808	
	Total Production	<u>12,215,941</u>	<u>\$ 159,825,160</u>	

HISTORY Falconbridge is the oldest producing mine of the Ventures group as well as being the most remunerative. The property was acquired in 1928 and at that time had been drilled and had shown some sections of nickel-copper ore. No ore outcrops on surface, due to a heavy covering of sand and gravel, and one of the interesting items of the history of the property is that Thomas Edison, the famous scientist, obtained indications of ore by dip needle in one of the earliest applications of geophysics in this country, although at the time he was not successful in completing a shaft which, if continued to bed-rock, would have entered one of the largest ore shoots.

The mine was brought into production on February 4th, 1930, on a scale of 300 tons per day. Since that time the scale of production has been raised in several stages to the present rate of over 2,500 tons per day, with a further increase intended in the near future.

The Falconbridge refinery is at Kristiansand, Norway. The hazards (in wartime) of having the refinery in Europe are offset by the fact that the markets of Falconbridge metal were from the start, and to a large extent are still, in European countries.

Up to the end of 1951 Falconbridge had produced in excess of 350,000,000 lbs. of nickel and 175,000,000 lbs. of copper, together with the platinum group metals and gold and silver. To the same period the company had paid dividends amounting to \$16,234,565.

Recent important developments are the opening up of two new mines, the McKim mine, now producing over 500 tons per day, and the Hardy mine on the northwest side of the Sudbury basin, in process of development. A new promising orebody has been outlined at Fecunis Lake 2½ miles east of the Hardy mine. At the main Falconbridge mine ore has been proved to the 5,700 foot level, or 2,900 feet below the present deepest source of production.

At the end of 1951 ore reserves were estimated at 19,116,500 tons of average grade 1.74% nickel and 1.00% copper. The company is also proceeding with routine exploration in the Sudbury Basin area together with exploration for nickel and copper in outside fields.

In recent years, it has developed that the six mile belt of slightly mineralized contact breccia along the Levack area of the North Range is a fruitful background for the occurrence of many sulphide masses. Along this six mile belt the company owns a very large acreage so located that a substantial part of the near-surface mineralization and much of the contact zone below 2,500 feet in depth is controlled. Your President believes that this section of the Sudbury district offers the greatest scope for future expansion by Falconbridge.

NEW CALUMET MINES LIMITED

		<i>Outstanding</i>	<i>Ventures</i>	<i>Frobisher</i>		
CAPITALIZATION	Common Shares ---	3,499,907	168,451	4.8%	1,006,639	28.8%
LOCATION	Mine at Calumet Island, Quebec.					
		<i>Tons</i>	<i>Zinc</i>	<i>Lead</i>	<i>Silver</i>	<i>Gold</i>
		<i>Milled</i>	<i>lbs.</i>	<i>lbs.</i>	<i>Ozs.</i>	<i>Ozs.</i>
PRODUCTION	Total to Sept. 30, 1950	1,382,898	176,487,094	50,708,868	3,902,826	18,327
	For year ended Sept. 30, 1951 -----	259,214	23,134,766	6,641,291	593,135	4,553
	Total Production -----	<u>1,642,112</u>	<u>199,621,860</u>	<u>57,350,159</u>	<u>4,495,961</u>	<u>22,880</u>

HISTORY This mine, situated about 70 miles west of Ottawa in the Grenville series of altered sediments, was taken up by Frobisher as a "war baby" in 1942 because of the critically short supply of lead and zinc at that time. Prior to that the property had had a long and varied history having been first discovered in 1893 and produced on a small scale intermittently between 1912 and 1916 when the mill was burned. Interest was revived in 1937 and some diamond drilling carried out but this was not considered sufficiently encouraging to revive production. In view of this history and the general prejudice against base metal deposits in the Grenville series it was generally expected that the present operation would only last during the special conditions of wartime shortage. Due, however, to the continued demand for lead and zinc and to the gratifying results of deeper level exploration at the mine New Calumet has continued to operate profitably on a current scale of 700 tons per day and by the end of 1951 net metal sales had amounted to over \$18 million. Dividends were initiated in 1949 and have been paid continuously to the end of 1951 by which time they had amounted to \$2,467,434.

During 1951 new ore was opened up on several levels between the 200 and the 600 foot levels. A new shaft, No. 4, is being sunk some 2,100 feet northeast of No. 1 shaft for the purpose of opening up the area below the 1,500 level.

As at September 30th, 1951, ore reserves stood (before dilution) at 927,285 tons of average grade 6.7% zinc, 1.6% lead, 3.23 ozs/ton silver and 0.017 ozs/ton gold. Drilling in the last few months from the lower levels has intersected almost continuous ore over a length of 1,400 feet.

RAINVILLE COPPER MINES LIMITED

		<i>Outstanding</i>	<i>Frobisher</i>	
CAPITALIZATION	Common Shares -----	3,720,005	1,168,631	31.4%
LOCATION	Mine in Bourlamaque Township, Que.			

HISTORY The company was formed by Frobisher Limited to take over for shares two adjoining groups of claims formerly owned by Fleming Mines and Jacques Cartier Mining Corp. respectively. The ground adjoins the southeast boundary of the Golden Manitou mine. Copper mineralization was found by surface trenching and diamond drilling along the contacts of a diorite lens. In the latter part of 1951 a shaft was sunk to 426 feet and lateral work started on three levels. This work has shown three shoots of ore in a length of 800 feet on the first two levels and two shoots to date on the third level. Drifting is continuing in the mineralized zone.

UNITED KENO HILL MINES LIMITED

		<i>Outstanding</i>	<i>Frobisher</i>	
CAPITALIZATION	Common Shares	2,470,000	827,039	33.5%
	5% First Mortgage redeemable bonds—maturing April, 1953	\$500,000.00	\$190,000.00	38%

LOCATION Mine in Mayo District, Yukon Territory.

	<i>Tons Milled</i>	<i>Silver Ozs.</i>	<i>Lead lbs.</i>	<i>Zinc lbs.</i>	<i>Cadmium lbs.</i>
PRODUCTION					
From Apr. 1, 1947 to Oct. 31, 1950 (incl.)	253,458	10,731,071	38,763,456	9,447,054	175,193
For year ended Oct. 31, 1951	88,026	3,480,965	13,036,638	7,174,657	94,608
Total Production	<u>341,484</u>	<u>14,212,036</u>	<u>51,800,094</u>	<u>16,621,711</u>	<u>269,801</u>

HISTORY The nucleus of the properties, situated on Galena and Keno hills in the Mayo district of northern Yukon Territory, were acquired in 1945 from the Treadwell Yukon estate, which company had operated the mines some years previously. Financed jointly by Frobisher Limited and Conwest Exploration Company Limited, the Hector Mine was re-opened, together with new development in the Elsa and Calumet Mines, a concentrator built and production commenced in April, 1947. During and after the start of production other properties in the district were bought or optioned until a large proportion of the favourable areas on Galena and Keno hills was controlled by the company.

The veins, containing silver, lead and zinc, cut a series of quartzites, with slate bands, of late Precambrian age. To date the bulk of production has come from the Hector vein which breaks as it goes East into two branches known respectively as the No. 3 and No. 4 veins. Other properties on which work has been carried out are the Onek, Birmingham and No Cash. On the Onek a very promising vein has been opened up that will add considerably to production.

At the beginning of production concentrates had to be shipped out by river-boat for the first stage, with considerable resultant delays and uncertainties, but the later completion of a road between Mayo and Whitehorse (railhead) considerably improved efficiency in handling concentrates. Power has been an expensive item and the present construction of a hydro-electric plant, expected to be complete by about the end of 1952, should result in lower operating costs.

Production, which commenced at a rate of about 125 tons per day, was raised in stages to an average of 240 tons per day in 1951 by which time a cyanide plant had been added to increase silver recovery by treating concentrator tailings. This permitted in the latter part of the year, an increase in daily production to 320 tons by February, 1952, with the intention of increasing it further to 500 tons per day by the time hydro power is available.

Ore reserves at the end of 1951 stood at 395,613 tons of average grade 38.8 ozs/ton silver, 7.4% lead and 3.6% zinc.

This 12 mile belt of favourable late Precambrian quartzites, your President believes, will ultimately afford a production of around 1,000 tons per day from Keno Hill and 1,000 tons per day from Galena Hill, a major portion of which will be produced from claims owned by United Keno. It is also believed that, similar to the Coeur d'Alene district of Idaho, fracture systems in quartzite will continue to great depth.

LAKE DUFAULT MINES LIMITED

		<i>Outstanding</i>	<i>Ventures</i>	
CAPITALIZATION	Common Shares -----	2,547,600	1,238,897	48.6%
LOCATION	Dufresnoy Township, Que.			
PRODUCTION	Through Amulet-Dufault as indicated below.			
HISTORY	The company was formed in 1937 to acquire a group of claims adjoining the east boundary of Waite-Amulet Mines. In 1940 a diamond drill hole on Lake Dufault ground close to the Waite-Amulet boundary cut an important orebody known as "Lower A" below a shallower and small "Upper A" body that had been found on surface. This hole was followed up by drilling on the Waite-Amulet side of the boundary which showed that the larger part of the body lay within that property. To avoid wasteful work an agreement was reached in 1941 whereby an area 960 by 870 feet down to the 1,200 foot level, straddling the boundary and enclosing the outlines of "Lower A" orebody, was turned over to a new company, named Amulet-Dufault Mines Limited, wholly owned by Waite Amulet and Lake Dufault, the latter company receiving 220,000 shares. The operation of the property and the sale of ores is carried out by Waite-Amulet Mines.			

The ore is high-grade copper-zinc-gold-silver occurring near the contact of two east-dipping lava flows. Production from this orebody has ranged between 800 and 1,200 tons per day. Ore reserves in Amulet-Dufault were estimated at December 31, 1951, as 920,887 tons averaging 4.93% copper, 3.34% zinc, 0.041 oz. gold/ton and 1.29 oz. silver/ton. These reserves as reported by Amulet-Dufault include tonnage from the Upper A, Lower A and ore from the 1,000 to the 1,200 foot level.

Dividends from Amulet-Dufault have been paid from 1942 to the present with the exception of the years 1945 and 1946 and the Lake Dufault share of such dividends up to the end of 1951 amounted to \$2,002,000, including \$286,000 paid in 1951.

During the above operation exploration has continued on the remaining part of Lake Dufault ground by diamond drilling from surface and underground. Some encouragement has been received but no commercial orebodies proved to date.

MEDITERRANEAN MINES INC.

		<i>Outstanding</i>	<i>Ventures</i>	<i>Frobisher</i>	
CAPITALIZATION	Common Shares -----	3,500,000	25,000	.7%	* 1,733,185 49.5%
	* Including holdings of a wholly-owned Subsidiary.				
LOCATION	Mines at Laurium, Greece.				
PRODUCTION	First full year of production not yet completed.				
HISTORY	These lead-zinc-silver mines have a long history dating back to 600 B.C. or earlier when they were mined by the ancient Greeks who worked them for the relatively low silver content. After lying idle for centuries the mines were re-opened in the last century. One group continued to work, under French control, to the present day, while others became inactive about the time of World War I and were recently re-opened under the above-named company sponsored by Ventures associates with the aid of E.C.A.				

A 250 ton flotation mill has been erected and commenced production in August, 1951. Ore is being drawn from five or six working places in two main areas north and southwest of the mill. These places are mainly extensions of old workings in which recent development has exposed new ore. Mill feed is about 6% combined lead and zinc with an ounce or so of silver per ton. There are good possibilities for finding new, untouched ore in deeper horizons in this district of widespread mineralization. The ultimate tonnages appear to be large.

KILEMBE COPPER LIMITED

CAPITALIZATION	Common Shares	<i>Outstanding</i> 2,765,059	<i>Frobisher</i> 1,623,932	58.7%
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LOCATION Mine at Kilembe, Uganda.

HISTORY Underground work was first carried out by the Sir Robert Williams Company before World War II but, after partially developing four separate orebodies, work was suspended. Frobisher acquired the property in 1945 and since that time has carried out, partly in partnership with the Rio Tinto Company, a vigorous campaign of underground work, diamond drilling and surface trenching. This work has shown that there is probable continuity between all four ore deposits which now appear to be all within the same stratum in folded and faulted altered sediments of Precambrian age. The better grade ore is concentrated by structural features while the intermediate sections are lower grade. Besides copper the ore has an appreciable content of cobalt and it was this feature that made the deposit of particular interest in view of the current shortage of this metal. Ira B. Joralemon, consulting geologist, summarized the ore reserves at May 4, 1951, as follows:—

Developed Ore	4,417,000 tons	2.05% Cu	0.171% Co
Probable Ore	5,607,000 "	2.25% "	0.154% "
Developed plus Probable Ore	10,024,000 "	2.16% "	0.162% "
Inferred or Possible Ore	4,030,000 "	1.54% "	0.135% "
Total developed, Probable and Inferred Ore	14,054,000 "	1.98% "	0.154% "

In addition to the above there is a possible continuation from the "Stream Orebody" westerly to a gossan showing 6,000 feet away as well as other areas considered to offer good possibilities for ore but which have not yet been investigated. The future ore potential of the property is good.

Plans are now being made to place the property in production on an initial scale of about 2,200 tons per day, with the intention of producing 70,000 lbs. per day of refined copper, as well as a high-grade cobalt residue.

OPEMISKA COPPER MINES (QUEBEC) LIMITED

CAPITALIZATION	Common Shares	<i>Outstanding</i> 4,566,253	<i>Hoyle</i> 2,478,046	54.3%
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LOCATION Mine in Chibougamau District, Que.

HISTORY These deposits, lying in the western part of the Chibougamau area, were discovered in 1929 and acquired by Ventures the following year. At that time rich surface showings had been trenched and partially diamond drilled. Following further drilling a shaft was sunk in 1936 and work carried out on three levels. Due to the low price of copper at the time and the lack of transport facilities it was decided not to put the property into production and work was suspended.

By 1951 not only had the price of copper risen considerably but a highway had been completed from St. Felicien to Chibougamau, within 25 miles of the Opemiska property. Accordingly the company was re-financed and equipment is now being installed to complete development of the mine and place it in production on a scale of 300 tons per day.

At the time work was suspended in 1937 it was estimated that there were ore reserves of 283,000 tons grading 7.4% copper, 0.13 ozs/ton gold and 1 oz/ton silver, in three veins. A program of diamond drilling during the past winter has added to these reserves in a series of intersections over a length of approximately 1,000 feet in a zone south of the mine workings.

There is an indication of a series of cross-fractures that have been affected by a later stage of mineralization of cobalt, gold and silver.

ONTARIO PYRITES COMPANY LIMITED

CAPITALIZATION	Common Shares -----	<i>Outstanding</i> 2,481,645	<i>Ventures</i> 139,740	5.6%	<i>Hoyle</i> 965,271	38.9%
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LOCATION Mine and Properties, Sudbury Area, Ont.

HISTORY The company owns two originally separate base metal properties known formerly as the Errington or Treadwell Mine and the Vermilion Mine, formerly owned by Sudbury Basin Mines.

The Errington Mine had a 200 ton pilot mill formerly and between 1928 and 1930 treated 186,172 tons from the 300 and 500 foot levels that averaged .03 ozs/ton gold, 1.74 ozs/ton silver, 1.07% copper, 1.10% lead, 4.60% zinc. A study of the mine plans indicates a large ore bearing structure.

The Vermilion Lake property was diamond drilled in 1927-30 and the tonnage indicated was 1,028,044 tons averaging .022 oz/ton gold, 1.58 ozs/ton silver, 1.49% copper, 0.99% lead and 4.70% zinc.

It is intended to install a mining plant at the Errington Mine, to dewater it to the 500 foot level and to carry out development work to determine the scale of production operations. Concurrently it is intended to install a mining plant on the Vermilion Lake property and to sink a shaft to 750 feet to develop the ore deposits indicated by diamond drilling.

These deposits lie above the upper portion of the slow-cooled Sudbury sill and may occur over a widespread area of the Basin.

EUREKA CORPORATION LIMITED

CAPITALIZATION	Common Shares -----	<i>Outstanding</i> 8,092,553	<i>Ventures</i> 1,172,563	14.5%
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LOCATION Mine at Eureka, Nevada, U.S.A.

HISTORY The company holds a 25 year lease from the Richmond Eureka Mining Company on 4,000 acres covering the old Eureka mining camp that prior to 1910 produced \$60,000,000 in gold and silver and 225,000 tons of lead. The property was acquired by Ventures interests in the hope of locating new ore in a down-faulted block of ground north of the old workings. A program of drilling was initiated and the second of these holes, in 1941, was successful in cutting high-grade lead-zinc-silver-gold ore. With the assistance of the U.S. Government further drilling was carried out during World War II and three holes were completed all of which obtained ore intersections. These intersections along with the two obtained in 1941 show an orebody from 15 to 54 feet thick with an approximate average of .204 oz. gold, 6.3 oz. silver, 3.96% lead and 10.92% zinc. The holes were located 300 to 400 feet apart and enclosed an area of slightly more than two acres. In 1941 a shaft was sunk with the intention of driving out to this ore on the 2,250 foot level and developing the ore body for mining. Shortly after the commencement of the drive, however, an extremely heavy flow of water was encountered which flooded the shaft and necessitated the suspension of work. Since that time a careful study has been made of the problem and it is believed that the water level of the area surrounding the orebody can be lowered sufficiently to resume its development. This new program is now being started, together with a campaign of drilling to enlarge the ore picture.

BLYKLIPPEN LEAD-ZINC, GREENLAND

CAPITALIZATION Organization of company not completed at December 31, 1951.

LOCATION Mine at Mesters Veg, Eastern Greenland.

HISTORY The deposits now being investigated were discovered a few years ago by an exploration party under Dr. L. Koch working on behalf of the Greenland department of the Danish Government. During the summers of 1950 and 1951 preliminary underground work by adits was carried out to investigate a large vein of galena and sphalerite in quartz at Blyklippen (meaning "lead cliff"). Additional surface showings of lead and zinc were found in the surrounding area. On the invitation of the Danish Government Ventures sent Dr. J. D. Bateman to advise and report on the deposit and Don Cameron, the well-known Canadian prospector, and his partner Lothrop, to aid in the prospecting.

The Blyklippen vein is 18 to 30 feet wide and has been drifted on for 300 feet and drilled for an additional 600 feet, showing an average of about 14% lead and 6.5% zinc. The showing, and the possibility of other deposits in the neighbourhood, have created enough interest, in spite of the physical difficulties, for the organization of a year-round campaign starting in July, 1952, to investigate the deposit thoroughly and attempt to prove up enough ore to justify building a concentrator and going into production. A company has been formed in which the Danish Government and Danish private companies have 55% interest while two Swedish companies, a Norwegian company and Ventures will share the remainder. The operation will be under the direction of a Canadian manager but the administration will be from Copenhagen.

MATACHEWAN CONSOLIDATED MINES LIMITED

		<i>Outstanding</i>	<i>Ventures</i>
CAPITALIZATION	Common Shares	3,439,000	1,866,827 54.3%

LOCATION Mine at Matachewan, Ontario.

		<i>Tons Milled</i>	<i>Gold Ozs.</i>	<i>Silver Ozs.</i>
PRODUCTION	Total from 1935 to Dec. 31, 1950	3,055,773	327,836	104,347
	For year ended Dec. 31, 1951	259,092	23,164	14,153
	Total Production	3,314,865	351,000	118,500

HISTORY Matachewan Consolidated owns a property in one of the older Ontario gold districts where the deposits are associated with syenite intrusions. There is a wide impregnation of low-grade gold values throughout the district and, when gold prices improve, the district may become active as a producer of a large tonnage of low-grade ore.

Until the gold situation improves the Matachewan Mill will be used to treat local base metal ores.

MIFERMA (SOCIETE ANONYME DES MINES DE FER DE MAURITANIE)

CAPITALIZATION Organization of company not completed at December 31, 1951.

LOCATION Property at Fort Gouraud, Mauritania, French West Africa.

HISTORY The high-grade hematite deposits at Fort Gouraud, on the western edge of the Sahara Desert, have been known in a general way for some time but have only been thoroughly prospected in the last few years. Following an examination by a Joint Mission in the Spring of 1951 an agreement was reached between the French Government, Frobisher and the British Iron and Steel Corporation whereby the above-named company was formed for the purpose of testing the orebodies, investigating the rail and port facilities and, if considered advisable, putting the deposits into production. Frobisher holds a 34% interest in the new company.

The ore is a hard, high-grade hematite that gives an average grade, from preliminary sampling, of 65 to 69% iron and between 1 and 2% silica. The shipping grade would be somewhat lower due to dilution. Since no drilling has been done so far it is not possible to give any reliable estimate of tonnage but, from the surface exposures seen, it would be reasonable to assume between 40 and 60 million tons in the five largest deposits. A larger minimum tonnage would be required in order to justify the construction of a rail and port and for this continuity in depth must be proved. A party is now assembling equipment at Fort Gouraud for diamond drilling and tunnelling and the harbour facilities at Villa Cisneros, in Spanish Sahara (the nearest port) are being investigated.

ZEBALLOS IRON

LOCATION Property, Zeballos, Vancouver Island.

HISTORY Frobisher Limited holds an option on the Ford Iron property at Zeballos. Although relatively small at present by iron ore standards the property is probably the best deposit of high-grade magnetite known on the west coast. The magnetite occurs in limestone on the side of a mountain approximately four miles from tidewater. Two holes were drilled during World War II giving somewhat inconclusive results on the structure and this was followed up by more intensive drilling in the summer of 1951. This showed the structure to be more complex than the first interpretation but to have possibilities of extension that may be more favourable from the mining standpoint. Within a length of 340 feet in which most of the drilling was done it has been estimated that there is a tonnage of 632,000 tons averaging 58.8% iron in an average slope distance of 215 feet below the outcrop. Considerable further work will be needed before the extent of the deposit is known with any confidence and a program of drilling is intended for the summer of 1952.

CHARLEBOIS LAKE URANIUM LIMITED

		<i>Outstanding</i>	<i>Frobisher</i>
CAPITALIZATION	Common Shares	2,200,004	1,029,032 46.8%
LOCATION	Charlebois Lake Area, N. Saskatchewan.		
HISTORY	The property held by this company is an amalgamation of several independently staked groups of claims on which had been found radio-active zones. During the summer of 1951 a program of trenching and diamond drilling was carried out to test the grade and persistence of some of the zones. Encouraging sections were found in the Row and Mike groups. Work will be continued during the summer of 1952. These deposits are of interest in that they offer the possibility of moderately large widths and tonnages which are unusual in most of the uranium occurrences found to date.		

DOMINION MAGNESIUM LIMITED

		<i>Outstanding</i>		<i>Ventures</i>
CAPITALIZATION	Common Shares	400,000	104,182	26.1%

LOCATION Plant and Deposits at Haley, Ontario.

HISTORY This company was formed to manufacture and sell magnesium, produced by the Pidgeon Process, as well as allied metals and alloys. The source of raw material is dolomite of a high purity in three large deposits near Haley, mined by open cut. Calcium metal is also being produced at maximum rate of output to meet current market requirements.

Titanium from imported raw material is being produced in a pilot plant under a subsidiary company, Light Alloys Limited, and a new foundry capable of producing 400,044 lbs. per month of light metal castings is expected to be completed by June, 1952.

A plant for the production of ferro-silicon is under construction at Beauharnois, Quebec, and is expected to be in production in 1953.

AMERICAN NEPHELINE LIMITED

		<i>Outstanding</i>		<i>Ventures</i>
CAPITALIZATION	Common Shares	3,000,000	1,479,060	49.3%

LOCATION Mine at Nephton, near Lakefield, Ontario.

		<i>Finished Materials All Grades</i>	<i>Value Sales</i>
PRODUCTION	From 1946 to Dec. 31, 1950	301,361	\$ 4,499,814.
	Year ended Dec. 31, 1951	92,151	1,121,721.
	Total Production	<u>393,512</u>	<u>\$ 5,621,535.</u>

HISTORY Production of nepheline syenite from this property was first initiated by Canadian Nepheline Ltd., from which company American Nepheline Corporation took over in 1940. The latter is now a wholly-owned subsidiary of American Nepheline Limited which company was formed when the operation was re-organized in 1945. Since that time the treatment plant has been moved from Lakefield and Rochester, N.Y., to the property and the production increased to annual sales of \$1,121,721 in 1951.

The nepheline syenite is currently all mined by open cut and after crushing and grinding is treated by magnetic separation to remove iron-bearing minerals. The bulk of the final product is sold to the Ceramics Industry, mainly glass and pottery, in Canada, the United States and a small proportion abroad. Several other possible uses are being studied which may eventually increase the scale of operations considerably.

A townsite has recently been established on the property and with the concentration of the whole operation on one spot with the exception of re-grinding of pottery grade which is done in Lakefield, the overall efficiency has been much improved.

At December 31st, 1951, the ore reserves were estimated at 3,632,650 tons grading 23% alumina or better and giving a final product within the industrial limit of iron content. This includes 1,441,840 tons added during 1951 by diamond drilling of a new deposit northeast of the present quarries.

BLACK DONALD GRAPHITE

CAPITALIZATION Wholly-owned by Frobisher.

LOCATION Mine at Calabogie, Ontario.

		<i>Raw Graphite Produced lbs.</i>	<i>Sales lbs.</i>	<i>Net Return</i>
PRODUCTION	For year ended Oct. 31, 1951	3,351,900	4,163,334	\$273,964.

HISTORY Operations were started under direction of Frobisher Limited in 1944 as a War measure due to the limitation of foreign imports of graphite by enemy submarine activity. After the War the property was sold to the Ontario Hydro-Electric Power Commission since it came within an area expected to be flooded by a new hydro-electric project. Since this has been postponed production has continued. Underground operations were suspended in 1950 due to a rock fall but production was continued from old dumps and tailings. During 1951 an exposure of ore was stripped and prepared for mining by open cut.

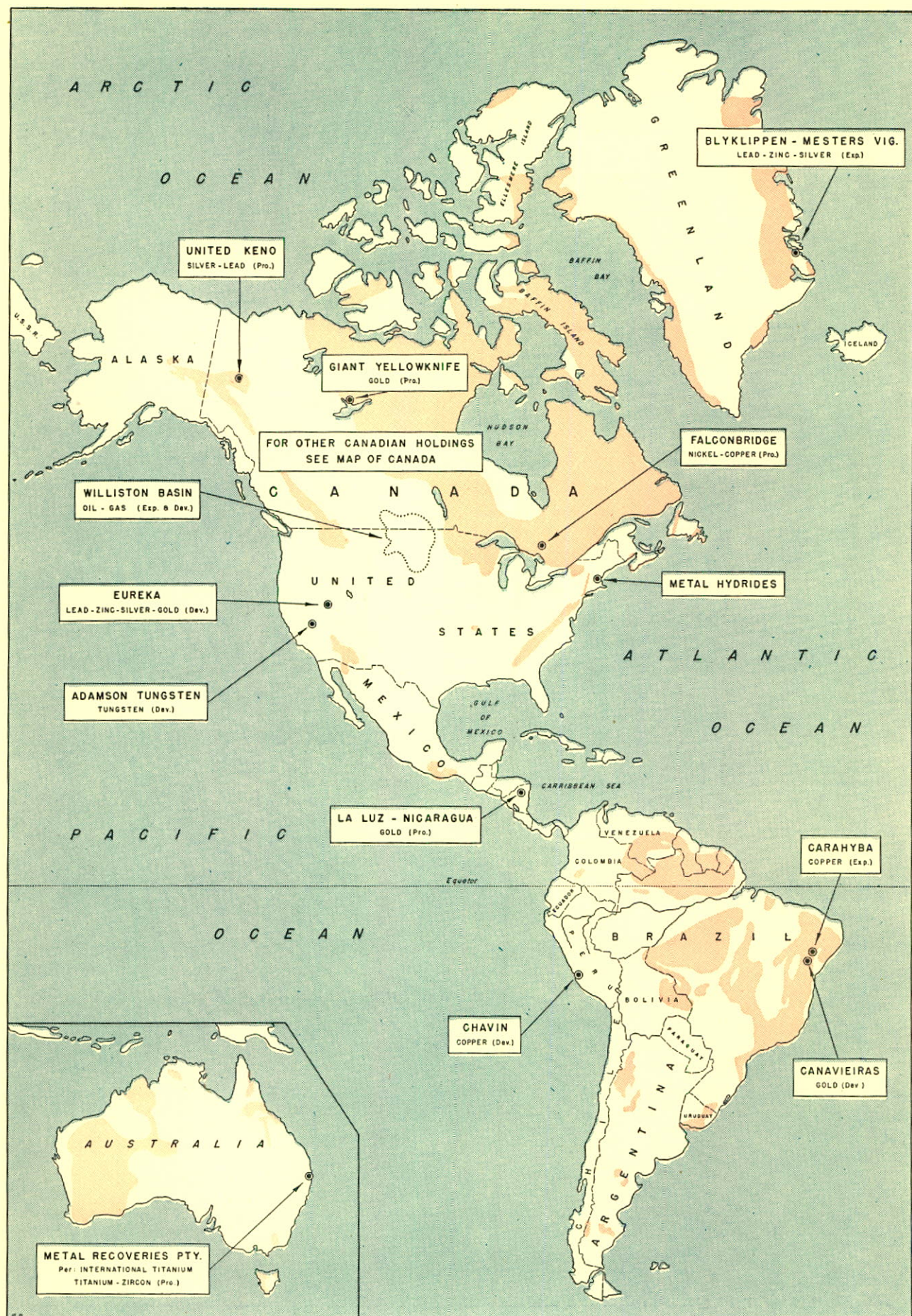
Examination of outside properties for graphite sources was carried out during 1951 with detailed work being concentrated on three of these, one of which shows considerable promise.

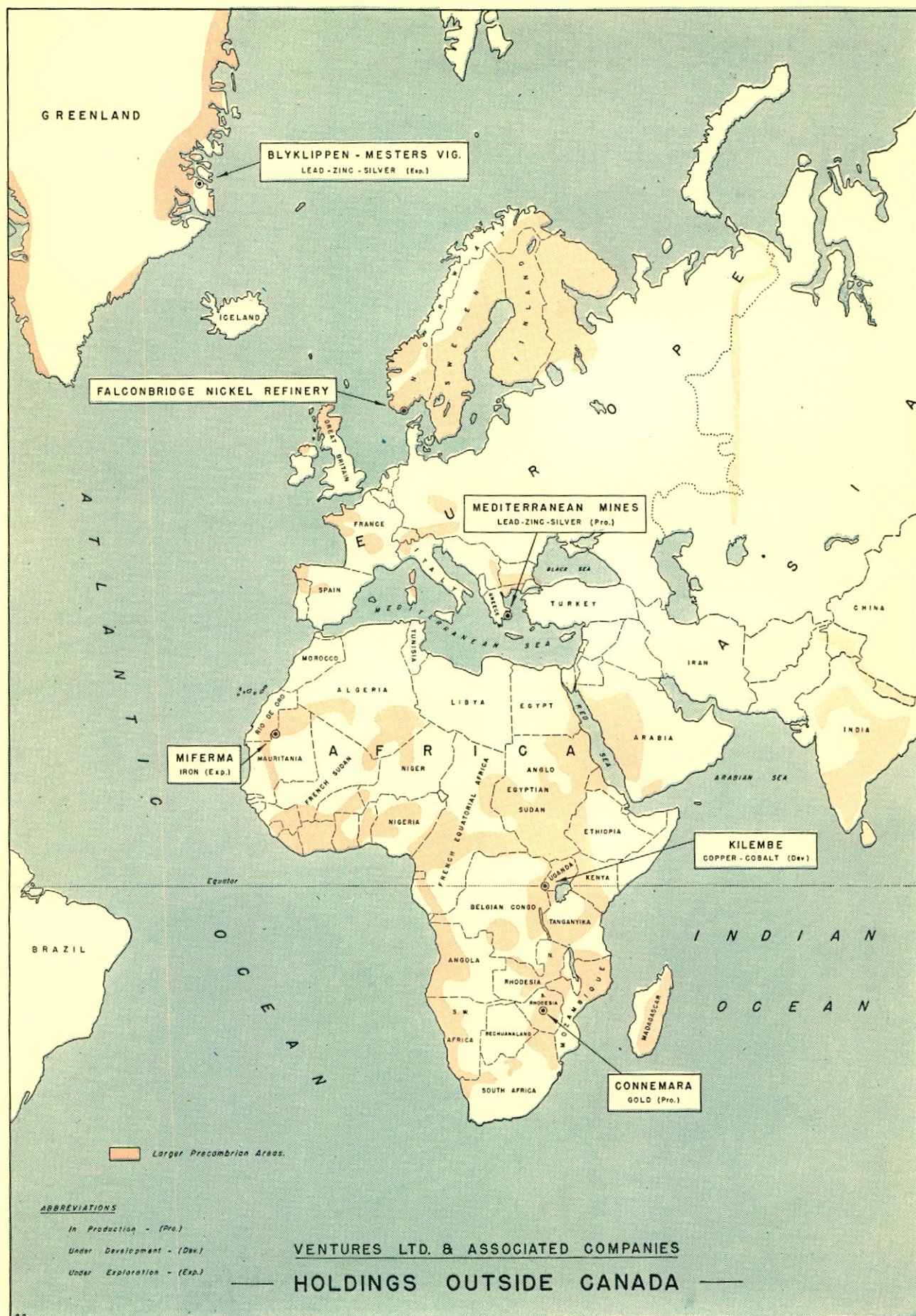
INTERNATIONAL TITANIUM CORPORATION

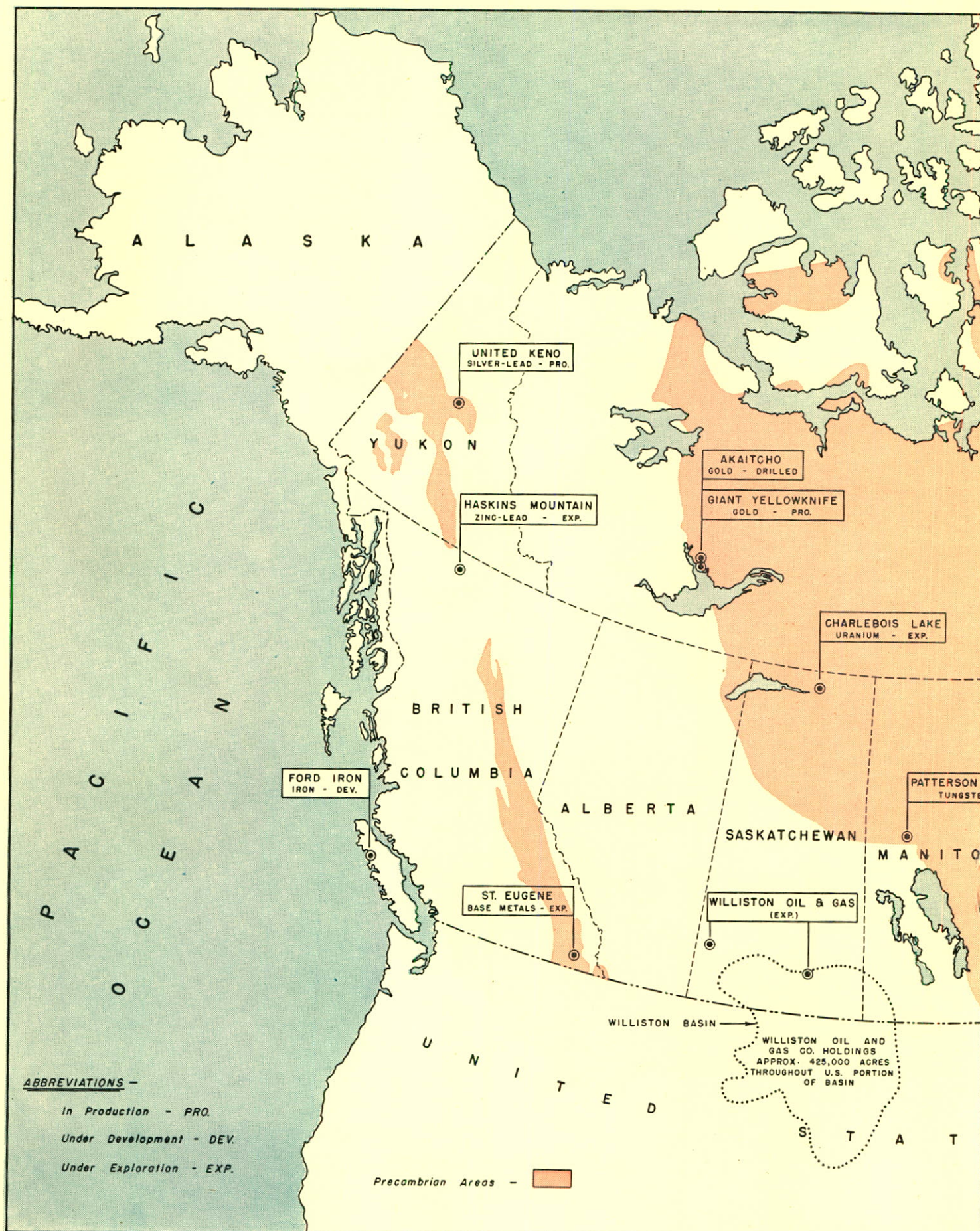
		<i>Outstanding</i>	<i>Ventures</i>	
CAPITALIZATION	Common Shares	131,250	53,275	40.6%
	Preferred Shares	95,500	47,750	50.0%

LOCATION In New South Wales, Australia.

HISTORY This company, through an Australian subsidiary, produces concentrates of rutile and zircon from beach sands on the east coast about 40 miles south of Brisbane. During 1951 the operation produced 1,657 tons of clean rutile and 2,363 tons of zircon concentrate for a gross profit of £21,124.







VENTURES LTD. & ASSOCIATED COMPANIES HOLDINGS IN CANADA



WILLISTON OIL AND GAS COMPANY

LOCATION Montana, North Dakota, South Dakota and Saskatchewan.

HISTORY As the result of an agreement made between Frobisher and Federated Petroleum Limited, in March, 1952, this Company is being financed to develop lands held by Federated Petroleum in the Williston Basin, one of the most active and promising oil areas in North America. Federated provided about 440,000 acres in Montana, North and South Dakota and 232,000 acres in Saskatchewan, while Frobisher agreed to provide \$6,500,000 and each Company contracted further to provide \$1,750,000, making a total of \$10,000,000 available for exploration and development expenses.

The Williston Basin is a roughly circular structure, extending through Montana, North Dakota, the northern edge of South Dakota and the southern edges of Saskatchewan and Manitoba. One of the favorable features of this field is that production has been obtained in exploratory drilling from several different horizons in the Palaeozoic sediments, mainly at depths between 5,000 and 11,000 feet, as well as minor production at shallower depths on the Canadian side. The quality of the oil is good, being mainly between 35° and 40° gravity (API).

Of the ground held by Williston Oil and Gas in the United States about 60% is in Montana and the bulk of the remainder in North Dakota. The Montana acreage includes a concentration of ground in Dawson County in which the Texaco and Shell Companies have had recent very successful wells in the Glendive structure. It was announced recently that the Shell well penetrated more than 300 feet of oil-saturated Devonian limestone in which initial tests showed several horizons to be productive with one interval yielding a production rate of 3,900 barrels per day of 39° gravity oil. Williston Oil and Gas holds 2,800 acres within a five mile radius of this well besides several times this acreage within 15 miles northwest, on which a seismograph crew is currently at work. A well is being located, and will shortly be drilled on a 50:50 "farm-out" basis, on ground held by Williston Oil at a point about one and three quarter miles southeast of the Shell well mentioned, or one and a half miles from the original Texaco discovery.

Other holdings include ground lying west and northwest of the remarkable Amerada discoveries in the Nisson anticline in North Dakota, a concentration of checkerboarded acreage in Fallon County, Montana, favourably located in regard to surface anticlinal trends west of and parallel to the Baker-Glendive anticline, and another concentration in Valley County Montana, in the vicinity of a southeasterly plunging anticline. Elsewhere in the Basin Williston Oil's holdings consist for the most part of scattered acreage in relatively small units. Since most of the intervening ground is held by major oil companies it is expected that exploratory work done by others in the next two or three years will aid in proving or condemning most of these scattered holdings. Such holdings are useful as protection acreage pending results of exploration by other companies.

A field office has been set up in Casper, Wyoming, where the exploration and development program is under the direction of Mr. Alexander Clark, now Vice-President and Director of Williston Oil and Gas and formerly Division Geologist for Shell Oil Company in the Rocky Mountain Division, which covers the Williston Basin area. From this office the work of a seismograph party (to which another will shortly be added) is directed, and all available information is being compiled, so that exploratory wells may be located on the most favourable parts of the Williston Oil and Gas holdings.

The holdings of Williston Oil and Gas Company in Canada are in two groups. The first consists of 88,640 acres in Western Saskatchewan, 20 miles northwest of the significant "Roseray" discovery of Socony Vacuum and associates early in 1952 which produced the first medium gravity oil in Saskatchewan. The second group lies southeast of Regina and consists of 148,600 acres in two permits. In order to obtain action on these two Saskatchewan groups, without detracting from the efforts of the company in Montana and the Dakotas, "farm-out" agreements on favourable terms have just been completed on both groups. On the first group the Texas General Petroleum Company agrees to spend up to \$443,200 in exploration work in return for a half interest in the acreage. On the second group, which consists of two permits, the British American Oil Company undertakes to

carry out a complete geophysical survey on the whole area and, if a well is completed in either permit area, will then obtain a half interest in that permit area. By these agreements the Saskatchewan holdings are being actively explored by reputable and experienced companies at no expense to Williston Oil and Gas Company.

By participation in Williston Oil and Gas, Frobisher Limited acquired a one half interest in one of the most attractive and potential oil structures in North America and, at the same time, became closely associated with one of the most progressive and active oil groups in Canada.

QUEBEC METALLURGICAL INDUSTRIES LIMITED

		<i>Outstanding</i>	<i>Ventures</i>	<i>Frobisher</i>
CAPITALIZATION	Common Shares -----	227,510	56,250 24.7%	118,750 52.2%
LOCATION	Laboratories at Ottawa.			
HISTORY	The company was formed to undertake research into various ore treatments and metal alloy productions under the direction of Mr. L. J. Lichty. It is intended that the projects giving sufficient promise from research will be followed into the production stage.			

A number of patents on metallurgical processes have been granted and others applied for. The company has participated in the exploration of the cobalt showings held by Sursho Mining Corporation in northern Quebec.

FAHRALLOY CANADA LIMITED

		<i>Outstanding</i>	<i>Falconbridge</i>
CAPITALIZATION	Common Shares -----	701	701 100%
LOCATION	Plant at Orillia, Ontario.		
HISTORY	This company, a subsidiary of Falconbridge Nickel Mines, was formed to manufacture High Alloy Castings and High Manganese Castings, production having been started in 1936. During World War II the company produced Armour Castings for the Government for use in the Tank Program. Subsequently the production has been broadened to take in Carbon Steel Castings.		

During 1951 the Gross Foundry Profit was \$462,133 and the net profit \$206,034. An expansion of the plant was completed in November, 1951, and further expansion is intended.

LAKEFIELD RESEARCH LIMITED

		<i>Outstanding</i>	<i>Ventures</i>	<i>Frobisher</i>
CAPITALIZATION	Common Shares -----	724,985	287,500 39.7%	204,963 28.3%

LOCATION Laboratories at Lakefield, Ontario.

HISTORY This company, formerly named Nepheline Products Limited, owns a research and analytical laboratory at Lakefield, Ontario. A proportion of the work of the laboratory is concentrated on test and analytical work arising from activities of Ventures and associated companies. The laboratories also handle custom assays, analyses and mill test work for outside clients.

The company holds controlling interest in La Corne Lithium Mines Limited.

METAL HYDRIDES INC.

		<i>Outstanding</i>	<i>Ventures</i>
CAPITALIZATION	Common Shares -----	139,815	75,473 54.0%

LOCATION Plant at Beverley, Mass., U.S.A.

HISTORY The company was incorporated in 1937 for the purpose of producing, in relatively small quantity, metals and metal hydrides of high purity. During World War II the first uranium for use by the Atomic Energy Commission in the Manhattan project was produced in the Metal Hydrides laboratories.

One of the chief materials produced is calcium hydride, used as a reduction agent and as a source of hydrogen in various chemical industries. Sodium hydride is also produced and hydrides of other elements according to the demands of industry. In pure metals titanium and zirconium, and their alloys, are produced in powdered form. The Corporation also produces various chemical products such as double hydrides and lithium aluminum hydride.

The corporation has recently been re-financed in order to increase capacity so that increasing demands can be met and costs lowered.

MISCELLANEOUS

In addition to the operations and properties described above, Ventures and Associated companies hold substantial interests in a number of inactive gold properties, some containing proved ore reserves, that are expected to be of value when the price of gold is increased. They also hold, both in Canada and abroad, interests in base metal and iron properties in various stages of development and exploration.

Comparative Summary of Profit and Loss Account

1928 — 1951

	Income from shareholdings and bonds and sundry credits	Administrative expenses and sundry debits	Transfer to Reserve for Depletion	Provision for Taxes	Net Profit (or Loss) for the year	Dividends Paid
1928.....	\$ 812.38	\$ 55,705.72	\$ -----	\$ 23,193.48	\$ 78,086.82	\$ -----
1929.....	36,006.40	133,676.62	-----	1,767.89	99,438.11	-----
1930.....	27,635.53	73,866.10	12,592.04	121.70	58,944.31	-----
1931.....	13,193.59	56,087.51	6,528.99	82.48	49,505.39	-----
1932.....	128,390.31	61,695.19	23,818.14	-----	42,876.98	-----
1933.....	466,954.68	55,521.19	192,625.96	-----	218,807.53	-----
1934.....	450,838.75	32,299.85	208,022.87	-----	210,516.03	-----
1935.....	448,200.41	32,537.54	270,000.00	80,000.00	65,662.87	-----
1936.....	584,241.99	57,373.78	100,000.00	146,152.77	280,715.44	590,235.45
1937.....	874,939.59	67,302.92	170,000.00	12,208.40	625,428.27	590,235.27
1938.....	1,117,996.64	68,875.31	200,000.00	2,500.00	846,621.33	354,142.86
1939.....	1,060,319.08	54,347.78	350,000.00	15,000.00	640,971.30	78,697.55
1940.....	869,818.60	52,099.72	250,000.00	47,000.00	520,718.88	236,092.65
1941.....	1,005,991.88	50,849.00	300,000.00	15,620.00	639,522.88	314,790.20
1942.....	824,709.60	47,665.52	200,000.00	10,993.47	566,050.61	393,487.75
1943.....	797,928.75	69,040.91	200,000.00	55,000.00	473,887.84	357,483.20
1944.....	904,731.17	62,864.77	200,000.00	811.88	641,054.52	357,483.20
1945.....	863,257.27	88,948.43	200,000.00	63,264.89	511,043.95	357,483.20
1946.....	408,886.85	97,717.53	100,000.00	1,155.79	210,013.53	357,483.20
1947.....	882,924.80	93,268.84	200,000.00	43.45	589,612.51	89,370.80
1948.....	1,187,907.22	105,971.33	250,000.00	614.53	831,321.36	-----
1949.....	1,240,935.35	128,096.56	250,000.00	749.12	862,089.67	89,370.80
1950.....	1,305,538.09	146,880.43	250,000.00	2,344.61	906,313.05	89,370.80
1951.....	1,569,054.98	147,802.37	300,000.00	3,448.55	1,117,804.06	536,224.80

VENTURES

(Incorporated under Th

Balance Sheet as at

ASSETS

Cash in banks		\$	95,884.81
Accounts receivable—			
Subsidiary and associated companies	\$	51,966.77	
Sundry		5,686.29	57,653.06
			<u>\$ 153,537.87</u>
Interest in subsidiary, associated and other companies at not more than cost:			
Subsidiary companies—			
Shareholdings	\$	13,669,805.23	
Advances		1,200,285.97	\$ 14,870,091.20
Associated companies—			
Shareholdings	\$	5,545,992.06	
Advances		953,719.95	6,499,712.01
Other companies—			
Shareholdings		434,112.35	
Shares to be purchased under agreements (contra)		309,850.00	22,113,765.56
NOTE: Shares having a book value of \$80,715 and a market value of \$577,310 have been hypothecated as security for the bank loan of a subsidiary company.			
Mining claims	\$	71,477.17	
Expenditures on sundry projects, explorations, etc., carried forward		83,848.37	155,325.54
49% interest in Ile Perrot refinery site	\$	93,821.01	
Equipment and furniture less depreciation		24,902.72	118,723.73
			<u>\$ 22,541,352.70</u>

AUDITORS' REPORT

To the Shareholders of
Ventures Limited.

We have examined the balance sheet of Ventures Limited as at December 31, 1951, and the statements of profit and loss, earned surplus and special surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. In our opinion the accompanying balance sheet and statements of profit and loss, earned surplus and special surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1951, and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company.

LIMITED

Companies Act, Canada)

*December 31, 1951***LIABILITIES**

Accounts payable and accrued charges	\$ 28,610.23	
Instalment due December 15, 1952, on note payable (U.S. \$250,000)	264,224.72	
Liability for shares to be purchased under agreements (contra)	309,850.00	\$ 602,684.95
<hr/>		
Note payable in annual instalments of U.S. \$250,000 each on December 15, 1952 to 1960 bearing interest at 3 $\frac{3}{8}$ %—secured (U.S. \$2,250,000)	\$ 2,378,022.43	
Less instalment due December 15, 1952, included in current liabilities	264,224.72	2,113,797.71
<hr/>		
Reserve for depletion on shares of subsidiary, associated and other companies (Statement 3)		4,233,588.00
Capital:		
Authorized—2,000,000 shares of no par value		
Issued —1,787,416 shares	\$ 9,343,347.59	
Earned surplus (Statement 2)	\$ 5,594,174.79	
Special surplus (Statement 3)	653,759.66	6,247,934.45
		15,591,282.04

Approved on behalf of the Board:

T. LINDSLEY, Director.

W. S. MORLOCK, Director.

\$ 22,541,352.70

The interest of Ventures Limited in the profits of those subsidiary companies which made a profit during the year amounted to \$2,781,134 which is \$1,426,973 greater than the dividends received from such subsidiaries and included in the accounts of Ventures Limited for the year. The interest of Ventures Limited in the losses sustained by those subsidiary companies which made a loss during the year and which were not provided for in the accounts of Ventures Limited amounted to \$30,127. The aggregate of accumulated surpluses less deficits of subsidiary companies as shown by their 1951 balance sheets amounted to \$9,932,154 of which the interest of Ventures Limited therein was \$7,492,790.

CLARKSON, GORDON & CO.,
Chartered Accountants.

Toronto, Canada,
April 22, 1952.

Statement of Profit and Loss
for the year ended December 31, 1951

Dividends received from:		
Subsidiary companies	\$ 1,354,160.90	
Other companies	214,894.08	\$ 1,569,054.98
Interest paid	\$ 86,863.26	
Executive salaries	\$32,802.42	
Directors' fees	875.00	
Legal fees and expenses	5,409.74	
Other administrative expenses less amounts recovered from associated companies	21,851.95	60,939.11
Income tax deducted at source from dividends received	3,448.55	
Transfer to reserve for depletion on shares in subsidiary, associated and other companies	300,000.00	451,250.92
Net profit for year (excluding items in special surplus)		<u>\$ 1,117,804.06</u>

NOTE: Fees paid to directors of Ventures Limited by subsidiary companies during the year amounted to \$995.

Statement of Earned Surplus
for the year ended December 31, 1951

Balance December 31, 1950	\$ 4,988,727.81	
Net profit for year	1,117,804.06	
Provision made in prior years for taxes on income—no longer required	23,867.72	
		\$ 6,130,399.59
Deduct dividends paid:		
No. 27—15¢ per share paid February 8, 1951	\$268,112.40	
No. 28—15¢ per share paid July 19, 1951	268,112.40	536,224.80
Balance December 31, 1951		<u>\$ 5,594,174.79</u>

STATEMENT 3

Statement of Special Surplus

(Consisting of the profit (net) on security transactions less the amounts written off exploration expenditures, mining claims and interest in and advances to affiliated and other companies)

for the year ended December 31, 1951

Balance December 31, 1950				\$249,763.47
Net gain on security transactions during the year		\$447,921.28		
Recovery of amounts previously written off advances to subsidiary and associated companies		149,162.96		
				<u>\$597,084.24</u>
Less amounts written off:				
Securities	\$81,690.26			
Exploration expenses and payments on lapsed options	27,355.33			
Advances to subsidiary and associated companies	84,042.46	193,088.05	403,996.19	
Balance December 31, 1951				<u><u>\$653,759.66</u></u>

*Reserve for Depletion on Shares of Subsidiary, Associated
and Other Companies*

for the year ended December 31, 1951

Balance December 31, 1950	\$ 3,933,588.00
Add transfer from statement of profit and loss during the year	<u>300,000.00</u>
Balance December 31, 1951	<u><u>\$ 4,233,588.00</u></u>

Statement of Interest in Subsidiary and Associated Companies
As at December 31, 1951

	Shareholdings			Advances
	Number of shares	% of outstanding capital	Cost less amounts written off	
SUBSIDIARY COMPANIES:				
American Nepheline Limited	1,479,060	* 49.3	\$ 483,710.59	
Coniaurum Mines Limited	1,430,800	51.7	554,476.04	
Devonian Limited	70,005	* 37.8	70,005.00	
Dupresnoy Mines Limited	1,138,078	* 41.3	10,880.53	\$ 1,955.00
Falconbridge Nickel Mines Limited	2,400,140	70.3	2,522,321.88	
Frobisher Limited	2,419,165	52.1	4,475,249.44	816,000.00
Hoyle Mining Company Limited	1,726,904	93.2	1,495,278.86	22,749.25
La Luz Mines Limited	1,051,089	69.8	2,289,904.58	
Matachewan Consolidated Mines Limited	1,866,827	54.2	503,816.00	
Metal Hydrides Incorporated	75,473	53.9	608,709.25	25,060.95
Pelletier Lake Gold Mines Limited	2,135,100	78.7	305,843.13	
Quebec Metallurgical Industries Limited	56,250	* 24.7	38,250.00	41,120.64
St. Eugene Mining Corporation Limited	1,079,593	* 44.7	289,348.38	98,741.21
Toronto Mines Finance Limited	12,500	100.0	12,500.00	167,561.25
Miscellaneous participations of less than \$10,000 each			9,511.55	27,097.67
			<u>\$ 13,669,805.23</u>	<u>\$ 1,200,285.97</u>
* Controlled through Subsidiary Companies.				
ASSOCIATED COMPANIES:				
Canadian Malartic Gold Mines Limited....	1,388,685	38.0	\$ 513,411.01	
Dominion Magnesium Limited	104,182	26.0	664,229.57	
Duport Mining Company Limited	553,262	39.5	82,235.97	
Eureka Corporation Limited	1,172,563	14.4	2,049,194.21	\$ 202,048.64
Giant Yellowknife Gold Mines Limited ...	73,042	1.8	168,914.39	
Guayana Mines Limited	423,273	8.4	142,132.95	751,155.37
Lake Dufault Mines Limited	1,238,897	48.6	193,273.30	
New Calumet Mines Limited	168,451	4.8	2,914.00	
Nipissing Mines Company Limited	223,140	18.5	532,117.72	
Osisko Lake Mines Limited	241,581	9.4	157,252.40	
Pascal's Gold Mines Limited	1,462,837	48.7	244,468.09	
Pine Point Mines Limited	64,856	3.2	48,042.25	
S.A. Minerals Limited £1 Preferred	75,000		181,686.95	
Tonopah Mining Company of Nevada ...	228,360	26.2	472,271.64	
Miscellaneous participations of less than \$25,000 each			93,847.61	515.94
			<u>\$ 5,545,992.06</u>	<u>\$ 953,719.95</u>

AMERICAN NEPHELINE LIMITED

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1951

ASSETS

CURRENT:

Cash on hand and in banks.....	\$ 3,230	
Accounts receivable.....	118,706	
Inventories of crude ore and finished products—as determined and certified by the management and valued at the lower of average cost or market.....	164,568	\$ 286,504

DEFERRED:

Inventory of mine and mill supplies—at cost.....	139,637	
Deferred charges and sundry receivables.....	7,641	147,278

FIXED:

Mining properties—at cost.....	74,283	
Land, buildings, machinery, equipment, automobile and trucks—based upon the values at which such assets were acquired from the predecessor company, Canadian Nepheline Limited, in 1940, with subsequent additions at cost—less depreciation provided of \$601,817.....	863,246	
Staff dwellings—at cost less depreciation provided of \$9,575.....	\$ 86,173	
Less: C.M.H.C. loan thereon.....	52,527	33,646
		971,175

OTHER:

Deferred development expenditures, less amounts written off of \$191,768.....	85,159	
Interest in outside mining claims.....	2,181	
Marine and other equipment not presently in use, less depreciation provided of \$10,839.....	11,962	99,302
		<u>\$1,504,259</u>

LIABILITIES

CURRENT:

Bank overdraft (secured).....	\$ 19,296	
Accounts payable and accrued charges.....	56,435	
Estimated corporation taxes, less amounts paid thereon.....	17,552	\$ 93,283

CAPITAL:

Capital stock		
—authorized and issued 3,000,000 shares of no par value.....	\$1,524,964	
Less: Deficit.....	113,988	1,410,976

\$1,504,259

- NOTES: 1. The net value of the fixed assets of the subsidiary company upon consolidation, as in prior years, has been increased by \$47,169 representing the excess of the value placed upon the capital stock issued at acquisition over the net book value of the assets of the subsidiary company.
2. The plant of the subsidiary company has been closed and a substantial portion of the equipment transferred to Canada or sold. The net book value of the remaining assets is included in this balance sheet at approximately \$190,000. We are informed that the plant is currently being offered for sale.
3. The charges to operations with respect to depreciation of plant and deferred development expenditures in 1951 are \$35,551 less than the maximum amounts permitted by the regulations under The Income Tax Act.

CONIAURUM MINES LIMITED

BALANCE SHEET AS AT DECEMBER 31, 1951

ASSETS

CURRENT:

Cash on hand and in banks.....	\$	55,933.19	
Bullion settlements outstanding.....		107,485.54	
Accounts receivable and accrued interest.....		6,272.36	
Estimated amount receivable from the Government of Canada under The Emergency Gold Mining Assistance Act.....		45,229.60	
Marketable securities at cost—			
Government of Canada bonds (market value \$164,670)..<	\$	164,505.00	
Frobisher Limited—111,650 shares.....		175,806.26	
Other marketable securities (approximate market value \$583,472).....		339,517.15	679,828.41
Estimated overpayment of federal taxes on income.....		4,717.29	\$ 899,466.39

SUPPLIES AND PREPAID EXPENSES:

Inventory of supplies as determined and certified by the management and valued at cost.....	\$	168,191.25	
Prepaid expenses.....		10,904.09	179,095.34

FIXED:

Mining properties.....		\$2,243,709.14	
Buildings, machinery and equipment.....	\$1,381,402.06		
Less: Accumulated depreciation.....	1,363,934.41	17,467.65	2,261,176.79

OTHER:

Government of Canada bonds on deposit with Hydro-Electric Power Commission of Ontario at cost (market value \$14,231).....	\$	15,037.50	
Shares in and advances to other companies at cost.....		411,887.22	426,924.72
			<u>\$3,766,663.24</u>

LIABILITIES

CURRENT:

Wages payable.....	\$	28,362.88	
Accounts payable and accrued charges.....		52,631.93	
Estimated provincial taxes payable.....		9,250.03	\$ 90,244.84

CAPITAL:

Authorized—3,000,000 shares no par value			
Issued —2,766,743 shares no par value.....		\$4,456,337.30	
Less: adjustment of book values of deferred developments, buildings, machinery, etc., taken over from predecessor company.....		708,842.30	
		<u>\$3,747,495.00</u>	
DEFICIT.....		71,076.60	3,676,418.40

NOTE: The company has agreed to make expenditures to the extent of \$300,000 under an agreement with Central Porcupine Mines Limited to develop ore near the joint boundary of properties owned by the company and Central Porcupine Mines Limited. Part of the development will be on the property owned by the company. The company will be entitled to a two-thirds interest in the net proceeds of ore recovered from the operation.

\$3,766,663.24

LA LUZ MINES LIMITED

BALANCE SHEET AS AT SEPTEMBER 30, 1951

ASSETS

CURRENT ASSETS:

Cash on hand and in banks.....	\$ 91,370.06
Bullion in transit and at refineries at estimated realizable value.....	232,800.33
Sundry accounts receivable.....	59,009.63

INVESTMENTS:

\$ 383,180.02

INVESTMENTS, AT COST—

Frobisher Limited—291,100 shares.....	\$ 324,758.63
Giant Yellowknife Gold Mines Limited—14,841 shares.....	71,423.64
Falconbridge Nickel Mines Limited—19,735 shares.....	51,860.00
Ventures Limited—7,000 shares.....	73,500.00
Copper Range—1,000 shares.....	27,500.00
	\$ 549,042.27

INVESTMENTS AND ADVANCES, AT COST LESS RESERVE—

Eureka Corporation Limited—444,663 shares.....	\$ 562,247.78
Guayana Mines Limited —544,000 shares.....	204,000.00
—Advances.....	152,297.91
Richmond Eureka Mining Company—2,688 shares.....	24,449.20
Panaminas Incorporated—wholly-owned subsidiary (nominal value).....	1.00

Less: Reserve.....	\$ 942,995.89	742,995.89	1,292,038.16
	200,000.00		

INVENTORIES OF SUPPLIES valued at average cost which is less than current replacement cost:

Mining and milling supplies and spare parts.....	\$ 923,262.16
Commissary supplies.....	130,691.35
	1,053,953.51

FIXED ASSETS:

Siuna mining claims, at cost less depletion written off in prior years.....		\$ 664,185.40	
Potosi property.....		570,130.16	
Riscos De Oro property.....		113,558.04	
Mine buildings, machinery, equipment, roads, airports, and Yy River power development completed or in course of construction at cost.....	\$4,154,422.28		
Less: Reserve for depreciation.....	2,403,802.53	1,750,619.75	3,098,493.35

DEFERRED EXPENDITURE:

Prepaid fire insurance and taxes, native housing project, etc.		\$	38,276.07	
Expenditure on outside properties—				
Adamson Tungsten property.....	\$	6,160.55		
Rosita property.....		26,763.62	32,924.17	71,200.24
				<u>\$5,898,865.28</u>

LIABILITIES

CURRENT LIABILITIES:

Chemical Bank and Trust Company, New York	
Demand loan and interest payable—secured.....	\$ 451,493.79
Note and accounts payable re Potosi property—	
Note due December 1, 1951.....	\$ 75,000.00
Balance of purchase price payable in monthly instalments of \$1,500 each	18,000.00
	93,000.00
Accrued wages payable.....	7,278.69
Accounts payable and accrued charges.....	198,551.75

CAPITAL STOCK:

Authorized—2,000,000 shares of no par value		\$ 750,324.23
Issued —1,504,412 shares.....	\$3,139,191.10	
(Options are outstanding on 5,250 shares)		
Earned surplus.....	2,009,349.95	5,148,541.05

NOTE: The company's transactions arise for the most part in United States and Nicaraguan currencies and to a limited extent in Canadian currency. The financial statements are presented in terms of U.S. dollars with the exception of share capital and the expenditures therefrom for mining claims, plant and development, which are recorded in Canadian dollars. Conversion during the year from cordobas to U.S. dollars has been made at the official rates, 5 cordobas to \$1 U.S. to February 28, 1951, and 6.6 cordobas to \$1 U.S. thereafter. Conversion during the year from Canadian to U.S. dollars has been made at various rates prevailing from time to time.

FALCONBRIDGE NICKEL MINES LIMITED
CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1951

ASSETS			
CURRENT ASSETS:			
Cash on hand and in banks.....		\$ 651,495.07	
Government of Canada and Province of Ontario Bonds at cost (quoted market value \$1,389,550).....		1,412,931.87	
Accounts receivable—			
Trade.....	\$1,838,517.13		
Sundry.....	385,873.57		
		2,224,390.70	
Inventories as determined and certified by responsible officials—values at the lower of cost or market, cost being determined on a “last-in, first-out” basis—			
Refined metals.....	\$1,374,514.65		
Matte and metals in process.....	2,988,832.80	4,363,347.45	\$ 8,652,165.09
FIXED ASSETS			
Plant and equipment at cost.....		\$17,374,344.32	
Less: reserve for depreciation.....		11,172,554.24	
		\$ 6,201,790.08	
Mining property and claims at cost.....		3,407,105.72	\$ 9,608,895.80
OTHER ASSETS:			
Mine and refinery supplies, at average cost.....		\$ 2,000,043.01	
Prepaid expenses and deferred charges.....		85,604.41	
Sundry security investments at cost less amounts written off (quoted market value \$317,625).....		257,383.29	
Investment in shares of Fahlralloy Canada Limited, a wholly-owned subsidiary, at cost (note 2).....		326,994.00	
Cash and Government of Canada bonds at cost deposited as guarantee with the Hydro-Electric Power Commission of Ontario.....		52,850.00	
Mine development and preproduction expenditures less amounts written off.....		335,429.10	\$ 3,058,303.81
			<u>\$21,319,364.70</u>
LIABILITIES			
CURRENT LIABILITIES:			
Overdraft in Norwegian Bank.....		\$ 44,513.26	
Accounts payable—trade.....		894,277.24	
Wages payable.....		505,714.29	
Accrued charges.....		112,690.96	
Mortgage instalments payable in 1952.....		91,855.29	
Provision for income taxes.....		1,567,817.69	\$ 3,216,868.73
LONG-TERM DEBT:			
3% mortgage payable in equal semi-annual instalments from June 30, 1952 to December 30, 1961 inclusive (secured by refinery land and plant) (N.Kr. 5,500,000).....		\$ 918,552.90	
Less: 1952 instalments included in current liabilities.....		91,855.29	\$ 826,697.61
CAPITAL:			
Authorized—5,000,000 share of no par value			
Issued —3,410,247 shares of no par value.....		\$ 7,306,025.19	
EARNED SURPLUS.....		9,969,773.17	\$17,275,798.36
			<u>\$21,319,364.70</u>

NOTES TO FINANCIAL STATEMENTS

- Assets and liabilities and revenues and expenses in currencies other than Canadian dollars are converted into Canadian funds on the following bases:
 - All assets other than fixed assets and all liabilities other than the mortgage payable at the current quoted rates of exchange at December 31, 1951.
 - Fixed assets and the relative reserves for depreciation at the rates of exchange prevailing when the expenditures on the fixed assets were made.
 - Mortgage payable at the rates of exchange prevailing when the debt was incurred.
 - Revenue and expenses at approximately the average monthly quoted rates of exchange.

FALCONBRIDGE NICKEL MINES LIMITED
STATEMENT OF CONSOLIDATED PROFIT AND LOSS
FOR THE YEAR ENDED DECEMBER 31, 1951

Metal sales and other operating revenues.....		\$20,782,808.24
Cost of sales and operating expenses other than the undermentioned items.....	\$11,903,700.61	
Selling, general and administrative expenses.....	840,376.52	\$12,744,077.13
Operating profit before provision for development and preproduction expenditures, depreciation and taxes on income.....		\$ 8,038,731.11
Development and preproduction expenditures written off (note 4).....	\$ 1,083,670.00	
Provision for depreciation (note 4).....	1,087,032.16	\$ 2,170,702.16
Net operating profit before provision for taxes on income.....		\$ 5,868,028.95
Other income:		
Dividend from Fahralloy Canada Limited, a wholly-owned subsidiary (note 2).....	\$ 35,050.00	
Interest on marketable securities.....	50,645.56	
Miscellaneous income.....	10,258.58	\$ 95,954.14
		\$ 5,963,983.09
Other deductions from income:		
Outside exploration and development expenditures.....	\$ 474,052.00	
Net loss on foreign exchange.....	26,524.84	
Loss on sale of marketable investments, cost being determined on an "average" basis.....	52,430.63	\$ 553,007.47
Net profit before provision for taxes on income.....		\$ 5,410,975.62
Provision for taxes on income—		
Government of Canada.....	\$ 1,905,955.27	
Other.....	494,044.73	\$ 2,400,000.00
Net profit for the year transferred to consolidated earned surplus.....		\$ 3,010,975.62

STATEMENT OF CONSOLIDATED EARNED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 1951

Balance at beginning of year.....	\$ 8,663,921.05
Net profit for the year.....	3,010,975.62
	\$11,674,896.67
Dividends paid.....	1,705,123.50
Balance at end of year.....	\$ 9,969,773.17

The notes to financial statements are an integral part of the above statements of consolidated profit and loss and earned surplus and should be read in conjunction therewith.

- The net assets represented by capital and earned surplus of the wholly-owned subsidiary, Fahralloy Canada Limited totalled \$726,117 at December 31, 1951. This subsidiary's net profit for the year ended on that date was \$170,984 more than the dividend received from such subsidiary and included in the accompanying statement of consolidated profit and loss.
- There are commitments outstanding under contracts for construction in progress and for additional equipment amounting to approximately \$1,680,000.
- In 1951 the company wrote off development and preproduction expenditures at the rate of \$1 per ton of ore processed instead of writing off all development and preproduction expenditures as was done in the previous year. The company also changed its basis of providing for depreciation from 10% on opening balances of depreciable assets to 15% on closing balances of depreciable assets other than the depreciable assets at the refinery on which 10% on closing balances was provided. If the company had written off development and preproduction expenditures and provided for depreciation in 1951 on the same basis as in the previous year, the net profit before provision for taxes on income would have been increased \$259,765 and the net profit for the year would have been increased \$67,863.

FROBISHER LIMITED

CONSOLIDATED BALANCE SHEET AS AT OCTOBER 31, 1951

ASSETS			
Cash on hand and in banks.....		\$ 40,343.05	
Bullion in transit.....		73,373.41	
Accounts receivable—trade.....	\$ 21,849.13		
—sundry.....	45,779.67	67,628.80	
Inventory of graphite valued at 50% of selling price.....		29,560.92	\$ 210,906.18
Interest in subsidiary companies:			
Shareholdings at cost less amounts written off.....	\$1,858,241.28		
Advances.....	359,408.29	\$2,217,649.57	
Interest in affiliated and other companies:			
Shareholdings at cost less amounts written off.....	\$5,947,039.07		
Advances.....	1,268,203.68	7,215,242.75	
Shares to be purchased under agreements (contra).....		154,998.50	9,587,890.82
Exploration expenditures carried forward.....			725,788.28
Mining properties at cost.....		\$ 374,130.39	
Buildings, plant and equipment, at cost.....	\$1,464,564.99		
Less: reserve for depreciation.....	813,511.57	651,053.42	1,025,183.81
Deferred development expenses less amounts written off.....		\$ 75,340.22	
Supplies and spare parts at cost.....		243,311.98	
Sundry prepayments and deferred charges.....		22,742.41	341,394.61
			<u>\$11,891,163.70</u>

LIABILITIES			
Bank indebtedness (secured).....		\$1,763,126.32	
Accounts payable.....		129,363.63	
Advance from Ventures Limited.....		688,000.00	
Amounts owing to affiliated companies.....		215,571.25	
Provision for taxes on income.....		83,430.63	
Liability for shares to be purchased under agreements (contra).....		154,998.50	\$ 3,034,490.33
Reserve for depletion on shares in affiliated companies.....			141,000.00
CAPITAL:			
Authorized—5,000,000 shares of no par value			
Issued at October 31, 1950.....	4,478,956 shares	\$9,016,256.99	
Issued for cash during the year ended October 31, 1951....	160,000 shares	480,000.00	
Issued at October 31, 1951.....	4,638,956 shares	\$9,496,256.99	
Less:			
Deficit.....	\$367,941.16		
Special deficit.....	412,642.46	780,583.62	8,715,673.37
			<u>\$11,891,163.70</u>

NOTES: (1) Current assets and liabilities in foreign currencies have been converted at the closing rates of exchange at October 31, 1951.
(2) The company has agreed to make expenditures subsequent to October 31, 1951 which it is estimated may amount to \$375,000.

FROBISHER LIMITED

**CONSOLIDATED STATEMENT OF INTEREST IN SUBSIDIARY, AFFILIATED AND
OTHER COMPANIES AS AT OCTOBER 31, 1951**

Company	SHAREHOLDINGS				
	Number of shares or par value	Indicated market values		Cost less amounts written off	Advances
		Price per share	Amount		
Subsidiary companies:					
Kilembe Copper Limited.....	1,623,932			\$1,356,152.20	\$ 65,897.37
Mediterranean Mines Inc.....	1,733,185			381,516.61	4,648.82
Quebec Metallurgical Industries Ltd...	118,750			55,750.00	288,352.10
Miscellaneous participation of less than \$40,000 each.....				64,822.47	510.00
				<u>\$1,858,241.28</u>	<u>\$ 359,408.29</u>
Affiliated and other companies:					
Akaitcho Yellowknife Gold Mines Ltd.					
—shares.....	1,235,230	\$ 1.03	\$ 1,272,286.90	\$ 450,242.59	
—class "B" rights.....	113,230	.12	13,587.60		
Charlebois Lake Uranium Limited.....	846,527			179,000.00	
Dominion Magnesium Limited.....	8,334	12.25	102,091.50	66,672.00	
Dupresnoy Mines Limited.....	775,510			80,015.50	
Eureka Corporation Limited.....	152,625	.77	117,521.25	182,531.25	\$ 63,167.63
Ferrum Limited					
—shares.....	26,265			105,693.00	
—5% debentures due 1957/1960.....	\$111,667.50				
Giant Yellowknife Gold Mines Ltd.....	1,162,236	11.25	13,075,155.00	907,731.95	
Guayana Mines Limited.....	1,428,687	.09½	135,725.26	538,047.90	638,834.82
Horne Fault Mines Limited.....	881,634	.08	70,530.72	84,900.10	
Joliet-Quebec Mines Ltd.....	1,031,800	.45	464,310.00	134,601.77	
Lakefield Research Limited.....	204,963			81,985.20	
Michipicoten Iron Mines Limited.....	874,111			304,819.49	81,066.82
New Calumet Mines Limited.....	1,006,639	3.10	3,120,580.90	155,567.18	
Pershcourt Goldfields Limited.....	200,000	.60	120,000.00	120,500.00	
Pilley's Island Copper-Pyrite Limited	550,000			112,500.00	
Rainville Copper Mines Limited.....	1,168,631	.44	514,197.64	188,229.67	
St. Eugene Mining Corporation Ltd....	839,184			319,388.24	333,277.31
Tonopah Nicaragua Company.....	750,000			221,114.06	
United Keno Hill Mines Limited					
—shares.....	828,139	14.00	11,593,946.00	613,288.82	
—5% debentures due April 1, 1953	\$190,000.00			190,000.00	
Miscellaneous participations of less than \$60,000 each.....			666,064.56	910,210.35	151,857.10
			<u>\$31,265,997.33</u>	<u>\$5,947,039.07</u>	<u>\$1,268,203.68</u>

HOYLE MINING COMPANY LIMITED

BALANCE SHEET AS AT DECEMBER 31, 1951

ASSETS			
CURRENT:			
Province of Ontario Bonds on Deposit with Hydro-Electric Power Commission (at cost).....	\$ 4,000.00		
Accounts Receivable.....	47,650.72	\$	51,650.72
INVESTMENTS IN AND ADVANCES TO SUBSIDIARY COMPANIES			
Shares at Cost (Market Value \$4,138,336.82).....	\$ 432,258.60		
Advances.....	1,967.74	\$	434,226.34
INVESTMENTS IN AND ADVANCES TO ASSOCIATED AND OTHER COMPANIES			
Investments—at cost (Market Value \$2,435,805.42 including \$1,315,583.06 of Unlisted Securities).....	\$1,529,468.11		
Advances.....	63,965.95		
	\$1,593,434.06		
Less: Provision for Adjustment of Net Book Value of Investment.....	601,102.72	992,331.34	1,426,557.68
Advance—New Mosher Longlac Mines Limited to be satisfied by the receipt of shares in this Company under agreement dated October 24th, 1951.....			50,000.00
SUPPLIES.....			36,939.58
FIXED ASSETS			
Mining Property.....	399,266.02		
Haileybury Land.....	2,208.81		
Buildings, Machinery and Equipment.....	\$ 343,977.95		
Less: Reserve for depreciation.....	156,388.57	187,589.38	589,064.21
EXPENDITURE ON OUTSIDE PROPERTIES			
Expenditure to date.....	\$ 167,625.14		
Less: Amounts Written Off.....	65,703.76		101,921.38
DEFERRED CHARGES			
Deferred Development.....	\$ 711,740.85		
Less: Amounts Written Off.....	507,528.79	\$	204,212.06
Incorporation Expense.....	8,923.01		
Prepaid Expense.....	19.43		213,154.50
			\$2,469,288.07
LIABILITIES			
CURRENT			
Bank Overdraft (Secured).....	\$ 148,805.81		
Accounts Payable.....	12,094.88		
Convertible Notes Payable—due 1st September, 1946.....	9,720.00	\$	170,620.69
ADVANCES FROM OTHER COMPANIES.....			34,364.42
MORTGAGE PAYABLE.....			6,265.81
ADVANCES FROM PARTICIPATORS IN KELL OPTION.....			6,059.23
CAPITAL AND DEFICIT			\$ 217,310.15
Capital			
Authorized:			
1,500,000 Non-Voting Cumulative Preference Shares of No Par Value			
3,500,000 Common Shares of No Par Value			
Issued:			
272,298 Preference Shares.....	\$ 272,298.00		
1,851,988 Common Shares.....	3,648,275.00		
	\$3,920,573.00		
DEDUCT DEFICIT ACCOUNT			
Balance, 1st January, 1951.....	\$1,775,331.11		
Less: Net Profit for Year.....	106,736.03	1,668,595.08	2,251,977.92
			\$2,469,288.07

HOYLE MINING COMPANY LIMITED

INVESTMENTS IN AND ADVANCES TO SUBSIDIARY, ASSOCIATED AND OTHER COMPANIES AS AT DECEMBER 31, 1951

INVESTMENTS

	MARKET VALUE				
	No. of Shares	Per Share	Amount	Cost	Advances
SUBSIDIARY COMPANIES:					
Opemiska Copper Mines (Quebec) Limited	2,478,046	1.67	\$4,138,336.82	\$ 432,258.60	
South Porcupine Mines Limited.....	1,273,753	....	.....	.....	\$ 1,967.74
			<u>\$4,138,336.82</u>	<u>\$ 432,258.60</u>	<u>\$ 1,967.74</u>
ASSOCIATED AND OTHER COMPANIES:					
Antoinette Lake Mines Limited.....	225,000	....	.....	\$ 20,000.00	
Bobjo Mines Limited.....	82,300	.17	\$ 13,991.00	20,333.00	
Burge Lake Goldfield Limited.....	50,000	....	.....	8,000.00	
Callinan Flin Flon Mines Limited.....	30,979	.34	10,532.86	8,965.61	
Camam Gold Mines Limited.....	176,250	....	.....	12,000.00	
Davidson Tisdale Mines Limited.....	133,333	....	.....	20,000.00	\$ 836.60
Devonian Limited.....	10,000	....	10,000.00	10,000.00	
Dunmar Mines Limited.....	535,408	....	.....	12,685.13	
Falconbridge Nickel Mines Limited.....	4,900	12.00	58,800.00	28,121.14	
Frobisher Limited.....	57,772	3.90	225,310.80	110,987.65	
Garrison Creek Mines Limited.....	680,612	....	.....	7,632.21	
Ghostmount Mines Limited.....	403,213	....	.....	40,321.48	6,154.95
Kalbrook Mining Company Limited.....	329,861	....	.....	27,939.50	
Keithgold Mines Limited.....	850,000	....	.....	120,000.00	
Kelore Mines Limited.....	132,350	.29½	39,043.25	47,621.84	
Larchwood Mines Limited.....	175,012	....	.....	8,750.62	5,959.05
Lightval Mines Limited.....	366,501	....	.....	36,650.14	4,330.79
Marchaud Mines Limited.....	521,423	....	.....	16,164.00	
Montclerg Mines Limited.....	67,928	.05	3,396.40	9,170.28	
Mordey Copper Mines Limited.....	350,833	....	.....	17,908.32	2,567.19
Morgan Creek Mines Limited.....	585,321	....	.....	9,904.80	
New Morrison Mines Limited.....	34,639	.52	18,012.28	.....
New Calumet Mines Limited.....	4,000	3.00	12,000.00	1,068.00	
Newlund Mines Limited.....	22,982	1.32	30,336.24	.....
New Mosher Longlac Mines Limited.....	287,884	.57	164,093.88	55,963.41	
Northfield Canada Limited.....	6,667	....	30,001.50	30,001.50	
New Broken Hill Consolidated.....	6,262	3.74	23,419.88	25,434.00	
N'Changa Consolidated Copper.....	698	22.07	15,404.86	9,126.39	
O'Kiep Copper Company Limited.....	524	36.50	19,126.00	.....
Ontario Pyrites Company Limited.....	965,271	1.20	1,158,325.20	67,004.77	
Pine Point Mines Limited.....	150,958	....	32,612.10	32,612.10	
Quebec Gold Belt Mines Limited.....	23,750	....	.....	19,419.15	
Ranville Copper Mines Limited.....	25,875	.47	12,161.25	5,571.75	
Ranwick Uranium Mines Limited.....	58,750	.10	5,875.00	9,137.71	
Richglen Mines Limited.....	225,000	....	.....	20,000.00	
Rio Blanca Copper Corporation Limited..	.....	....	.....	.....	32,411.06
Sheldon Larder Mines Limited.....	245,899	.13	31,966.87	90,305.18	
Sil Van Mining Syndicate Limited.....	100 Units	....	10,000.00	10,000.00	
Sil Van Consolidated Mining & Milling Co. Ltd.....	23,100	1.36	31,416.00	5,313.00	
Silver Contact Mines Limited.....	148,886	....	.....	7,701.73	
Silver Standard Mines Limited.....	140,444	2.45	344,087.80	21,220.80	
Steep Rock Iron Mines Limited.....	900	6.75	6,075.00	1,845.00	
Temiskaming Construction Limited.....	29,995	....	21,938.97	21,938.97	
Thompson-Lundmark Gold Mines Limited	594,196	.10½	62,390.58	336,207.76	
Transaurum Mines Limited.....	670,267	....	.....	9,973.32	
Wekusko Consolidated Mines Limited.....	87,000	.06½	5,655.00	26,205.00	
Sundry Advances and Shareholdings under \$7,500.....	.....	....	39,832.70	130,262.85	11,706.31
			<u>\$2,435,805.42</u>	<u>\$1,529,468.11</u>	<u>\$63,965.95</u>

MATACHEWAN CONSOLIDATED MINES LIMITED

BALANCE SHEET AS AT DECEMBER 31, 1951

ASSETS

CURRENT:

Cash on hand and in banks.....	\$178,491.90	
Bullion settlements outstanding.....	59,096.94	
Accounts receivable and accrued interest.....	29,269.04	
Estimated amount receivable from the Government of Canada under the Emergency Gold Mining Assistance Act.....	23,631.26	
Marketable securities at cost— Frobisher Limited—31,550 shares.....	66,756.87	
Other marketable securities (approximate market value \$472,783).....	256,433.45	\$ 613,679.46

SUPPLIES AND PREPAID EXPENSES:

Inventory of supplies as determined and certified by the manage- ment and valued at cost.....	\$128,610.28	
Prepaid expenses.....	10,152.99	138,763.27

FIXED:

Mining leases acquired for a consideration of 1,200,000 shares of capital stock of the company and \$44,100 in cash.....	\$335,700.00	
Buildings, machinery and equipment at cost.....	\$992,414.31	
Less: Accumulated depreciation.....	965,281.81	27,132.50
		362,832.50

OTHER:

Government of Canada bonds on deposit with Hydro-Electric Power Commission of Ontario at cost (market value \$14,289).....	\$ 15,288.75	
Shares in and advances to other companies at cost.....	269,110.66	
Advances made in the participation for the development and operation of properties owned by— Duport Mining Company Limited (note 1).....	\$129,100.00	
Matarrow Lead Mines Limited (note 2).....	304,885.87	433,985.87
		718,385.28
		<u>\$1,833,660.51</u>

LIABILITIES

CURRENT:

Wages payable.....	\$ 19,592.27	
Accounts payable and accrued charges.....	148,843.75	
Estimated taxes payable.....	28,311.06	\$ 196,747.08

CAPITAL:

Authorized—4,000,000 shares of no par value	
Issued —3,439,000 shares.....	\$914,500.00

EARNED SURPLUS.....	722,413.43	1,636,913.43
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\$1,833,660.51

NOTE 1: Under the terms of an agreement, the company and certain of its associates are committed to make further advances for the development of property owned by Duport Mining Company Limited in the amount of \$233,400. On completion of such payments the company and its associates will be entitled to receive shares of Duport Mining Company Limited.

NOTE 2: Under the terms of an agreement with Matarrow Lead Mines Limited, the company is committed to make further expenditures for the development of properties owned by Matarrow until these properties are brought into production and such production is continued for a minimum period of six months. Such expenditures are recoverable from the net proceeds of production derived from the properties and the company will participate in any proceeds in excess of the amounts advanced by the participants.

METAL HYDRIDES INCORPORATED

BALANCE SHEET AS AT DECEMBER 31, 1951

ASSETS

CURRENT ASSETS:

Cash.....	\$ 65,770.39	
United States Treasury Bills, at cost.....	149,978.12	
Accounts receivable.....	204,383.59	
Chargeable services on special contracts.....	4,448.99	
Inventories at the lower of cost or market.....	209,845.99	
Advances and deferred expenses.....	5,522.67	\$ 639,949.75
Property, plant and equipment, subject in part to real estate mortgages.....	\$352,563.98	
Less: Reserve for depreciation.....	109,036.62	243,527.36

OTHER ASSETS:

Research development and patent costs.....	\$202,406.13	
Less: Reserve for amortization.....	89,063.67	\$113,342.46
Deferred developments costs.....	\$110,964.04	
Less: Reserve for amortization.....	6,463.90	104,500.14
Notes receivable employees and other.....	2,825.00	220,667.60
		<u>\$1,104,144.71</u>

LIABILITIES

CURRENT LIABILITIES:

Instalments due within one year on mortgage notes payable (see below).....	\$ 7,420.03	
Accounts payable and accrued liabilities.....	180,309.91	\$ 187,729.94
Due Ventures Limited:		
Note payable 1945-59, and accrued interest.....		26,541.10
Mortgage notes, payable at various dates through 1967, secured by real estate mortgages.....	\$ 69,713.89	
Less: Instalments due within one year (see above).....	7,420.03	62,293.86

CAPITAL:

Authorized—400,000 shares of \$5.00 each		
Issued —139,815 shares.....	\$699,075.00	
Capital surplus.....	294,958.49	
	<u>\$994,033.49</u>	
Earned surplus (deficit).....	166,453.68	827,579.81
		<u>\$1,104,144.71</u>

NOTE 1—COMMITMENTS—The company had outstanding at December 31, 1951, commitments for the purchase of new manufacturing equipment and office equipment in the aggregate amount of \$65,685.

2—FEDERAL TAXES ON INCOME—No provisions have been made for federal income and/or excess profits taxes on the net income for the year ended December 31, 1951, as none were due because of the carry-over of loss deductions from the years 1948 and 1950.

3—STATUTORY RENEGOTIATION AND PRICE REDETERMINATION—Sales and research contract income for the year ended December 31, 1951, include substantial billings subject to statutory renegotiation and price redetermination. Definite determination of the liability for price adjustments, if any, cannot be made in advance of review by the respective governmental agencies.

