Majestic Wiley

1981 Annual Report

CONTENTS.

ABOUT THE COMPANY.

Your company is one of North America's leading dryland cross country pipeline contractors. Originally formed in 1954, the company, through amalgamation, was listed on the Toronto Stock Exchange in May, 1974. The company has been involved in all major pipeline systems in Canada, several in the United States, and has developed valuable expertise in Arctic construction in both Canada and Alaska. We are continuing to pursue work in international markets on a selective basis.

The company owns a large inventory of pipeline construction equipment worth more than $50 million at today's replacement prices. Our resources are particularily suited to big inch pipe from 508 mm to 1,067 mm diameter and larger, and our strong financial position allows us to explore project opportunities worldwide.

Right: Drilling rock prior to blasting for a pipeline trench in Northern Ontario. This project is for Trans Canada Pipelines and completion is expected in April, [redacted]

FINANCIAL HIGHLIGHTS.

	1981	1980
Financial		
Total revenues	**$158,798,000**	$51,646,000
Net earnings (loss) for the year	**14,825,000**	(331,000)
Funds provided by/(used in) current operations	**19,954,000**	(39,000)
Capital expenditures	**12,173,000**	3,467,000
Working capital	**20,778,000**	12,477,000
Shareholders' equity	**34,817,000**	19,921,000
Per Common Share		
Net earnings (loss)	**1.77**	(.04)
Funds provided by/(used in) current operations	**2.39**	—
Shareholders' equity	**4.16**	2.39
Statistical Data		
Number of common shareholders	**1,449**	1,528
Number of common shares outstanding	**8,374,906**	8,351,787
Market Price Range Per Share		
Quarter ended		
March 31	**4.40 - 4.05**	9.25 - 4.35
June 30	**4.75 - 4.00**	7.25 - 5.13
September 30	**5.50 - 4.10**	8.50 - 6.00
December 31	**7.63 - 6.38**	6.87 - 4.05

TO OUR SHAREHOLDERS.

1981 was a record year for your company, both in terms of revenue and net earnings. For the first time in recent years sufficient pipeline work was available for tender and Majestic Wiley was successful in obtaining five major pipeline contracts. The higher utilization of our people and equipment, coupled with settlement of new labour agreements plus in the main, favourable weather conditions were the major factors responsible for our success.

FINANCIAL

Revenues for the year ended December 31, 1981 increased 207.4% to $158,798,000 compared to $51,646,000 for 1980. Net earnings were $14,825,000 or $1.77 per share compared to a loss of ($331,000) or (4.0¢) per share. This marks the Company's best year of revenues and earnings since its inception. Working capital at year end reached an all time high of $20,778,000 compared to $12,477,000 in 1980. After tax return on average shareholders equity for the year was 54.2% compared to (1.7%) in 1980. Capital expenditures totaled $12,173,000 compared to $3,467,000 in 1980, bringing our equipment strength up to a four spread capacity. The company remains strong financially. It is in a position to pursue pipeline work worldwide and to explore other investment opportunities.

CANADIAN OPERATIONS

Revenues from Canadian Operations were $102,988,000 vs $33,103,000 in 1980. The company completed construction of 161 km of 1,067 mm mainline looping of a gas line between Rocky Mountain House and Edson, Alberta. In April, 1981, the company was awarded and completed in October, 1981, a contract for 267 km of 1,067 mm gas pipeline in Alberta and Saskatchewan. In late September, 1981, the company was successful on a tender for construction of 207 km of various 1,067 mm gas pipeline loops in Manitoba and Northern Ontario. This project was approximately 39% complete at year-end and is expected to be completed by April 15, 1982. Severe winter conditions delayed progress on this project, resulting in lower than expected profit.

Our 1980 report included an arbitration award of $4,820,000, plus interest, which was paid in the fourth quarter of 1981. This award has been appealed by the owner to the B.C. Court of Appeal. Management remains of the opinion, based on legal counsel's advice relating to the award, that the final decision will not have a material impact on the Consolidated Financial Statements.

U.S. OPERATIONS

Revenues from our U.S. Operations were $55,810,000 vs $18,543,000 in 1980. In March, 1981, the company was awarded 463 km of 356 mm gas pipeline in Texas, which was completed in August, 1981. We were also awarded two contracts on the Northern Border Alaska Pre-Build project for 146 km and 150 km respectively, of 1,067 mm gas pipeline. The first section was completed in October and the 150 km project is approximately 30% complete at year-end with final completion expected in the late summer of 1982.

In March, 1982 we were awarded 108 km of 610 mm gas pipeline for the Red River Pipeline Co. The project is part of a 579 km project in Texas and completion is expected in June, 1982.

The company's oilfield pipe transportation subsidiary, J.L. Cox & Son, Inc. was sold in 1981, as it no longer meets our corporate objectives.

Our U.S. pipeline headquarters have now been relocated to new facilities in Lubbock, Texas which will better serve the company's needs in the future.

INTERNATIONAL OPERATIONS

The company is selectively pursuing international pipeline projects similar to those we are presently constructing in North America. Our goal is to move cautiously in joint venture, where possible, and not engage in more than one project outside North America at any one time.

THE YEAR AHEAD

We are cautiously optimistic for 1982 because of the large number of pipeline projects we see coming to tender this year, both in Canada and the United States. Currently, there are forecast 16,000 km in the United States and 3,300 km in Canada of mainline and gathering lines to be installed in 1982.

With the major equipment purchases made in 1981 and our present financial strength we will endeavour to maximize returns from our existing business, but at the same time will explore other areas of investment that might benefit the company in the future.

MANAGEMENT AND DIRECTOR CHANGES

During the year, Miss Jennifer Overend joined the company as Secretary and General Counsel. Prior to joining Majestic Wiley she worked for a legal firm in Toronto. Mr. Norman Harrison joined the company as Vice President, Finance and Treasurer, having occupied a similar position with a large public Canadian construction company. Mr. Allan Ellis joined our U.S. Division as Assistant Secretary after completing many years of service as Vice President Administration for a U.S. pipeline company. The Board expresses its thanks to Mr. Ken Halladay, on his retirement for his many years of service to Majestic Wiley Contractors Limited.

It is with regret that the Board accepted the resignation of Mr. R.H. Walker as a Director of the Corporation, a position he held since 1974.

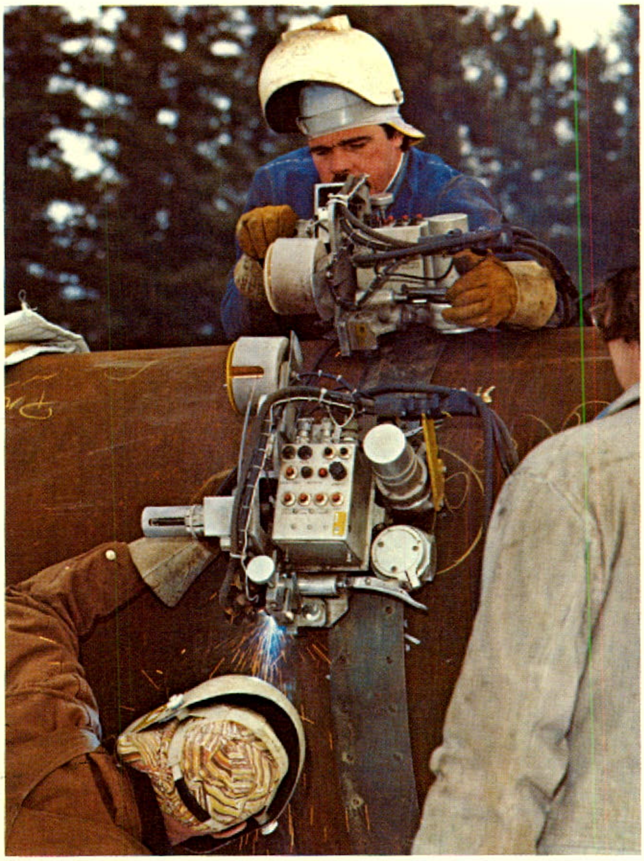
The Directors express their sincere appreciation and gratitude to all the employees whose dedication and skills were instrumental in our success this past year.

March 11, 1982

A.J. Cressey
President & Chief Executive Officer

J.M. Bankes
Chairman of the Board

Above: Worker loading holes with dynamite in Northern Ontario. Following the blast the trench will be excavated and made ready for pipe.



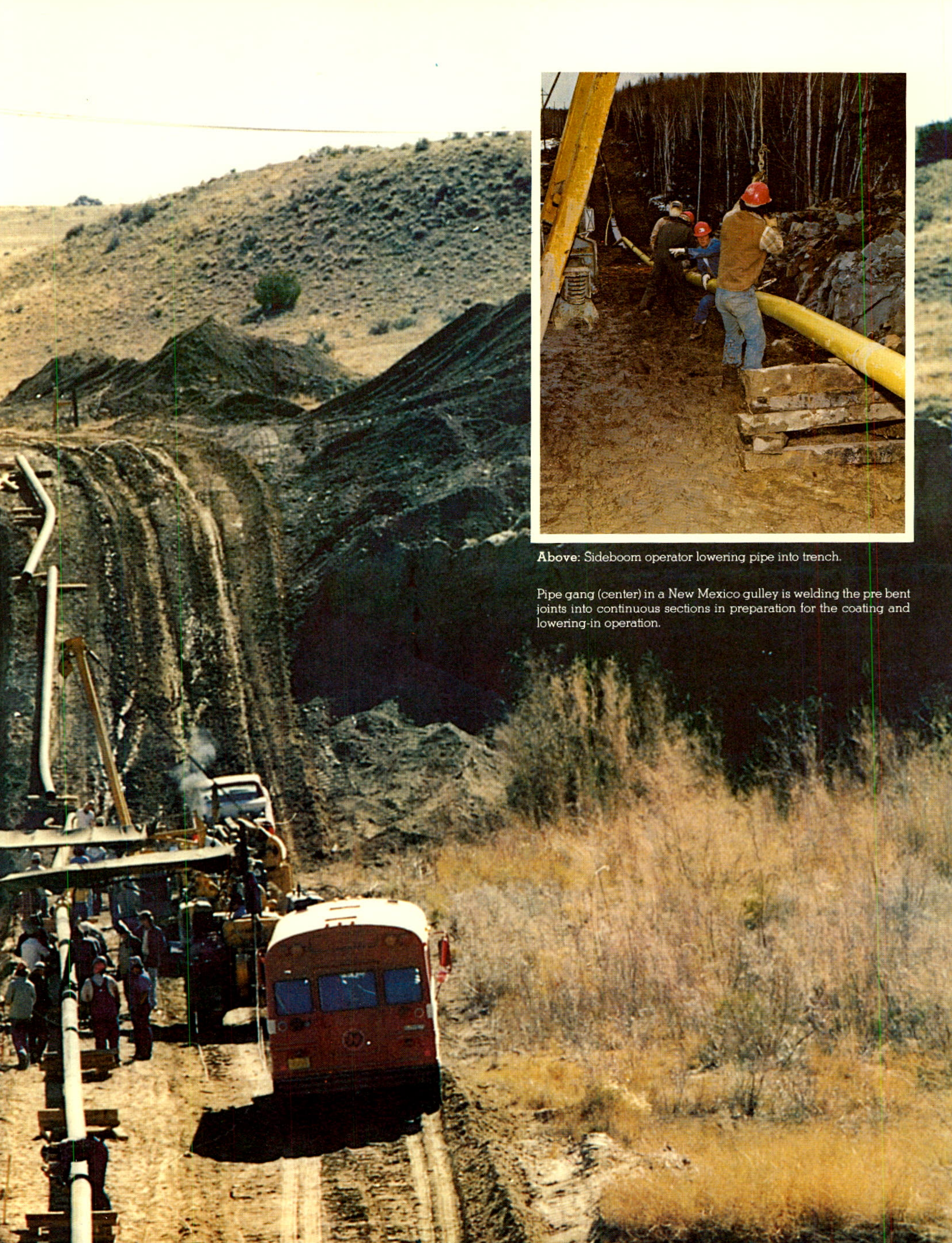
Above: View of automatic welding machine travelling around a piece of 1067 mm pipe.

Left: 1067 mm section of natural gas pipeline being welded up in Northern Ontario under severe winter weather conditions.

OPERATIONS.

	Name	Length	Size	Product	Location
①	Seminole	463 km	356 mm	Gas	Seminole to Cherokee, Texas
②	Northern Border Pipeline	146 km	1067 mm	Gas	South Dakota
③	Northern Border Pipeline	150 km	1067 mm	Gas	North Dakota
④	Foothills Pipelines (Sask) Ltd. & Foothills Pipelines (Alta) Ltd.	267 km	1067 mm	Gas	Burstall to Monchy, Saskatchewan
⑤	Trans Canada Pipelines	207 km (various loops)	1067 mm	Gas	Longlac, Ontario to St. Annes, Manitoba

Left: One of two automatic welding gangs near Shaunavan, Saskatchewan. This project was part of the Alaska Pre-Build and was completed during the year.



Above: Sideboom operator lowering pipe into trench.

Pipe gang (center) in a New Mexico gulley is welding the pre bent joints into continuous sections in preparation for the coating and lowering-in operation.

Far Left: Hot pass welders on 1067 mm natural gas pipeline for Northern Border Pipeline. This project is in South and North Dakota and is part of the Alaska Pre-Build.

Left: Tape crew preparing 1067 mm pipe prior to lowering-in.

Lower Left: Tie-in crew joining two sections of 1067 mm gas pipeline.

PRINCIPLES OF CONSOLIDATION

The financial statements are expressed in Canadian dollars and include the accounts of the Company and its subsidiaries, all of which were wholly-owned and which were all liquidated or disposed of in 1981, and its pro rata share, utilizing the proportionate consolidation method, of the assets, liabilities, revenues and expenses of joint ventures. Details for joint ventures have not been provided, as the amounts are not significant. All significant intercompany transactions and balances have been eliminated in consolidation.

TRANSLATION OF FOREIGN CURRENCIES

The accounts of the Company stated in foreign currencies have been translated into Canadian dollars as follows:

a) as to current assets (except for prepaid expenses) and current liabilities (except for deferred contract revenue) at the exchange rate at year-end;

b) as to prepaid expenses, deferred contract revenue, notes receivable, property and equipment, including accumulated depreciation, and non-current deferred income taxes, at the approximate rate of exchange at the time the transaction occurred; and

c) as to revenues and expenses, at the average rate of exchange for the year, except for items relating to balance sheet accounts that are translated at historical exchange rates.

All translation gains and losses are included in the statements of income (loss) in accordance with generally accepted accounting principles applicable in Canada.

ACCOUNTING FOR CONSTRUCTION CONTRACTS

Profits from construction contracts are recognized for accounting purposes on the percentage of completion method. The percentage of completion is determined by relating the actual cost of work performed to date to the current estimated total cost of the respective contracts. When the current estimated costs to complete indicate a loss, such a loss is recognized immediately for accounting purposes. Revisions in costs and earnings or loss estimates during the course of the work are reflected during the accounting period in which the facts which cause the revision become known. Income from claims is recognized when realization can be reasonably estimated.

Unbilled work represents the excess of contract costs and profits or losses recognized to date, on the percentage of completion accounting method, over billings to date. Deferred contract revenue represents the excess of billings to date, over the amount of contract costs and profit recognized to date, on the percentage of completion accounting method.

PROPERTY AND EQUIPMENT

All property and equipment is recorded in the accounts at cost. The cost and the accumulated depreciation of property and equipment which is retired or sold is removed from the accounts and the gain or loss is recorded in the statement of income (loss).

Depreciation is provided primarily on the declining balance method utilizing the following estimated lives:

Buildings	10 to 25 years
Construction equipment	3 to 10 years
Other	10 years

INCOME TAXES

The provision for income taxes recognizes the tax effects of all income and expense transactions included in each year's financial statements regardless of the year the transactions are reported for tax purposes. In calculating taxes payable, investment tax credits are applied to reduce income taxes payable when the qualifying assets are placed into service and are applied to increase income taxes payable when the qualifying assets are sold.

Deferred income taxes arising from items in current assets or current liabilities are classified as a current liability.

The non-current deferred income taxes arise primarily from the difference between the depreciation claimed for tax purposes and the depreciation recorded in the accounts.

EARNINGS (LOSS) PER SHARE

Computations of earnings (loss) per share are based on the weighted average number of shares outstanding during the respective years in accordance with generally accepted accounting principles applicable in Canada (1981 - 8,360,247 shares, 1980 - 8,307,196 shares). The additional number of shares issuable upon the potential exercise of employees' stock options has not been included since the effect would not be material.

RETIREMENT AND INCENTIVE COMPENSATION PLANS

The Company has a non-contributory pension plan which covers its executive, professional, administrative and clerical employees, subject to certain specified service requirements. An actuarial valuation is prepared every three years.

The Company has an incentive compensation plan which provides for payments to be made to certain key employees based on attained levels of profit. Amounts accrued under this plan are charged to income in the current year, while payments are made over a period of years.

AUDITORS' REPORT.

TO THE SHAREHOLDERS OF MAJESTIC WILEY CONTRACTORS LIMITED:

We have examined the balance sheets of Majestic Wiley Contractors Limited (an Ontario corporation) as of December 31, 1981 and 1980, and the related statements of income (loss), retained earnings and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of the Company as of December 31, 1981 and 1980, and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles applied on a consistent basis.

February 3, 1982
Calgary, Alberta

ARTHUR ANDERSEN & CO.
CHARTERED ACCOUNTANTS

CONSOLIDATED BALANCE SHEETS. As at December 31, 1981 and 1980

Assets

	1981	1980
Current assets:		
Cash, including short term deposits of $11,173,000 (1980 - $3,034,000)	$18,774,000	$ 5,197,000
Accounts receivable	10,017,000	7,788,000
Holdbacks receivable	8,970,000	7,320,000
Income taxes receivable	—	680,000
Unbilled work	12,141,000	2,863,000
Prepaid and other	213,000	296,000
Total current assets	50,115,000	24,144,000
Notes receivable (Note 1)	646,000	—
Property and equipment:		
Land	118,000	54,000
Buildings	2,451,000	2,010,000
Construction equipment	35,478,000	26,169,000
Other	590,000	387,000
	38,637,000	28,620,000
Less accumulated depreciation	20,880,000	18,856,000
Net property and equipment	17,757,000	9,764,000
Other assets, at cost	—	190,000
	$68,518,000	$34,098,000

Approved by the Board:

A. G. Bressey Director

J. M. Stanton Director

Liabilities

	1981	1980
Current liabilities:		
Notes payable to bank, unsecured	$ —	$ 3,610,000
Accounts payable	8,497,000	4,627,000
Accrued liabilities	9,296,000	2,660,000
Deferred contract revenue	109,000	304,000
Income taxes - current	2,480,000	—
deferred	8,955,000	466,000
Total current liabilities	29,337,000	11,667,000
Deferred income taxes	4,364,000	2,510,000
Shareholders' equity:		
Capital stock (Note 2):		
Authorized - 20,000,000 shares without nominal or par value; issued and fully paid - 8,374,906 shares (1980 - 8,351,787 shares)	8,125,000	8,054,000
Contributed surplus	3,082,000	3,082,000
Retained earnings	23,610,000	8,785,000
Total shareholders' equity	34,817,000	19,921,000
	$68,518,000	$34,098,000

The accompanying summary of accounting policies and notes are an integral part of these balance sheets.

CONSOLIDATED STATEMENTS OF INCOME (LOSS).

For the years ended December 31, 1981 and 1980

	1981	1980
Revenues (Note 8)	$158,798,000	$51,646,000
Operating expenses:		
Cost of operations	123,647,000	52,999,000
General and administrative expenses	6,706,000	3,921,000
Total operating expenses	130,353,000	56,920,000
Income (loss) from operations	28,445,000	(5,274,000)
Other income, net (Note 4)	1,405,000	3,782,000
Income (loss) before income taxes	29,850,000	(1,492,000)
Provision for (recovery of) income taxes (Note 3)	15,025,000	(1,161,000)
Net income (loss)	$ 14,825,000	$ (331,000)
Earnings (loss) per share	$1.77	($0.04)

The accompanying summary of accounting policies and notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS.

For the years ended December 31, 1981 and 1980

	1981	1980
Balance, beginning of year	$ 8,785,000	$ 9,116,000
Net income (loss)	14,825,000	(331,000)
Balance, end of year	$ 23,610,000	$ 8,785,000

The accompanying summary of accounting policies and notes are an integral pat of these financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION.

For the years ended December 31, 1981 and 1980

	1981	1980
Sources of working capital:		
Net income (loss)	$14,825,000	$ (331,000)
Depreciation	3,575,000	1,917,000
Deferred income taxes	1,854,000	(519,000)
Gain on sale of equipment	(300,000)	(1,106,000)
Provided by (used in) operations	19,954,000	(39,000)
Proceeds from sale of equipment	905,000	1,599,000
Reduction of mortgage receivable	—	44,000
Proceeds from exercise of employee stock options	71,000	146,000
Proceeds from sale of other assets	178,000	—
Other	12,000	2,000
Working capital provided	21,120,000	1,752,000
Uses of working capital:		
Purchase of property and equipment	12,173,000	3,467,000
Notes receivable	646,000	—
Working capital used	12,819,000	3,467,000
Increase (decrease) in working capital	8,301,000	(1,715,000)
Working capital, beginning of year	12,477,000	14,192,000
Working capital, end of year	$20,778,000	$12,477,000

The accompanying summary of accounting policies and notes are an integral part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

December 31, 1981 and 1980

1. NOTES RECEIVABLE

Effective April 30, 1981, J.L. Cox and Sons, Inc. ("J.L. Cox"), a wholly-owned subsidiary of the Company, was sold. Consideration for the sale was in the form of a note receivable of $457,000 (U.S.) payable in five equal annual payments of $91,400 (U.S.), plus interest, starting April 30, 1982. In addition, a note receivable in the amount of $327,000 (U.S.), payable in three equal annual payments of $109,000 (U.S.), plus interest, starting April 30, 1982, was received for advances made to J.L. Cox and as of December 31, 1981, $173,000 (U.S.) was outstanding. Interest is payable in U.S. dollars at the Mercantile Bank of Canada's prime rate. The notes receivable are collateralized by a subordinated mortgage on real property of the purchaser.

2. CAPITAL STOCK

Certain key employees are granted options exercisable during the period of five years from the date of granting at a rate of 20% of the total optioned shares per year on a cumulative basis.

Options for 217,106 shares at prices ranging from $2.80 to $5.96 per share were outstanding at December 31, 1981. On December 3, 1981, options for 91,666 shares at a price of $5.96 per share were granted. Options of 23,119 shares at a price of $3.06 per share were exercised during the year and options of 52,009 shares at prices ranging from $2.80 to $5.29 per share were cancelled during the year.

As at December 31, 1981, the following shares of the Company have been reserved.:

For exercise of outstanding stock options	217,106
For future stock options	155,388
	372,494

3. INCOME TAXES

The provision for (recovery of) income taxes is comprised of the following:

	1981	1980
Current	$ 4,682,000	$(1,108,000)
Current - deferred	8,489,000	466,000
Deferred	1,854,000	(519,000)
	$15,025,000	$(1,161,000)

The recovery for the year ended December 31, 1980 is more than the amount calculated using statutory rates in effect during the year, due to the adjustment of prior years' estimates.

4. OTHER INCOME, NET

	1981	1980
Interest income re arbitration award	$ 551,000	$1,338,000
Income from short-term investments	1,709,000	1,192,000
Gain on sales of equipment	300,000	1,106,000
Interest expense	(1,220,000)	(17,000)
Other	65,000	163,000
	$ 1,405,000	$3,782,000

5. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate direct remuneration paid to the Directors and Senior Officers for the years ended December 31, 1981 and 1980 is as follows:

	1981		1980	
	Amount	Number	Amount	Number
Directors who are not Senior Officers	$ 11,000	4	$ 12,000	4
Directors who are also Senior Officers	204,000	3	377,000	3
	215,000	7	389,000	7
Senior Officers who are not Directors	525,000	8	410,000	7
	$740,000	15	$799,000	14

For the year ended December 31, 1981, the Company has accrued an amount under the incentive compensation plan. The above remuneration does not include any amounts under this plan because the amounts attributable to senior officers have not been determined.

6. BUSINESS SEGMENT INFORMATION

The company operates in one industry segment, that being pipeline construction. Its operations are conducted in Canada and the United States. The operations and identifiable assets by geographic region for the years ended December 31, 1981 and 1980 are as follows:

	Canada	United States	General and Administrative Expenses	Consolidated
1981 Revenues	$102,988,000	$55,810,000	$ —	$158,798,000
Segment operating profit (loss)	$ 22,967,000	$12,184,000	$(6,706,000)	$ 28,445,000
Other income and expenses				1,405,000
Income taxes				(15,025,000)
Net income				$ 14,825,000
Identifiable assets	$ 46,949,000	$20,478,000	$ 1,091,000	$ 68,518,000
1980 Revenues	$ 33,103,000	$18,543,000	$ —	$ 51,646,000
Segment operating profit (loss)	$ (4,221,000)	$ 2,868,000	$(3,921,000)	$ (5,274,000)
Interest on long-term debt				(17,000)
Other income and expenses				3,799,000
Recovery of income taxes				1,161,000
Net loss				$ (331,000)
Identifiable assets	$ 23,235,000	$10,863,000	$ —	$ 34,098,000

7. CONTINGENCIES

Contingent liabilities include the usual liability of contractors for performance and completion of both Company and joint venture construction contracts.

8. CLAIM SETTLEMENT

In February, 1981, an arbitration panel awarded the Company $4,820,000 and interest related to a contract performed in prior years. The award was recognized in the 1980 financial statements and was received in 1981. The award is final and binding and has been upheld by the Supreme Court of British Columbia; however, the award has now been appealed to the British Columbia Court of Appeal. In the opinion of management based on legal counsel's advice relating to the award, any modification in the award will not have a material impact on the financial statements. Modifications to the award, if any, will be recorded in the accounting period when they occur.

SELECTED FINANCIAL INFORMATION

(in thousands except per share amounts and ratios)

OPERATING RESULTS	1981	1980	1979	1978	1977
Revenues	$158,798	$51,646	$29,563	$48,514	$48,612
Cost of Operations	123,647	52,999	30,866	44,588	45,010
Gross profit (loss) from operations	35,151	(1,353)	(1,303)	3,926	3,602
General and administrative expenses	6,706	3,921	2,650	2,540	2,157
Income (loss) from operations	28,445	(5,274)	(3,953)	1,386	1,445
Other income, net	1,405	3,782	2,646	2,931	964
Income (loss) before income taxes	29,850	(1,492)	(1,307)	4,317	2,409
Income taxes (recovery)	15,025	(1,161)	(867)	1,627	1,147
Net income (loss)	$ 14,825	$ (331)	$ (440)	$ 2,690	$ 1,262
Earnings (loss) per share	$1.77	($0.04)	($0.05)	$0.33	$0.15
Weighted average shares outstanding	8,360	8,307	8,281	8,273	8,272

Current assets	$ 50,115	$24,144	$20,555	$21,557	$15,990
Current liabilities	29,337	11,667	6,363	6,351	2,863
Working capital	20,778	12,477	14,192	15,206	13,127
Property, plant and equipment, net	17,757	9,764	8,707	10,079	12,322
Other assets	646	190	236	242	243
Total assets	$ 39,181	$22,431	$23,135	$25,527	$25,692
Capitalization					
Long-term debt	$ —	$ —	$ —	$ 1,500	$ 3,073
Deferred income taxes	4,364	2,510	3,029	3,571	3,198
Shareholders' equity	34,817	19,921	20,106	20,456	19,421
Total Capital Employed	$ 39,181	$22,431	$23,135	$25,527	$25,692
Shareholders' equity per common share	$4.16	$2.39	$2.42	$2.47	$2.35
Common shares outstanding	8,375	8,352	8,303	8,273	8,273

Purchases of property, plant and equipment	$ 12,173	$ 3,467	$ 1,789	$ 2,644	$ 804
Funds provided by (used in) operations	$ 19,954	$ (39)	$ (138)	$ 3,999	$ 4,566
Earnings (loss) as a percentage of average shareholders' equity	54.2%	(1.7%)	(2.2%)	13.5%	6.7%
Earnings (loss) as a percentage of average capital employed	48.1%	(1.5%)	(1.8%)	10.5%	5.1%
Earnings as a percentage of revenues	9.3%	(.6%)	(1.5%)	5.5%	2.6%

CORPORATE INFORMATION

BOARD OF DIRECTORS:

J.M. Bankes
Chairman of the Board
Majestic Wiley Contractors Limited

J.B. Barber
Retired Executive, Formerly Vice Chairman of the Board and Senior Vice President, The Algoma Steel Corporation Limited

A.J. Cressey
President and Chief Executive Officer, Majestic Wiley Contractors Limited

J.E. Maybin
Retired Executive, formerly Chairman of the Board and Chief Executive Officer, Canadian Utilities Limited

D.B. Perini
Chairman of the Board, President and Chief Executive Officer, Perini Corporation

OFFICERS:

J.M. Bankes, Chairman of the Board of Directors
A.J. Cressey, President and Chief Executive Officer
J.G. Nash, Vice President, U.S. Operations
G.M. Oswald, Vice President, Construction
J. Kolbl, Vice President, Asia
A.D. Munro, Vice President, Equipment and Purchasing
N.A. Harrison, Vice President, Finance and Treasurer
L.G. Wasylynchuk, Vice President and Comptroller
J.M.C. Overend, Secretary
A. Ellis, Assistant Secretary

TRANSFER AGENT AND REGISTRAR:

Montreal Trust Company, Calgary and Toronto

STOCK EXCHANGE LISTING:

The Toronto Stock Exchange (symbol MWC)

BANKERS:

The Royal Bank of Canada

AUDITORS:

Arthur Andersen & Co., Chartered Accountants

COMPANY OFFICES:

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Telephone: (806) 745-1600
Telex: 74-4444

REPRESENTATIVES' OFFICE

1st Floor, Tower Block, Suite 146
Ashok Hotel
50-B, Chanakyapuri
New Delhi — 110021
Telephone 370101

ANNUAL AND GENERAL MEETING:

All shareholders are invited to attend the Annual and General Meeting of Shareholders, to be held on May 14, 1982 at 10:00 a.m. (local time) in the Pier 5 Suite of the Toronto Hilton Harbour Castle Hotel, Toronto, Ontario, Canada.

Majestic Wiley

1981 Annual Report