

INTERNATIONAL MINING AND REFINING COMPANY  
MEMORANDUM FOR DIRECTOR'S REVIEW - AUGUST 26TH 1941

ESTIMATED NEW INCOME

|                                          | Month of<br>July<br>1941 | Month of<br>June<br>1941 | Seven Mos.<br>ended July<br>31, 1941 | Seven Mos.<br>ended July<br>31, 1940 |
|------------------------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------------|
| Smelting Department                      | \$ 37,487                | \$ 34,684                | \$ 352,198                           | \$ 493,691                           |
| Marion Copper Works:                     |                          |                          |                                      |                                      |
| Refining Department                      | 202,009                  | 186,397                  | 1,270,095                            | 1,194,947                            |
| Secondary Department                     | 10,069                   | 9,377                    | 27,397                               | 64,965                               |
| Lead Refining Department                 | 17,000                   | 25,000                   | 111,953                              | 105,100                              |
| Sink Oxide Department                    | 7,080                    | 38,535                   | 238,386                              | 5,171                                |
| White Lead Department                    | 14,349                   | 12,074                   | 54,763                               | 13,319                               |
|                                          | <u>\$233,694</u>         | <u>\$231,783</u>         | <u>\$1,353,886</u>                   | <u>\$1,877,193</u>                   |
| AAA - Miscellaneous Income               | 2,377                    | 2,377                    | 44,620                               | 26,342                               |
| Dividend - Mountain City Copper Co.      | -                        | 48,764                   | 146,293                              | -                                    |
| - Park Utah Consol. M. Co.               | -                        | -                        | 6,980                                | 6,980                                |
|                                          | <u>\$236,071</u>         | <u>\$282,924</u>         | <u>\$1,546,799</u>                   | <u>\$1,910,515</u>                   |
| Debit:                                   |                          |                          |                                      |                                      |
| Administrative Expenses                  | \$ 5,000                 | \$ 3,140                 | \$ 39,082                            | \$ 42,103                            |
| Miscellaneous Taxes                      | -                        | 141                      | 5,376                                | 2,481                                |
| Capital Stock Tax                        | 1,647                    | 1,647                    | 11,647                               | 7,443                                |
| Interest -                               |                          |                          |                                      |                                      |
| Six Per Cent Debentures                  | 40,000                   | 40,000                   | 280,000                              | 280,000                              |
| Anasconda Copper Mining Company          | 10,833                   | 10,833                   | 83,076                               | 65,625                               |
| Anasconda Sales Company                  | -                        | -                        | -                                    | 63,122                               |
|                                          | <u>\$ 57,500</u>         | <u>\$ 57,721</u>         | <u>\$ 419,805</u>                    | <u>\$ 440,773</u>                    |
|                                          | <u>\$198,573</u>         | <u>\$225,143</u>         | <u>\$1,301,718</u>                   | <u>\$1,469,738</u>                   |
| Loss - Depreciation and Obsolescence     | <u>66,981</u>            | <u>76,691</u>            | <u>492,432</u>                       | <u>505,597</u>                       |
|                                          | <u>\$131,592</u>         | <u>\$130,434</u>         | <u>\$ 809,286</u>                    | <u>\$ 964,141</u>                    |
| Loss - Federal Income Tax                | <u>39,900</u>            | <u>38,700</u>            | <u>203,700</u>                       | <u>230,000</u>                       |
| <u>NEW INCOME</u>                        | <u>\$ 78,098</u>         | <u>\$117,752</u>         | <u>\$ 609,586</u>                    | <u>\$ 734,141</u>                    |
| AAA - Net Income of Subsidiary Companies | <u>101</u>               | <u>101</u>               | <u>1,590</u>                         | <u>1,191</u>                         |
| <u>CONSOLIDATED NEW INCOME</u>           | <u>\$ 78,199</u>         | <u>\$117,853</u>         | <u>\$ 607,136</u>                    | <u>\$ 732,990</u>                    |

CONSOLIDATED SURPLUS ACCOUNT

|                                                            |                   |
|------------------------------------------------------------|-------------------|
| <u>BALANCE</u> - January 1, 1941                           | \$ 30,823         |
| <u>ADD</u> - Net Income - seven months ended July 31, 1941 | <u>607,136</u>    |
| <u>BALANCE</u> - July 31, 1941                             | <u>\$ 637,959</u> |

PNYC 00011502

INTERNATIONAL SULFATING AND REFINING COMPANY  
MEMORANDUM FOR DIRECTORS' MEETING - AUGUST 26, 1941  
ESTIMATED NET INCOME - SULTING DEPARTMENT

|                              | Month of<br>July<br>1941 | Month of<br>June<br>1941 | Seven Months<br>ended July<br>31st 1941 | Seven Months<br>ended July<br>31st 1940 |
|------------------------------|--------------------------|--------------------------|-----------------------------------------|-----------------------------------------|
| Tweeds Lead Plant            | \$22,486                 | \$26,483                 | \$109,948                               | \$126,645                               |
| Tweeds Copper Plant          | 14,278                   | 35,478                   | 162,927                                 | 99,253                                  |
| Tweeds Sulphide Concentrator | 293                      | 7,393                    | 73,993                                  | 76,230                                  |
| Ophir Mill Plant             | -                        | -                        | -                                       | 132,047                                 |
| Miami Plant                  | <u>2,402</u>             | <u>6,239</u>             | <u>62,530</u>                           | <u>98,650</u>                           |
|                              | <u>\$45,868</u>          | <u>\$69,313</u>          | <u>\$410,398</u>                        | <u>\$532,625</u>                        |
| Rebort -                     |                          |                          |                                         |                                         |
| Tramway Operations           | \$ 300                   | \$ 313                   | \$ 2,165                                | \$ 2,550                                |
| Outside Exploration          | 3,100                    | 3,031                    | 27,514                                  | 10,182                                  |
| Selling Commission           | 4,136                    | 2,500                    | 28,249                                  | 16,600                                  |
| Shutdown Expenses:           |                          |                          |                                         |                                         |
| Oxide Concentrator           | 720                      | 720                      | 957                                     | 6,130                                   |
| Sluc Concentrator            | <u>125</u>               | <u>125</u>               | <u>1,279</u>                            | <u>3,452</u>                            |
|                              | <u>\$ 8,381</u>          | <u>\$ 6,691</u>          | <u>\$ 58,200</u>                        | <u>\$ 38,954</u>                        |
|                              | <u>\$37,487</u>          | <u>\$56,624</u>          | <u>\$352,198</u>                        | <u>\$493,691</u>                        |
| Less Depreciation            | <u>20,638</u>            | <u>20,242</u>            | <u>141,188</u>                          | <u>202,743</u>                          |
| <u>NET INCOME</u>            | <u>\$16,849</u>          | <u>\$36,382</u>          | <u>\$211,010</u>                        | <u>\$290,948</u>                        |

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OPERATIONAL SECURING AND REFINING COMPANY  
MEMORANDUM FOR DIRECTORS' MEETING - AUGUST 26TH 1941  
ESTIMATED NET INCOME - EARLY COPPER YEARS

|                                    | Month of<br>July<br>1941 | Month of<br>June<br>1941 | Seven Months<br>ended July<br>31, 1941 | Seven Months<br>ended July<br>31, 1940 |
|------------------------------------|--------------------------|--------------------------|----------------------------------------|----------------------------------------|
| <u>PRIMARY REVENUE</u>             |                          |                          |                                        |                                        |
| Profit on Sales                    | \$119,625                | \$108,050                | \$ 708,352                             | \$ 717,64                              |
| Profit on Premiums                 | 53,978                   | 61,727                   | 364,587                                | 378,84                                 |
| Profit on Sales                    | 23,484                   | 15,545                   | 157,130                                | 62,11                                  |
| Electric Sheet Department          | 4,318                    | 3,795                    | 30,452                                 | 2,0                                    |
|                                    | \$101,405                | \$188,117                | \$1,254,521                            | \$1,160,6                              |
| Add - Miscellaneous Earnings       | 4,188                    | 5,281                    | 51,745                                 | 71,3                                   |
|                                    | \$105,593                | \$193,398                | \$1,306,266                            | \$1,231,9                              |
| <u>Deduct - General Expenses</u>   |                          |                          |                                        |                                        |
| Experimental Expenses              | \$ 1,500                 | \$ 500                   | \$ 7,292                               | \$ 9,4                                 |
| Selling Expenses                   | -                        | 944                      | 16,398                                 | 4,6                                    |
|                                    | 1,784                    | 1,444                    | 23,690                                 | 14,0                                   |
|                                    | \$ 1,784                 | \$ 1,444                 | \$ 23,690                              | \$ 14,0                                |
| Loss - Depreciation                | \$208,009                | \$186,397                | \$1,270,095                            | \$1,194,9                              |
|                                    | \$209,793                | \$187,841                | \$1,293,785                            | \$1,208,9                              |
| <u>NET INCOME</u>                  | \$168,835                | \$155,650                | \$1,058,958                            | \$ 980,1                               |
| <u>SECONDARY REVENUE</u>           |                          |                          |                                        |                                        |
| Proceeds of Copper Deliveries      | \$124,839                | \$163,754                | \$2,008,085                            | \$3,297,7                              |
| Value of Copper Deliveries         | 124,839                  | 163,754                  | 2,014,948                              | 3,300,4                                |
| Trading Profit                     | -                        | -                        | 6,863                                  | 27,3                                   |
| Add - Freight Differential         | 791                      | 1,140                    | 16,351                                 | 22,6                                   |
|                                    | \$ 791                   | \$ 1,140                 | \$ 16,351                              | \$ 22,6                                |
| Operating Profit                   | \$ 412                   | \$ 262                   | \$ 12,465                              | \$ 141,3                               |
| Loss - Buying and Selling Expenses | \$ 1,421                 | \$ 1,122                 | \$ 4,967                               | \$ 101,7                               |
|                                    | \$ 1,421                 | \$ 1,122                 | \$ 4,967                               | \$ 101,7                               |
| Loss - Depreciation                | \$10,069                 | \$ 9,777                 | \$ 27,397                              | \$ 64,3                                |
|                                    | \$10,069                 | \$ 9,777                 | \$ 27,397                              | \$ 64,3                                |
| <u>NET INCOME</u>                  | \$ 11,716                | \$ 11,401                | \$ 43,605                              | \$ 44,6                                |
| <u>DELIVERIES - POUNDS</u>         |                          |                          |                                        |                                        |
| Deliveries - Pounds                | 1,060,205                | 1,390,688                | 17,104,114                             | 28,221,21                              |
| Trading Profit per pound           | -                        | -                        | .0406                                  | .11                                    |
| Freight Differential per pound     | .0756                    | .0826                    | .0846                                  | .08                                    |
| Net Operating Profit per pound     | 1.1806                   | .9086                    | .2796                                  | .28                                    |
| Net Income per pound               | 1.1056                   | .8206                    | .2556                                  | .21                                    |

PNYC 00011504

INTERNATIONAL SINKING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - AUGUST 26TH 1941

ESTIMATED FIVE DECKER - LEAD REFINING, SINK OXIDE AND WHITE LEAD DEPARTMENTS

|                                          | Month of<br>July<br>1941 | Month of<br>June<br>1941 | Seven Mos.<br>ended July<br>31, 1941 | Seven Mos.<br>ended July<br>31, 1940 |
|------------------------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------------|
| <u>LEAD REFINING DEPARTMENT:</u>         |                          |                          |                                      |                                      |
| Operating Income                         | \$ 17,000                | \$ 25,000                | \$ 111,953                           | \$ 105,1                             |
| Less - Depreciation                      | <u>4,500</u>             | <u>3,800</u>             | <u>26,396</u>                        | <u>26,4</u>                          |
| <u>NET INCOME</u>                        | <u>\$ 12,500</u>         | <u>\$ 21,200</u>         | <u>\$ 85,557</u>                     | <u>\$ 78,6</u>                       |
| <u>SINK OXIDE DEPARTMENT:</u>            |                          |                          |                                      |                                      |
| Sales of Sink Oxide                      | \$205,276                | \$205,285                | \$1,305,607                          | \$1,134,7                            |
| Cost of Sales                            | <u>212,354</u>           | <u>247,820</u>           | <u>1,741,773</u>                     | <u>1,147,7</u>                       |
|                                          | \$ 7,080                 | \$ 38,535                | \$ 238,386                           | \$ 6,5                               |
| Less - Stationary Expenses - Akron Plant | -                        | -                        | -                                    | <u>2,3</u>                           |
|                                          | \$ 7,080                 | \$ 38,535                | \$ 238,386                           | \$ 5,1                               |
| Less - Depreciation                      | <u>2,273</u>             | <u>2,354</u>             | <u>22,021</u>                        | <u>19,4</u>                          |
| <u>NET INCOME</u>                        | <u>\$ 9,653</u>          | <u>\$ 42,489</u>         | <u>\$ 260,407</u>                    | <u>\$ 14,2</u>                       |
| Pounds of Sink Oxide Sold                | 2,708,539                | 3,109,100                | 25,180,591                           | 19,530,1                             |
| Sales Price                              | 7.5794                   | 6.6034                   | 6.3764                               | 5.3                                  |
| Cost of Sales                            | 7.8404                   | 7.8414                   | 7.3874                               | 5.4                                  |
| <u>WHITE LEAD DEPARTMENT:</u>            |                          |                          |                                      |                                      |
| Sales of Lead Products                   | \$171,154                | \$167,385                | \$ 917,749                           | \$ 539,4                             |
| Cost of Sales                            | <u>155,807</u>           | <u>155,511</u>           | <u>862,986</u>                       | <u>526,3</u>                         |
|                                          | \$ 14,347                | \$ 12,074                | \$ 54,763                            | \$ 13,1                              |
| Less - Depreciation                      | <u>4,449</u>             | <u>4,374</u>             | <u>33,844</u>                        | <u>14,5</u>                          |
| <u>NET INCOME</u>                        | <u>\$ 9,900</u>          | <u>\$ 7,700</u>          | <u>\$ 30,897</u>                     | <u>\$ 7</u>                          |
| Pounds of Lead Products Sold             | 2,110,988                | 2,078,151                | 11,400,846                           | 6,773,04                             |
| Sales Price                              | 8.1044                   | 8.0644                   | 8.0484                               | 7.91                                 |
| Cost of Sales                            | 7.4494                   | 7.4834                   | 7.5704                               | 7.7                                  |

PNYC 00011505

INTERNATIONAL SMELTING AND REFINING COMPANY  
MEMORANDUM FOR DIRECTORS' MEETING - AUGUST 26TH 1941  
NEW CURRENT AND OTHER ASSETS - JULY 31ST 1941

|                                                                                |                 |            |                    |                     |
|--------------------------------------------------------------------------------|-----------------|------------|--------------------|---------------------|
| <u>CURRENT ASSETS:</u>                                                         |                 |            |                    |                     |
| Supplies                                                                       |                 |            |                    | \$ 1,021,268        |
| Metals:                                                                        |                 |            |                    |                     |
| In Process                                                                     |                 |            |                    | 2,141,860           |
| Finished:                                                                      |                 |            |                    |                     |
| Lead                                                                           | 10,876,391 lbs. | @ 4.3124   | \$ 468,468         |                     |
| Copper                                                                         | 13,771,339 lbs. | @ 8.7376   | 1,203,782          |                     |
| Silver                                                                         | 2,129,221 ozs.  | @ 50.6684  | 1,078,834          |                     |
| Gold                                                                           | 22,081 ozs.     | @ \$34.119 | 753,397            |                     |
| By-Products                                                                    |                 |            | 217,344            |                     |
|                                                                                |                 |            | <u>\$5,741,825</u> |                     |
| Reserve for Freight and Refining                                               |                 |            | 261,825            | 3,479,930           |
| Manufactured Products:                                                         |                 |            |                    |                     |
| Lead Products                                                                  |                 |            | 171,219            |                     |
| Zinc Oxide - Finished                                                          |                 |            | 170,230            |                     |
| Marion Copper Works - Electro Sheet Department                                 |                 |            | <u>6,770</u>       | 348,439             |
| Accounts Receivable:                                                           |                 |            |                    |                     |
| American Sales Company                                                         |                 |            | 1,351,407          |                     |
| Tells                                                                          |                 |            | 1,094,295          |                     |
| Zinc Oxide                                                                     |                 |            | 172,228            |                     |
| Others                                                                         |                 |            | <u>858,073</u>     |                     |
|                                                                                |                 |            | <u>\$3,476,003</u> |                     |
| Reserve for Doubtful Accounts                                                  |                 |            | 42,232             | 3,433,771           |
| Cash                                                                           |                 |            |                    | <u>168,200</u>      |
|                                                                                |                 |            |                    | \$10,393,468        |
| <u>CURRENT LIABILITIES:</u>                                                    |                 |            |                    |                     |
| Notes                                                                          |                 |            | \$ 424,526         |                     |
| Interest                                                                       |                 |            | 127,244            |                     |
| Accounts Payable:                                                              |                 |            |                    |                     |
| Inter-company:                                                                 |                 |            |                    |                     |
| American Copper Mining Company - Notes Payable                                 |                 |            | 3,000,000          |                     |
| Others                                                                         |                 |            | <u>33,999</u>      |                     |
| Other Accounts Payable                                                         |                 |            | 1,473,275          |                     |
| Wages Payable                                                                  |                 |            | <u>144,031</u>     |                     |
|                                                                                |                 |            |                    | <u>5,203,097</u>    |
| <u>NEW CURRENT ASSETS</u>                                                      |                 |            |                    | \$ 5,390,371        |
| Other Assets:                                                                  |                 |            |                    |                     |
| Advances to sundry mining companies, including advances on ores, less reserve  |                 |            | \$ 101,433         |                     |
| Entertainment house and land sales and other accounts receivable, less reserve |                 |            | <u>44,340</u>      | 145,773             |
| <u>BALANCE - NEW CURRENT AND OTHER ASSETS</u>                                  |                 |            |                    | <u>\$ 5,536,144</u> |

PNYC 00011506

INTERNATIONAL SKELETON AND REFINING COMPANY  
MEMORANDUM FOR DIRECTORS' MEETING - AUGUST 26TH 1941  
SALES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

|                                             | Month of<br>July 1941 | Seven Months<br>ended July<br>31st 1941 | Seven Months<br>ended July<br>31st 1940 | Pure<br>Lead<br>Dross |
|---------------------------------------------|-----------------------|-----------------------------------------|-----------------------------------------|-----------------------|
| <u>SKELETON PRODUCTION:</u>                 |                       |                                         |                                         |                       |
| Copper - lbs. - Feed:                       |                       |                                         |                                         |                       |
| Canton                                      | 64,701                | 1,506,793                               | 3,680,075                               | 59                    |
| Toll                                        | 2,760,538             | 23,349,221                              | 21,301,320                              | 9                     |
| Miami:                                      |                       |                                         |                                         |                       |
| Canton                                      | 300,000               | 2,998,543                               | 1,749,239                               | 71                    |
| Toll                                        | <u>6,327,381</u>      | <u>27,347,047</u>                       | <u>31,626,475</u>                       | 18                    |
|                                             | 10,082,620            | 65,195,604                              | 58,357,109                              | 11                    |
| Lead - lbs. - Feed:                         | <u>3,870,888</u>      | <u>36,820,983</u>                       | <u>41,790,850</u>                       | 12                    |
| <u>SCRAP COPPER RECEIVED AT PINE ABBOT:</u> |                       |                                         |                                         |                       |
| Recoverable Contents - lbs.                 | 2,452,772             | 21,665,145                              | 29,476,475                              | 26                    |
| <u>REFINERY PRODUCTION:</u>                 |                       |                                         |                                         |                       |
| Copper - lbs.                               | 41,954,282            | 317,805,019                             | 293,297,278                             | 8                     |
| Lead - lbs.                                 | 9,976,317             | 58,345,293                              | 58,529,631                              | 0                     |
| Silver - ozs.                               | 1,399,654             | 9,608,581                               | 10,066,063                              | 4                     |
| Gold - ozs.                                 | 18,371                | 141,090                                 | 160,348                                 | 12                    |
| <u>SALES:</u>                               |                       |                                         |                                         |                       |
| Copper - lbs.                               |                       |                                         |                                         |                       |
| Feed:                                       | 407,423               | 6,600,000                               | 2,500,000                               | 164                   |
| Miami                                       | 1,278,300             | 3,538,500                               | 2,500,000                               | 41                    |
| Baritan - Refinery                          | 27,598                | 118,550                                 | 48,757                                  | 143                   |
| - Secondary                                 | <u>1,016,151</u>      | <u>7,472,000</u>                        | <u>28,628,774</u>                       | 73                    |
|                                             | 2,729,474             | 17,728,850                              | 33,677,531                              | 47                    |
| Lead - lbs.                                 | <u>4,174,767</u>      | <u>43,968,234</u>                       | <u>40,726,036</u>                       | 1                     |
| <u>DELIVERIES:</u>                          |                       |                                         |                                         |                       |
| Copper - lbs.                               |                       |                                         |                                         |                       |
| Feed:                                       | 777,000               | 9,452,000                               | 1,437,500                               | 557                   |
| Miami                                       | 1,212,950             | 3,376,950                               | 937,500                                 | 495                   |
| Baritan - Refinery                          | 27,958                | 118,550                                 | 48,757                                  | 143                   |
| - Secondary                                 | <u>1,360,205</u>      | <u>17,178,507</u>                       | <u>30,596,260</u>                       | 47                    |
|                                             | 3,382,113             | 32,125,407                              | 33,020,017                              | 1                     |
| Lead - lbs.                                 | <u>7,084,233</u>      | <u>43,668,504</u>                       | <u>38,545,281</u>                       | 13                    |
| <u>LOSS COIN:</u>                           |                       |                                         |                                         |                       |
| Production - lbs.                           | 2,666,800             | 23,036,133                              | 20,343,128                              | 13                    |
| Deliveries - lbs.                           | 3,009,200             | 23,482,911                              | 19,534,489                              | 20                    |

PNYC 00011507

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - AUGUST 26TH 1941

STATE OF NOTES AND BONDS PAYABLE TO AMACORDA COPPER MINING COMPANY

Notes:

|                            |                |                  |                |
|----------------------------|----------------|------------------|----------------|
| October 31, 1933 (5%)      |                |                  | \$ 2,000,000   |
| August 31, 1934 (5%)       |                |                  | 250,000        |
| December 15, 1937 (1-3/4%) |                | \$5,000,000      |                |
| Less Payments:             |                |                  |                |
| June 15, 1940              | \$1,000,000    |                  |                |
| August 31, 1940            | 500,000        |                  |                |
| October 22, 1940           | 1,000,000      |                  |                |
| February 28, 1941          | 500,000        |                  |                |
| April 7, 1941              | 500,000        |                  |                |
| May 19, 1941               | 500,000        |                  |                |
| July 23, 1941              | <u>750,000</u> | <u>4,250,000</u> | <u>750,000</u> |
| Total Notes                |                |                  | \$ 3,000,000   |

Bonds:

|                        |  |                     |
|------------------------|--|---------------------|
| December 15, 1934 (6%) |  | <u>8,000,000</u>    |
|                        |  | <u>\$11,000,000</u> |

PNYC 00011508