

ACTUAL NET INCOME

	Month of November 1940	Month of October 1940	Eleven mos. ended Nov. 30th 1940	Eleven mos. ended Nov. 30th 1939
Smelting Department	\$ 43,187	\$ 51,978	\$ 619,159	\$ 270,381
Marion Copper Works:				
Refining Department	181,616	168,511	1,906,665	1,397,685
Secondary Department	5,707	2,247	130,134	208,388
Lead Refining Department	6,238	3,439	139,590	16,400
Wine Oxide Department	26,434	13,199	20,189	168,668
White Lead Department	6,371	2,267	34,515	55,405
Miscellaneous Income	3,051	3,051	25,041	38,800
Total	\$207,260	\$237,294	\$2,834,715	\$2,090,931
Add - Dividend - Mountain City Copper Company	182,866	-	182,866	109,721
	\$390,126	\$237,294	\$3,017,581	\$2,200,652
<u>EXPENSES:</u>				
Administrative Expenses	\$ 5,000	\$ 4,729	\$ 61,319	\$ 50,613
Miscellaneous Taxes	-	-	6,437	5,156
Capital Stock Tax	1,042	1,042	11,611	10,430
Interest -				
Six Percent. Debentures	40,000	40,000	438,901	438,901
Anaconda Copper Mining Company	13,013	14,090	114,201	103,125
Anaconda Sales Company	-	-	51,389	148,958
	\$59,055	\$59,861	\$683,258	\$756,987
Less - Depreciation	\$331,071	\$177,433	\$2,333,923	\$1,443,670
	\$59,908	\$23,924	758,386	670,263
Less - Federal Income Tax	\$271,565	\$123,479	\$1,595,537	\$ 773,407
	\$27,500	\$9,600	\$47,800	\$29,400
NET INCOME	\$243,063	\$ 93,879	\$1,247,737	\$ 644,207
Add - Net Income of Subsidiary Companies	-	-	-	-
CONSOLIDATED NET INCOME	\$243,063	\$ 93,879	\$1,247,737	\$ 644,207

* Dividend on 1,462,834 shares - 25¢ per share declared November 17, 1940, payable December 20, 1940:

One-half accrued in month of November	\$182,866
One-half accrued in month of December	182,866
	<u>\$365,732</u>

CONSOLIDATED MONTHLY ACCOUNT

BALANCE - January 1, 1940

\$1,175,287

ADD - Net Income - Eleven Months ended November 30, 1940

1,246,229

BALANCE - NOVEMBER 30, 1940

\$ 175,287

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS: EREBING - DISCLOSED 24TH 1940

ESTIMATED NET INCOME - EREBING DISCLOSED

	Month of November 1940	Month of October 1940	Eleven mo. ended Nov. 30th 1940	Eleven mo. ended Nov. 30th 1939
Tocoele Lead Plant	\$ 17,865	\$ 738	\$167,117	\$113,343
Tocoele Copper Plant	13,079	2,110	161,842	136,441
Tocoele Sulphide Concentrator	2,518	11,905	111,836	45,184
Tocoele Waste Concentrator	-	-	5,708	10,593
Ophir Hill Plant	-	-	132,000	133,857
Miami Plant	<u>20,000</u>	<u>28,200</u>	<u>142,185</u>	<u>58,750</u>
	<u>\$ 53,462</u>	<u>\$ 61,953</u>	<u>\$720,688</u>	<u>\$498,168</u>
Product -				
Lead Refractory	-	-	-	\$ 68,076
Tramway Operations	575	582	4,510	10,300
Outside Exploration	6,000	6,100	55,035	86,273
Selling Commissions	2,500	1,500	28,360	21,572
Shutdown Expense -				
Waste Concentrator	700	693	7,133	10,500
Sulphide Concentrator	-	-	-	7,786
Waste Concentrator	500	500	5,500	6,268
Miami Plant	<u>-</u>	<u>-</u>	<u>5,171</u>	<u>8,508</u>
	<u>\$ 10,275</u>	<u>\$ 9,275</u>	<u>\$107,719</u>	<u>\$219,783</u>
	<u>\$ 43,187</u>	<u>\$ 51,978</u>	<u>\$119,159</u>	<u>\$278,385</u>
Less - Depreciation	<u>17,529</u>	<u>16,208</u>	<u>\$81,901</u>	<u>\$74,797</u>
<u>NET INCOME</u>	<u>\$ 25,658</u>	<u>\$ 35,770</u>	<u>\$337,258</u>	<u>\$ 3,588</u>

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INTERNATIONAL SALT AND MINING COMPANY
STATEMENT FOR DIRECTOR'S ATTEND - DECEMBER 31ST 1940
ASSETS - NET INCOME - HARBOR COPPER CO.

	Month of November 1940	Month of October 1940	Eleven Mos. ended Nov. 30th 1940	Eleven Mos. ended Nov. 30th 1939
<u>MINING OPERATIONS:</u>				
Profit on Sales	\$ 89,196	\$ 89,165	21,042,328	2,822,416
Profit on Premium	79,521	94,575	686,643	416,795
Profit on Sales	28,000	5,332	78,374	48,985
Less: Freight Department	6,177	1,478	17,330	55,150
	116,540	118,642	21,824,875	21,341,346
Less - Miscellaneous Admins	3,000	3,535	157,470	78,914
	113,540	115,107	21,667,405	21,262,432
Less - General Expenses	1,000	1,871	14,556	15,742
Experimental Expenses	15,515	17,458	57,120	14,520
Selling Expenses	1,765	485	6,002	4,013
	130,820	134,925	77,680	44,275
	122,720	123,182	21,590,725	21,218,157
Less - Depreciation	32,873	33,113	331,628	282,798
<u>NET INCOME</u>	<u>89,847</u>	<u>90,069</u>	<u>21,259,100</u>	<u>20,935,359</u>
<u>MINING OPERATIONS:</u>				
Proceeds of Copper Sales	172,343	132,425	4,586,701	4,453,525
Value of Copper Sales	172,222	111,938	4,626,661	4,636,546
Trading Profit	121	10,487	-	-
Less - Freight Differential	1,761	2,438	31,663	33,367
	1,402	12,925	-	-
Operating Profit	6,582	19,552	703,038	276,570
	7,716	31,152	195,609	266,918
Less - Buying and Selling Expense	2,009	3,773	51,792	51,530
Less - Shut-down Expense	-	6,162	13,651	-
	2,009	9,935	65,443	51,530
Less - Depreciation	5,707	21,247	130,114	108,368
	87	-	47,449	15,930
<u>NET INCOME</u>	<u>5,630</u>	<u>9,917</u>	<u>104,666</u>	<u>152,452</u>
Sales - Pounds	1,506,611	2,874,823	39,655,140	45,191,233
Trading Profit per pound	.0085	.0054	.0018	.0018
Freight Differential per pound	.0055	.0085	.0079	.0074
Net Operating Profit per pound	.2804	.2894	.2844	.4254
Net Income per pound	.3734	.3794	.2644	.4044

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - DECEMBER 24TH 1940

ESTIMATED NET INCOME - LEAD REFINING, ZINC OXIDE AND WHITE LEAD DEPARTMENTS

	Month of November 1940	Month of October 1940	Eleven Mos. ended Nov. 30th 1940	Eleven Mos. ended Nov. 30th 1939
<u>LEAD REFINING DEPARTMENT:</u>				
Operating Income	\$ 1,439	\$ 3,439	\$ 139,590	\$ 16,400
Less - Depreciation	2,102	2,838	40,631	53,135
<u>NET INCOME</u>	<u>\$ 1,439</u>	<u>\$ 601</u>	<u>\$ 98,959</u>	<u>\$ 13,265</u>
<u>ZINC OXIDE DEPARTMENT:</u>				
Sales of Zinc Oxide	\$215,635	\$245,943	\$2,042,276	\$2,247,266
Cost of Sales	241,819	250,892	2,059,675	2,008,753
	\$ 66,184	\$ 4,949	\$ 17,399	\$ 178,513
Less: Shutdown expenses - Akron Plant	250	250	2,790	9,845
	\$ 66,434	\$ 5,199	\$ 20,189	\$ 188,358
Less: Depreciation and Amortization	3,420	3,928	32,757	44,979
<u>NET INCOME</u>	<u>\$ 63,014</u>	<u>\$ 1,271</u>	<u>\$ 1,165,330</u>	<u>\$ 123,689</u>
Pounds of Zinc Oxide Sold	3,600,680	4,135,349	34,421,103	38,374,202
Sales Price	5.988¢	5.933¢	5.922¢	5.852¢
Cost of Sales	6.716¢	6.260¢	5.872¢	5.390¢
<u>WHITE LEAD DEPARTMENT:</u>				
Sales of Lead Products	\$109,581	\$ 70,425	\$ 919,930	\$1,068,272
Cost of Sales	103,210	68,158	895,415	1,013,467
	\$ 6,371	\$ 2,267	\$ 24,515	\$ 54,805
Less: Depreciation	2,999	1,867	24,836	26,418
<u>NET INCOME</u>	<u>\$ 3,372</u>	<u>\$ 400</u>	<u>\$ 9,679</u>	<u>\$ 28,989</u>
Pounds of Lead Products Sold	1,394,452	894,374	11,551,051	13,755,221
Sales Price	7.858¢	7.874¢	7.964¢	7.770¢
Cost of Sales	7.401¢	7.620¢	7.665¢	7.560¢

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INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - DECEMBER 24TH 1940

NET CURRENT AND OTHER ASSETS - DECEMBER 30TH 1940

CURRENT ASSETS:

Supplies

\$ 835,157

Details:

In process

2,583,278

Finished:

Lead	14,646,065 lbs. -	4.93¢	\$ 722,715
Copper	27,023,778 lbs. -	9.72¢	2,625,021
Silver	2,131,151 ozs. -	54.83¢	1,125,949
Gold	24,035 ozs. -	34.09	819,841
By-products			400,313

\$5,714,499

Reserve for freight and refining

598,921

5,115,578

Manufactured Products:

Lead Products

\$ 299,412

Line Oxide - finished

277,000

Warren Copper Oxide - Electro Sheet

9,278

585,790

Accounts receivable:

Secunda Sales Company

\$ 502,861

Tolls

798,497

Line Oxide

229,391

Mountain City Copper Company

698,743

Sinker Mining Company

76,581

Others

551,204

2,797,277

Cash

360,086

\$12,200,166

CURRENT LIABILITIES:

Taxes

\$ 444,312

Interest

343,169

Accounts payable:

Inter-company:

Secunda Copper Mining Company - Note payable

4,750,000

Others

22,127

Other accounts payable

1,432,188

Notes payable

115,836

7,107,632

BALANCE - NET CURRENT LIABILITIES

\$ 5,172,534

OTHER ASSETS:

Advances to sundry mining companies, including

advances on ores, lease reserve

\$ 104,364

Installation house and land sales and other

accounts receivable - lease reserve

53,404

157,768

BALANCE - NET CURRENT AND OTHER ASSETS

\$ 5,330,302

ISR002344

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 24TH 1940

SALTS, DELIVERIES AND PRODUCTION - ALL PERIODS

	Month of November 1940	Eleven Mos. ended Nov. 30th 1940	Eleven Mos. ended Nov. 30th 1939	Percent Increase 1939-40
<u>SMELTER PRODUCTION:</u>				
Copper - lbs. - Cobble:				
Custom	102,556	4,989,852	5,419,246	10.1
Toll	3,529,955	35,749,132	30,043,306	18.9
Leach:				
Custom	374,900	3,170,936	1,243,300	156.0
Toll	<u>1,135,128</u>	<u>48,734,426</u>	<u>35,751,060</u>	
	<u>7,342,599</u>	<u>92,664,340</u>	<u>92,657,031</u>	.0
Lead - lbs. - Cobble:	4,634,054	59,402,237	43,428,032	15.9
<u>CRAP DATA RECEIVED FROM OTHER AGENCIES:</u>				
Recoverable contents - lbs.	4,696,535	44,988,584	42,728,010	5.3
<u>REFINERY PRODUCTION:</u>				
Copper - lbs.	44,102,108	482,063,715	372,890,159	29.3
Lead - lbs.	4,365,349	58,178,771	73,920,767	19.3
Silver - ozs.	1,496,454	15,000,046	11,124,137	40.2
Gold - ozs.	19,110	235,395	182,116	29.2
<u>SALTS:</u>				
Copper - lbs.:				
Cobble	1,400,000	6,650,000	5,000,000	33.3
Leach	2,100,000	4,850,000	-	-
Leach - Refinery	34,347	179,410	75,348	88.2
Leach - Secondary	<u>2,945,197</u>	<u>36,086,002</u>	<u>56,447,291</u>	
	<u>6,479,542</u>	<u>47,765,412</u>	<u>61,542,639</u>	
Lead - lbs.	4,437,432	61,747,864	69,915,432	11.1
<u>DELIVERIES:</u>				
Copper - lbs.:				
Cobble	250,000	3,750,000	3,450,000	8.7
Leach	500,000	2,750,000	-	-
Leach - Refinery	34,347	179,410	75,348	88.2
Leach - Secondary	<u>1,500,011</u>	<u>29,053,041</u>	<u>45,191,233</u>	
	<u>2,284,358</u>	<u>33,932,451</u>	<u>48,717,437</u>	
Lead - lbs.	3,692,228	57,646,080	67,345,162	16.1
<u>ZINC OXIDE:</u>				
Production - lbs.	3,599,000	34,661,522	37,827,916	9.1
Deliveries - lbs.	3,601,400	34,485,272	38,401,059	11.2