

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 28TH 1939

ESTIMATED NET INCOME

	Month of October 1939	Month of September 1939	Ten Months ended Oct. 31st 1939	Ten Months ended Oct. 31st 1938
Smelting Department	\$ 53,375	\$ 62,031	\$ 307,437	\$ 233,209
Marion Copper Works -				
Refinery Department	211,936	139,479	1,156,603	437,501
Secondary Department	9,613	25,476	241,400	52,477
Lead Refining Department	3,680	250	1,382	84,230
Zinc Oxide Department	24,659	37,213	204,644	17,520
White Lead Department	7,684	4,489	48,092	36,424
Total	\$310,947	\$268,438	\$1,956,794	\$ 48,681
Add - Silver adjustment	-	-	11,515	-
Miscellaneous Income	3,636	3,636	36,828	34,506
	<u>\$314,583</u>	<u>\$272,074</u>	<u>\$2,005,137</u>	<u>\$ 83,187</u>
<u>DEDUCT:</u>				
Administrative Expenses	\$ 6,500	\$ 7,370	\$ 66,036	\$ 43,024
Miscellaneous Taxes	-	354	5,156	15,652
Capital Stock Tax	875	875	7,937	9,860
Interest -				
Six Percent. Debentures	40,000	40,000	398,901	398,901
Amconda Copper Mining Company	9,375	9,375	93,750	93,699
Amconda Sales Company	12,500	12,500	136,458	145,993
	<u>\$ 69,250</u>	<u>\$ 70,474</u>	<u>\$ 708,238</u>	<u>\$ 707,129</u>
	\$245,333	\$201,600	\$1,296,899	\$ 623,942
Less - Depreciation	<u>66,958</u>	<u>59,626</u>	<u>569,685</u>	<u>417,931</u>
	\$178,375	\$141,974	\$ 727,214	\$1,041,873
Less - Federal Income Tax	<u>33,900</u>	<u>27,000</u>	<u>138,200</u>	-
<u>NET INCOME</u>	<u>\$144,475</u>	<u>\$114,974</u>	<u>\$ 589,014</u>	<u>\$1,041,873</u>
Add - Net Income of Subsidiary Companies	<u>31</u>	<u>31</u>	<u>577</u>	<u>144</u>
<u>CONSOLIDATED NET INCOME</u>	<u>\$144,444</u>	<u>\$114,943</u>	<u>\$ 588,437</u>	<u>\$1,041,729</u>

CONSOLIDATED SURPLUS ACCOUNT

Balance - January 1st 1939	\$1,966,037
Add - Net Income - Ten Months ended October 31st 1939	<u>588,437</u>
<u>BALANCE - OCTOBER 31ST 1939</u>	<u>\$1,377,600</u>

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 28TH 1929

ESTIMATED NET INCOME - SMELTING DEPARTMENT

	Month of October 1929	Month of September 1929	Ten Months ended Oct. 31st 1929	Ten Months ended Sept. 31st 1928
Tooele Lead Plant	\$ 25,361	\$ 15,010	\$ 71,195	\$ 49,283
Tooele Copper Plant	7,000	12,429	141,697	23,990
Tooele Sulphide Concentrator	10,200	13,267	39,642	38,647
Tooele Oxide Concentrator	2,186	1,752	12,089	-
Ophir Hill Plant	9,823	15,715	125,911	-
Miami Plant	8,000	12,509	51,480	12,630
	<u>\$ 62,570</u>	<u>\$ 70,682</u>	<u>\$ 442,014</u>	<u>\$ 76,550</u>
Deduct:				
Tramway Operations	\$ 1,150	\$ 1,156	\$ 10,150	\$ 9,497
Shut down Expenses -				
Miami Plant	-	-	8,508	37,619
Rico Plant	600	519	4,618	5,205
Tooele Lead Plant	-	-	-	9,265
Tooele Copper Plant	-	-	-	18,532
Tooele Sulphide Concentrator	945	615	6,332	8,996
Tooele Oxide Concentrator	1,000	1,086	9,774	6,878
Outside Exploration	3,000	2,772	76,279	34,100
Selling Commission	2,500	2,553	18,916	26,547
	<u>\$ 9,195</u>	<u>\$ 8,661</u>	<u>\$134,977</u>	<u>\$156,639</u>
	<u>\$ 53,375</u>	<u>\$ 62,031</u>	<u>\$ 307,437</u>	<u>\$ 233,209</u>
Less: Depreciation	27,183	27,459	241,892	129,381
<u>NET INCOME</u>	<u>\$ 26,192</u>	<u>\$ 34,572</u>	<u>\$ 66,545</u>	<u>\$162,590</u>

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 28TH 1939
ESTIMATED NET INCOME - OPIR HILL OPERATIONS

	<u>October 1939</u>	<u>Sept. 1939</u>	<u>Ten Months ended Oct. 31st 1939</u>
Concentrator Sales	\$ 35,559	\$ 38,137	\$382,647
Cost of Sales	<u>25,735</u>	<u>22,422</u>	<u>256,840</u>
Operating Profit	\$ 9,824	\$ 15,715	\$125,807
Other Income	<u>-</u>	<u>-</u>	<u>104</u>
	\$ 9,824	\$ 15,715	\$125,911
Depreciation	<u>8,434</u>	<u>8,434</u>	<u>77,137</u>
<u>NET INCOME</u>	<u>\$ 1,390</u>	<u>\$ 7,281</u>	<u>\$ 48,774</u>

Note: Investment of International Smelting and Refining Company in the above plant at October 31st 1939 amounted to \$191,350 (Depreciated Value - \$114,213).

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 26TH 1939
ESTIMATED NET INCOME - RHARITAN COPPER WORKS

	Month of October 1939	Month of September 1939	Ten Months ended Oct. 31, 1939	Ten Months ended Oct. 31, 1938
<u>REFINERY DEPARTMENT:</u>				
Profit on Tolls	\$100,300	\$ 59,121	\$ 699,519	\$ 327,101
Profit on Premiums	86,729	66,955	363,021	123,802
Profit on Sales	15,748	4,918	40,498	18,665
Electro Sheet Department	5,957	3,717	27,681	10,553
	\$208,634	\$133,691	\$1,130,719	\$ 480,121
Add - Miscellaneous Earnings	5,048	8,350	63,188	48,091
	\$213,682	\$142,041	\$1,193,907	\$ 528,212
Deduct - General Expenses	\$ 1,000	\$ 1,179	\$ 12,625	\$ 14,039
Shutdown Expenses	-	-	-	62,156
Experimental Expenses	746	1,383	24,679	14,516
	\$ 1,746	\$ 2,562	\$ 37,304	\$ 90,711
	\$211,936	\$139,479	\$1,156,603	\$ 437,501
Less - Depreciation	29,363	24,514	230,550	226,710
<u>NET INCOME</u>	<u>\$182,573</u>	<u>\$114,965</u>	<u>\$ 926,053</u>	<u>\$ 210,791</u>
<u>SECONDARY METAL DEPARTMENT:</u>				
Sales of Copper	\$517,345	\$707,639	\$4,358,223	\$2,270,151
Cost of Sales	503,693	679,962	4,079,933	2,259,098
	\$ 13,652	\$ 27,677	\$ 278,290	\$ 11,113
Profit on By-products	2,433	6,664	23,318	3,295
	\$ 16,085	\$ 34,341	\$ 301,608	\$ 14,408
Deduct - Selling Commissions	\$ 6,468	\$ 8,865	\$ 54,615	\$ 30,228
Shutdown Expenses	-	-	-	25,273
Experimental Expenses	4	-	5,593	11,384
	\$ 6,472	\$ 8,865	\$ 60,208	\$ 66,885
	\$ 9,613	\$ 25,476	\$ 241,400	\$ 52,477
Less - Depreciation	2,603	-	22,449	8,331
<u>NET INCOME</u>	<u>\$ 7,010</u>	<u>\$ 25,476</u>	<u>\$ 218,951</u>	<u>\$ 60,808</u>
Pounds of Copper Sold	4,978,964	6,945,819	42,191,124	23,556,819
Sales Price	10.391¢	10.188¢	10.330¢	9.637¢
Cost of Sales	10.117¢	9.790¢	9.670¢	9.590¢

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 28TH 1939

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

	Month of October 1939	Month of September 1939	Ten Months ended Oct. 31st 1939	Ten Months ended Oct. 31st 1938
<u>LEAD REFINING DEPARTMENT:</u>				
Operating Income	\$ 3,680	\$ 290	\$ 1,382	\$ 84,290
Less: Depreciation	<u>980</u>	<u>1,004</u>	<u>9,380</u>	<u>6,260</u>
<u>NET INCOME</u>	<u>\$ 2,700</u>	<u>\$ 1,254</u>	<u>\$ 10,762</u>	<u>\$ 90,490</u>
<u>ZINC OXIDE DEPARTMENT:</u>				
Sales of Zinc Oxide	\$223,206	\$253,839	\$1,984,460	\$1,312,072
Cost of Sales	<u>198,297</u>	<u>216,026</u>	<u>1,771,022</u>	<u>1,281,866</u>
	\$ 24,909	\$ 37,813	\$ 213,438	\$ 30,206
Less: Shutdown Expenses - Akron Plant	<u>290</u>	<u>600</u>	<u>8,794</u>	<u>12,686</u>
	\$ 24,659	\$ 37,213	\$ 204,644	\$ 17,520
Less: Depreciation and Obsolescence	<u>3,635</u>	<u>4,068</u>	<u>40,717</u>	<u>21,860</u>
<u>NET INCOME</u>	<u>\$ 21,024</u>	<u>\$ 33,145</u>	<u>\$ 163,927</u>	<u>\$ 4,340</u>
Pounds of Zinc Oxide Sold	3,827,282	4,286,820	33,907,547	23,156,970
Sales Price	5.832¢	5.921¢	5.853¢	5.666¢
Cost of Sales	5.181¢	5.261¢	5.223¢	5.612¢
<u>WHITE LEAD DEPARTMENT:</u>				
Sales of Lead Products	\$128,604	\$179,188	\$ 980,381	\$ 810,665
Cost of Sales	<u>120,920</u>	<u>174,699</u>	<u>932,289</u>	<u>847,089</u>
	\$ 7,684	\$ 4,489	\$ 48,092	\$ 36,424
Less: Depreciation	<u>3,194</u>	<u>2,581</u>	<u>24,697</u>	<u>24,124</u>
<u>NET INCOME</u>	<u>\$ 4,490</u>	<u>\$ 1,908</u>	<u>\$ 23,395</u>	<u>\$ 60,548</u>
Pounds of Lead Products Sold	1,568,535	2,271,938	12,560,417	11,683,220
Sales Price	8.199¢	7.887¢	7.805¢	6.938¢
Cost of Sales	7.709¢	7.689¢	7.422¢	7.261¢

ISR002434

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 28TH 1929

NET CURRENT AND OTHER ASSETS - OCTOBER 31ST 1929

CURRENT ASSETS:

Supplies					\$ 761,690
Metals:					
In Process					1,544,887
Finished:					
Lead	11,840,305	lbs. @	4.44¢	\$ 526,579	
Copper	39,005,561	lbs. @	9.49¢	3,701,878	
Silver	2,421,174	ozs. @	52.35¢	1,267,416	
Gold	35,148.014	ozs. @	\$34.03¢	1,196,294	
By-Products				423,129	
				\$7,115,296	
Less - Reserve for Freight and Refining				423,382	6,691,914
Manufactured Products:					
Lead Products				\$ 227,418	
Zinc Oxide Finished				614,000	
Electro Sheet				21,267	862,685
Accounts Receivable:					
Anaconda Sales Company - Current Account				\$ 116,780	
Tolls				637,210	
Zinc Oxide				239,400	
Mountain City Copper Company				70,002	
Walker Mining Company				481,392	
Others				446,455	1,991,239
Cash					335,911
					\$12,188,326

CURRENT LIABILITIES:

Taxes		\$ 227,887	
Interest		330,000	
Accounts Payable:			
Inter-company:			
Anaconda Sales Company - Note Payable		5,000,000	
Anaconda Copper Mining Company - Note Payable		2,250,000	
Other		20,848	
Other Accounts Payable		1,440,715	
Wages Payable		92,115	9,361,565

BALANCE - NET CURRENT ASSETS

\$ 2,826,761

OTHER ASSETS:

Advances to sundry mining companies including advances on ores, less reserve	\$ 108,371	
Installment house and land sales and other accounts receivable, less reserve	70,010	178,381

BALANCE - NET CURRENT AND OTHER ASSETS

\$ 3,005,142

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - NOVEMBER 27TH 1939

SALES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

	Month of October 1939	Ten Months ended Oct. Net 1939	Ten Months ended Oct. Net 1938	Percent. Increase
<u>SMELTER PRODUCTION</u>				
Copper - Lbs. - Tooele	3,691,891	31,752,486	11,218,315	183.0
- Miami	6,040,047	50,653,321	35,831,359	96.1
	<u>9,731,938</u>	<u>82,405,807</u>	<u>47,049,674</u>	122.4
Lead - Lbs. - Tooele	2,408,123	40,996,436	38,856,850	5.5
<u>SCRAP COPPER RECEIVED AT PENTH MOUNT</u>				
Recoverable Contents - Lbs.	4,539,254	38,689,965	26,087,260	48.6
<u>REFINERY PRODUCTION</u>				
Copper - Lbs.	40,487,399	330,506,221	177,655,148	86.0
Lead - Lbs.	7,078,403	68,978,883	48,082,920	43.5
Silver - Ozs.	1,212,701	10,014,166	8,811,892	25.0
Gold - Ozs.	20,846	157,411	113,377	38.9
<u>SALES</u>				
Copper - Lbs.	4,726,928	56,490,530	34,301,102	64.7
Lead - Lbs.	6,756,108	66,146,378	52,198,211	26.7
<u>DELIVERIES</u>				
Copper - Lbs.	4,978,964	45,237,328	27,651,102	63.6
Lead - Lbs.	9,261,901	62,128,118	53,220,377	16.7
<u>ZINC OXIDE</u>				
Production - Lbs.	1,827,600	33,018,313	20,173,260	63.7
Deliveries - Lbs.	3,833,200	33,919,527	23,162,637	46.4