# st joe

## ST. JOSEPH LEAD COMPANY ANNUAL REPORT 1967

## ST. JOSEPH LEAD COMPANY

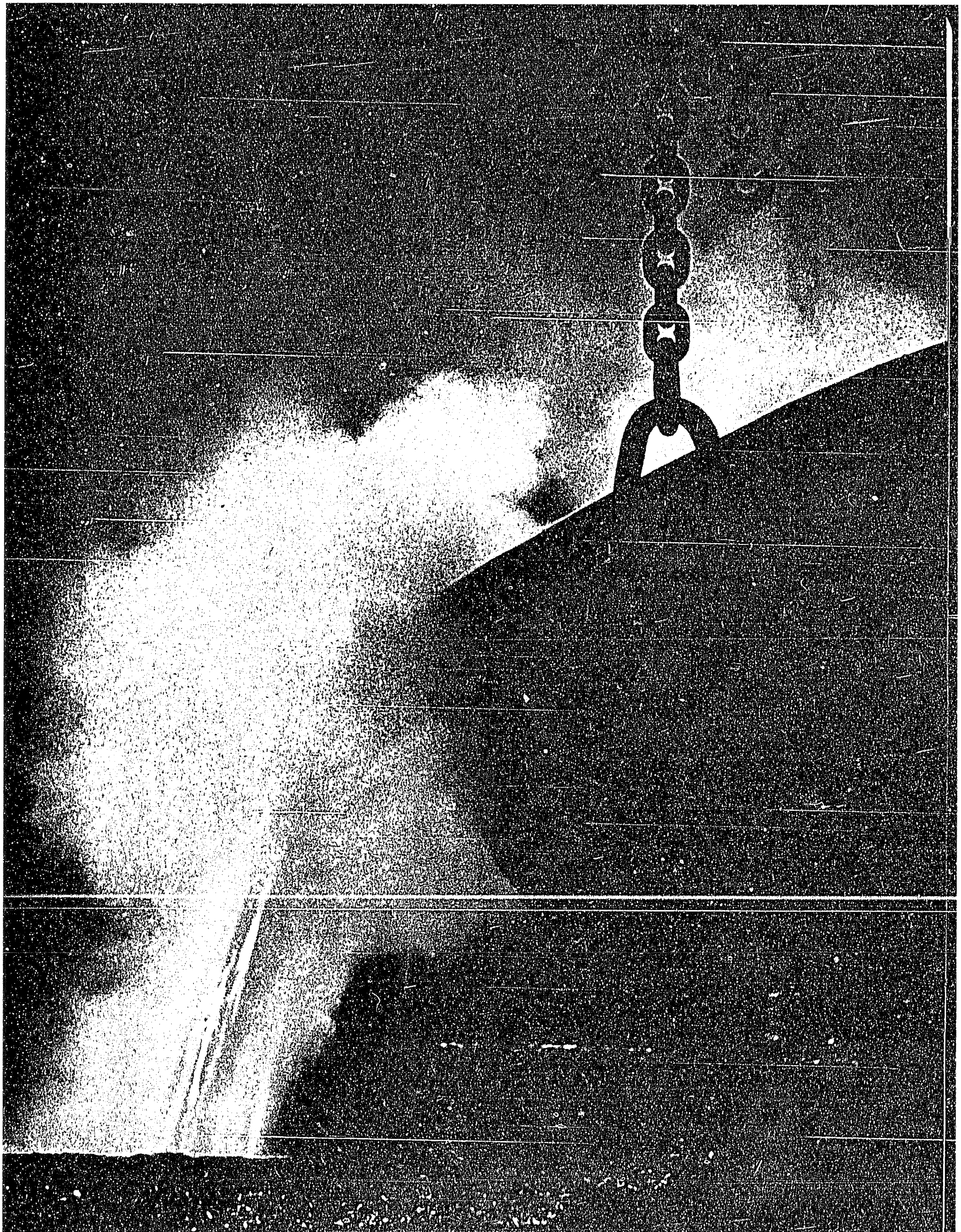
St. Joe's interests extend far beyond the fields of exploration and extraction, fields in which it has developed a leading competence. The Company has become increasingly involved with the uses of the varied products resulting from its mining and metallurgical operations, and in the further development of their markets.

Over its 104 year history, St. Joe, while solidifying its position as the largest lead miner in the United States and substantially increasing its mineral assets, has added the capacity for production of zinc metal, zinc oxide, sulfuric acid, cadmium, silver, copper concentrates, agricultural limestone, iron ore pellets, high quality iron oxide, and bentonite.

These product additions have greatly expanded the Company, have broadened its marketing capabilities, and have advanced the number of markets—some shown in this Report—in which St. Joe actively competes.

St. Joe's market and product orientation continues to grow and will be an increasingly significant factor in its future.

The 1967 expansion and introduction of automated controls and new equipment has changed a lot at St. Joe's Herculaneum Smelter but not the historic and spectacular view of molten lead metal shown at right. In the cover design are shown certain grades of St. Joe lead, zinc metal, zinc oxide, sulfuric acid and iron ore pellets.



## HIGHLIGHTS OF OUR 104th YEAR

| | 1967 | 1966 |
|---|---|---|
| Sales of metals, etc. | $129,036,565 | $145,109,767 |
| Federal and state income taxes | $ 5,159,034 | $ 8,826,341 |
| Net income | $ 21,634,733 | $ 22,717,454 |
| Dividends paid | $ 12,568,349 | $ 12,050,896 |
| Shares of capital stock outstanding December 31 | 4,485,638 | 4,496,267 |
| Net earnings per average share | $4.82 | $4.99 |
| Dividends per share | $2.80 | $2.65 |
| Ratio of current assets to current liabilities | 4.87 to 1 | 3.87 to 1 |
| Number of employees (U.S.) | 3,959 | 3,986 |
| Number of shareholders | 18,585 | 16,204 |
| Shareholders' equity (book value) | $133,792,532 | $125,171,922 |
| Shareholders' equity per share | $29.83 | $27.84 |

## LETTER TO SHAREHOLDERS:

St. Joseph Lead Company's sales for 1967 were $129,036,565. Net income was $21,634,733 and earnings per share totalled $4.82. Dividends of $12,568,349, the highest for any year in St. Joe history, were paid to shareholders. Quarterly dividend payments of 70 cents per share continued at the level established by the Company in December, 1966.

Of significance to the Company's earnings were the reductions in the price of zinc in the Spring of 1967 and the continuing impact of a lower lead price, which was reduced to 14 cents a pound in late 1966. Dividends from St. Joe's foreign investments were lower than during 1966.

A reduction in demand for domestic lead and zinc, largely attributable to reduced industrial activity in the United States, and to increasing competition from imports, was partially offset in the fourth quarter by the effect of extended work stoppages in the nonferrous industry. Our sales of copper concentrates and copper mattes, however, were restricted by these work stoppages. Start-up of the new facilities at the Herculaneum Smelter proved to be more difficult and slower than had been anticipated.

Purchases and sales of lead from the U.S. Government stockpiles, on which no profit can be earned, were significantly reduced in 1967 as Herculaneum's productive capacity increased. Taxes were lowered by the investment credits applied as a result of our expansion activities.

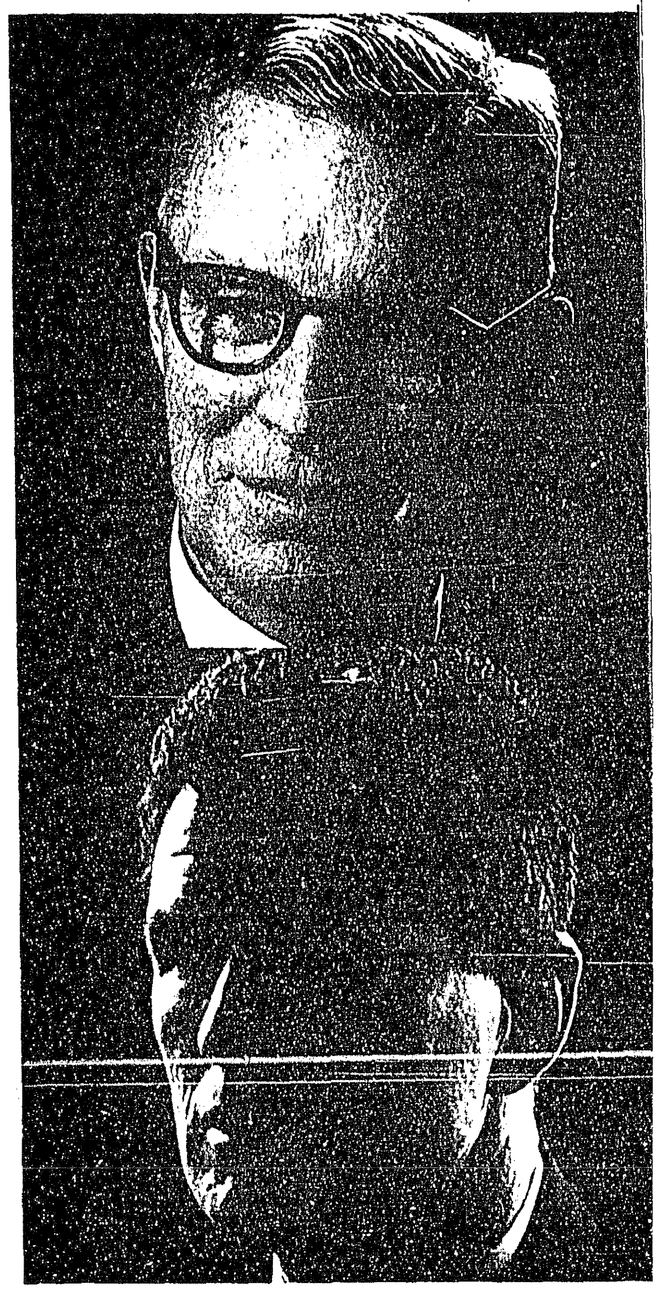
St. Joe's 1967 earnings also reflect the contribution of the new, highly automated Fletcher mine and mill in Missouri which came on stream in February, and which has performed as expected.

During 1967, construction work on the new Balmat, New York, mine shaft progressed satisfactorily. By year end we were down to 1,302 feet. At the Indian Creek mine in Missouri, the Goose Creek shaft reached its final depth of 1,180 feet.

A new 250-ton-per-day sulfuric acid unit at the Josephtown Smelter was completed in December and will increase our acid production capacity by 15%.

Approval for Aguilar's expansion program was granted by the Argentine authorities, and the new shaft at Santander in Peru was completed during the year. Meramec Mining Company's 1967 pro-

Francis Cameron, *Chairman*



Lawrason Riggs III, *President*

duction of 1,806,138 gross tons of iron ore pellets established a record high.

During 1967, St. Joe announced equal participation with Phelps Dodge Corporation in the formation of an Australian joint venture, St. Joseph Phelps Dodge Exploration Pty. Ltd., to participate in investment opportunities and to conduct geological exploration of the Australian continent and surrounding islands.

At the Board of Trustees' meeting in May, several major management changes were made. Andrew Fletcher, Chairman of the Board of Trustees since 1960, and a Trustee since 1921, retired as Chairman to become Honorary Chairman and Chairman of the Finance Committee. Francis Cameron, President of St. Joe, was elected Chairman of the Board and Lawrason Riggs III, formerly Vice President, was elected President. At the same time, Robert H. Ramsey was elected Executive Vice President, John R. Englehorn, to the new position of Vice President-Marketing and Development, and D. Broward Craig, Vice President and Secretary.

In September, Lawrence W. Casteel, formerly Assistant Division Manager of the Southeast Missouri Division, was appointed Division Manager, succeeding Elmer A. Jones, who retired after 41 years of outstanding service to St. Joe. Mr. Jones, also a Trustee of the Company, resigned from that position on January 5, 1968 to accept the Chairmanship of the Lead-Zinc Producers Committee, headquartered in Washington, D.C.

We are pleased that the operating management changes represented the advancement of St. Joe personnel to positions of greater responsibility. Other staff increases and changes were also made to broaden our sales and marketing management groups.

Also during 1967, Wing L. Lew, formerly Managing Director of Cia. Minera Aguilar, was elected Executive Vice President of that organization and President of Cia. Minerales Santander. John E. Loser was appointed Managing Director of Aguilar. At St. Joe's Board of Trustees' meeting on February 20, 1968, Mr. Lew was also elected a Trustee of St. Joseph Lead Company as successor to Mr. Jones.

It is with sincere regret that we report the death on February 18, 1968 of James G. Colvin, Vice President and Treasurer of the Company. He had served St. Joe with distinction for a period of 39 years.

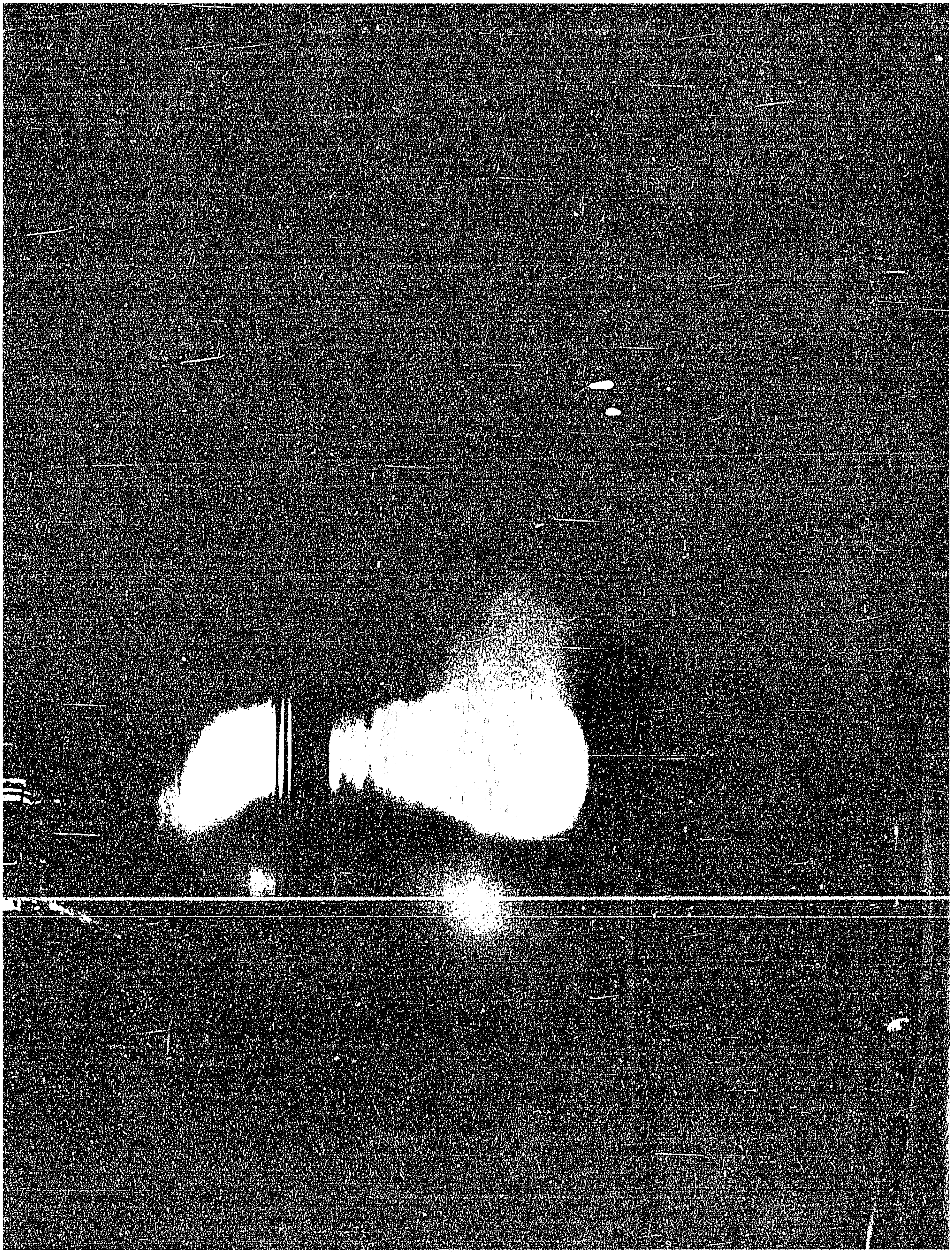
St. Joe employees contributed to the success of the year's operations with a high degree of competence, loyalty, and support of the Company's objectives. Work schedules were uninterrupted during the year, and new agreements were negotiated with unions representing employees of the Southeast Missouri Division and the Balmat-Edwards Division in Upstate New York.

The number of St. Joe shareholders increased in 1967 to 18,585 from 16,204 at the beginning of the year. This increase and the frequent and constructive contacts with the Company initiated by many shareholders during the year have been most gratifying.

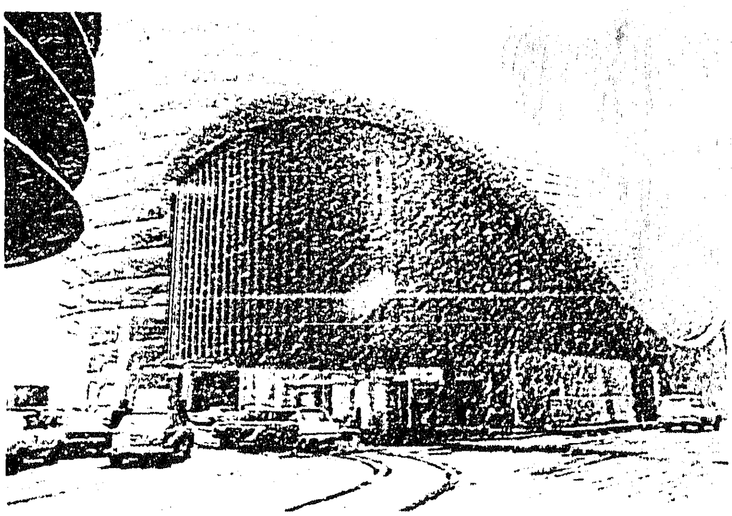
St. Joe gained strength during the twelve months of 1967, completing several major projects and continuing satisfactory progress on others. The additions to productive capacity and improvements in operating efficiency will have increasing impact in 1968 as the levels of general industrial activity show continued gains. Several new projects were initiated during 1967 and we expect these to be brought well along during the coming months. In view of the economic outlook and our continuing efforts in several areas of corporate development, we are confident that St. Joe is well equipped for 1968.

Francis Cameron
Chairman

Lawrason Riggs III.
President



Lead is a vital ingredient in much high quality industrial and optical glass. The lead used in the color TV tube manufactured by Corning Glass Works in Corning, N.Y., originated in St. Joe's Missouri mines. The metal is also used in decorative crystal to obtain brilliance. Shown below is the first completely lead-clad building in the U.S. The Center for the Performing Arts in Chicago's Marina City houses a theatre as well as a TV station. The limberness of sheet lead, its sound attenutation capabilities and its durability account for widening use in new building designs.



## REVIEW OF OPERATIONS

**Lead Mining** The new Fletcher mine and mill, located in Southeast Missouri, processed 509,163 tons of ore in 1967. With the contribution of this higher grade ore, total St. Joe lead concentrate production rose to 224,233 tons from 189,225 tons in 1966. The mine and mill were dedicated in June by the Board of Trustees which held that month's meeting in Bonne Terre, Missouri.

Performance of the highly automated Fletcher mill has been excellent, even though its production was held below capacity because a high inventory of concentrates accumulated at the Herculaneum Smelter early in the year. Construction of a copper circuit was started during 1967 to permit the production of copper concentrates in addition to the lead and zinc concentrates now being produced.

The new 12½ foot diameter Goose Creek shaft, started in 1966 to provide access to ore reserves to the north of the existing Indian Creek mine, was bottomed at 1,180 feet by year end and the surface facilities associated with this new mine were completed. First production results from the mine are expected by the third quarter of 1968.

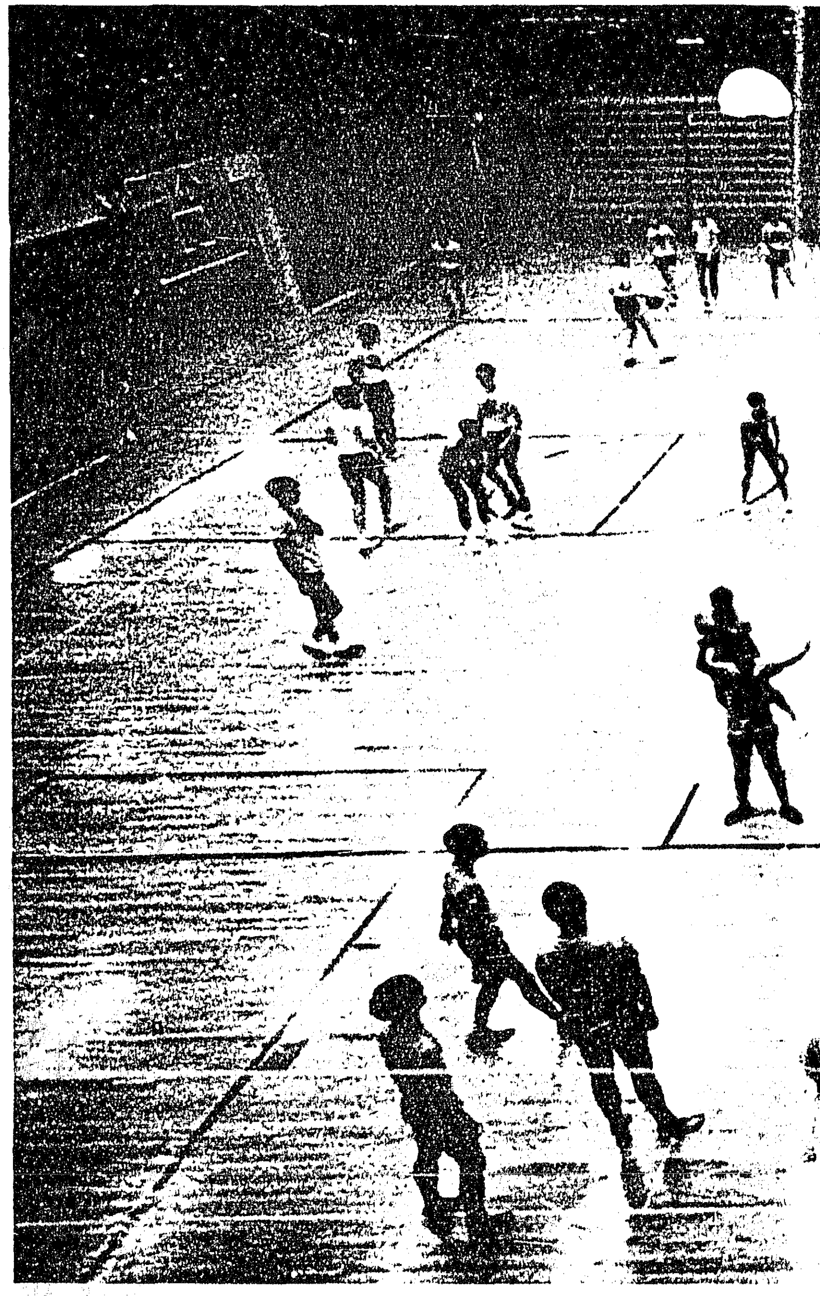
The 33-mile railroad line extension from Keysville to Buick, Missouri, was completed by the St. Louis-San Francisco Railway Company, in mid year. Because of these new facilities, St. Joe no longer needs to truck concentrates from Virburnum and the railroad extension will materially reduce the mileage involved in trucking Fletcher concentrates.

Operations at the Federal, Virburnum and Indian Creek mines and mills continued to be highly satisfactory throughout the year. Production objectives at these properties were adjusted to reflect the addition of the Fletcher facility to the Company's lead mining capacity.

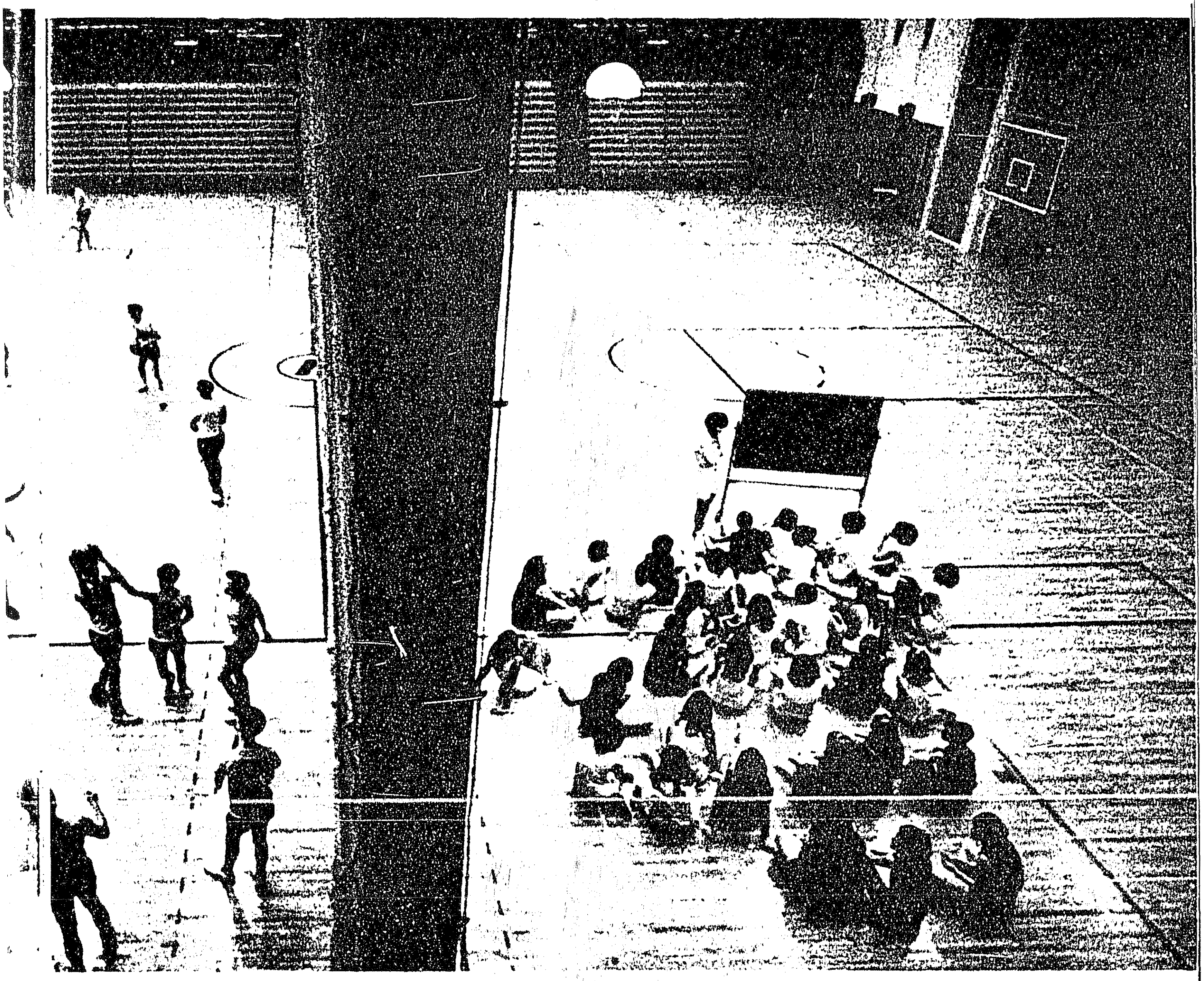
During 1967, the Southeast Missouri Division actively continued its reforestation program and by year end had planted more than a quarter of a million trees in the various areas comprising its Missouri operations. This Division and its employees also continued the active support of community affairs that has long characterized St. Joe's employee-community relations.

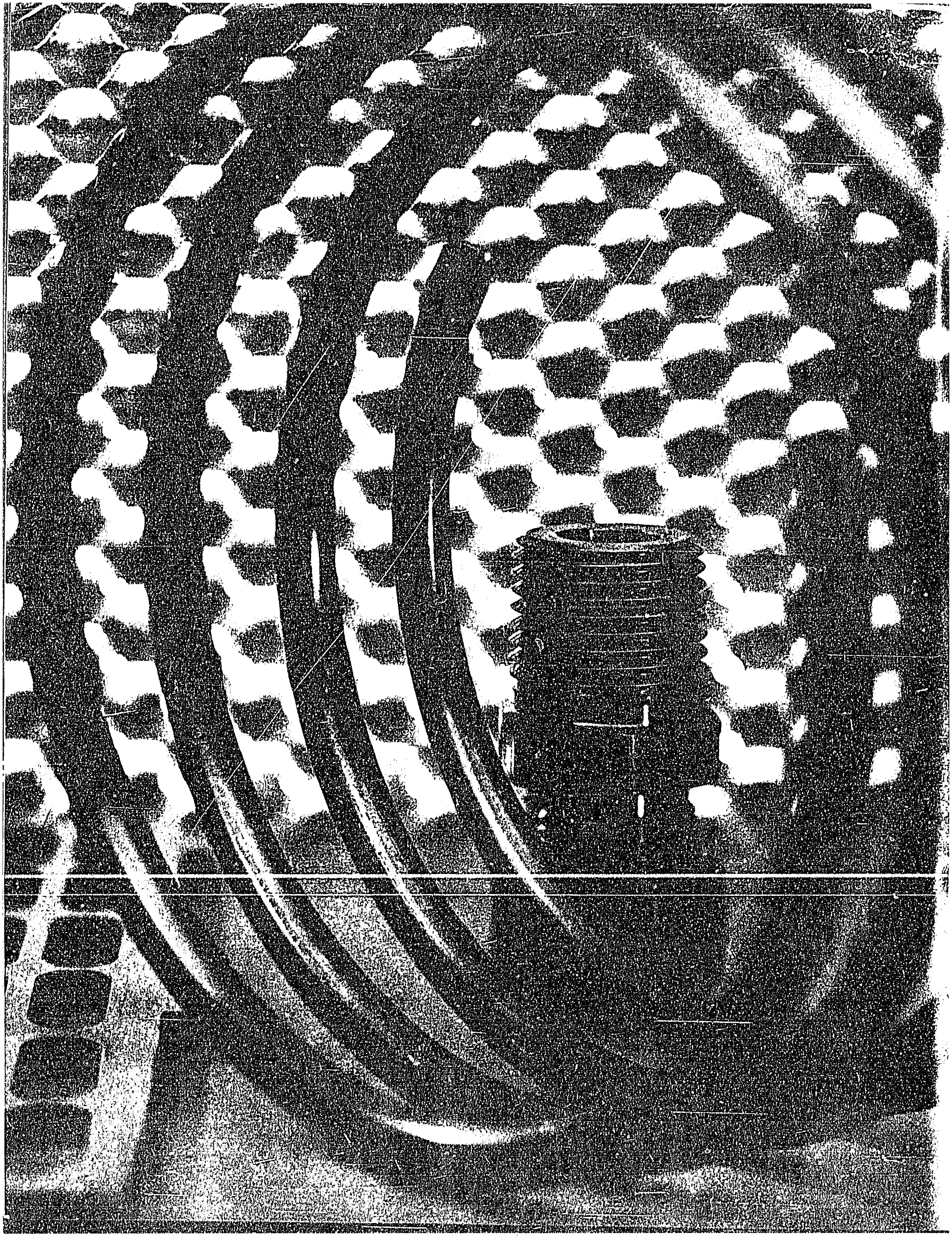
**Lead Metal Production** The expansion program, doubling the capacity of the Herculaneum Smelter, was completed in early 1967 after a conversion shutdown period that extended into the opening weeks of the year. Herculaneum production from Company concentrates totalled 120,207 tons of finished lead metal in 1967. This substantially exceeded the 1966 output of 90,729 tons, despite unexpected difficulties in operating automated control systems for the sintering and furnace processes. Equipment failures were disappointingly common during the year, but the frequency of these malfunctions was reduced by the end of the year and smelter production approached capacity output during the closing months of 1967.

Purchases of United States Government stockpile lead, on which no profit can be realized, were reduced to 5,714 tons in 1967 as smelter production increased. As a result, total pig lead sales dropped to 160,115 tons from the 175,762 tons sold in 1966. Gross profit from lead metal sales,



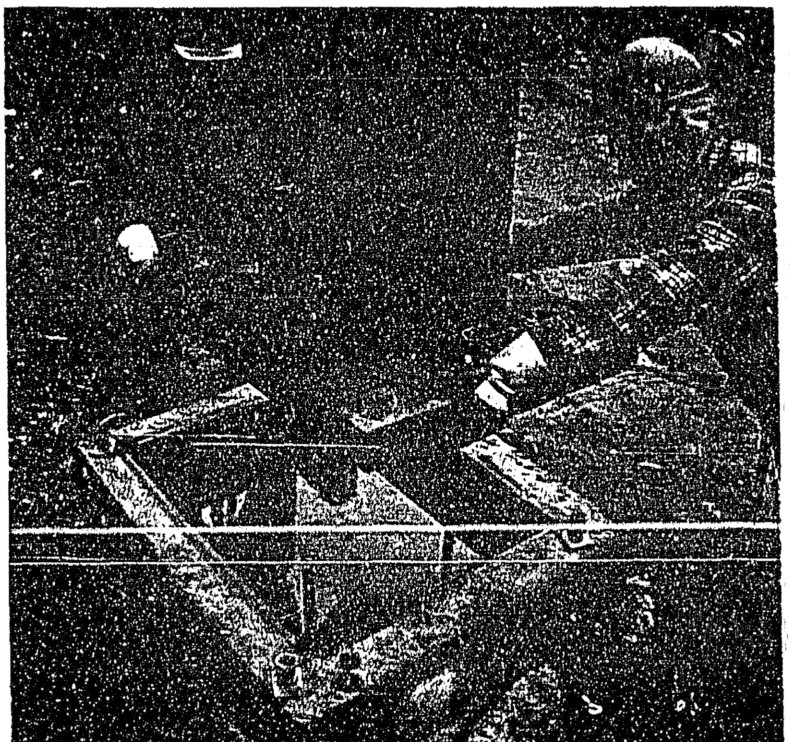
The lead loaded curtain dividing Akron, Ohio's Firestone High School gymnasium permits smaller class size and the establishment of more teaching stations without reducing the advantages of the school's large athletic facility. The curtain provides an effective, yet movable, sound barrier.





Dispersion strengthened lead, DSL, currently undergoing applications testing, has been fabricated into a variety of industrial parts and architectural shapes. The threaded pipe connections, tubing, embossed sheet and punched component shown at the left highlight some of the unique characteristics of this new St. Joe alloy and illustrate its potential.

Lead anti-vibration pads serve as an integral part of the construction of a public school being built above an operating railroad yard in New York City. The lead pads, installed under each supporting steel member, will substantially reduce classroom noise and disturbance caused by vibration and sound transmission.



however, exceeded the 1966 level, reflecting the greater percentage of sales from Company production.

Plans for building a sulfuric acid plant at Herculaneum were completed at the end of the year, and construction is expected to begin before the middle of 1968. The plant, utilizing the sulfur dioxide gas from the sintering of lead concentrates, will have a capacity of 300 tons of acid per day.

Evaluation and further development of new lead alloys continued during 1967. Dispersion strengthened lead, DSL, a high strength, creep resistant alloy, was introduced as a new developmental product at the Design Engineering Show in New York City in May. Market development activities were accelerated and the product is being evaluated for a wide variety of uses including lead-acid battery grids, sound attenuation structures, electrochemical devices, chemical plant construction, ammunition, and other applications involving specialty components. During 1968, the Company plans an intensified effort to identify and develop uses for this unusual material. A market evaluation program will be launched this spring to secure data on which future production plans may be based.

The Herculaneum Smelter's output of high-quality chemical and corroding lead and various lead alloys is sold in the form of 5-pound linked ingots and 100-pound pigs, as well as 1,000- and 2,000-pound ingots. The metal continued to be in demand for standard lead acid batteries, antiknock gasoline additives, cable coverings, ammunition, roofing, industrial and decorative glass, radiation shields, pigments, soundproofing materials, and a variety of other products.

**Zinc Mining** Operations were uninterrupted at the Balmat-Edwards Division's New York State zinc mines, and the St. Joe zinc concentrate production totalled 147,361 tons, as compared to the 1966 output of 147,860 tons.

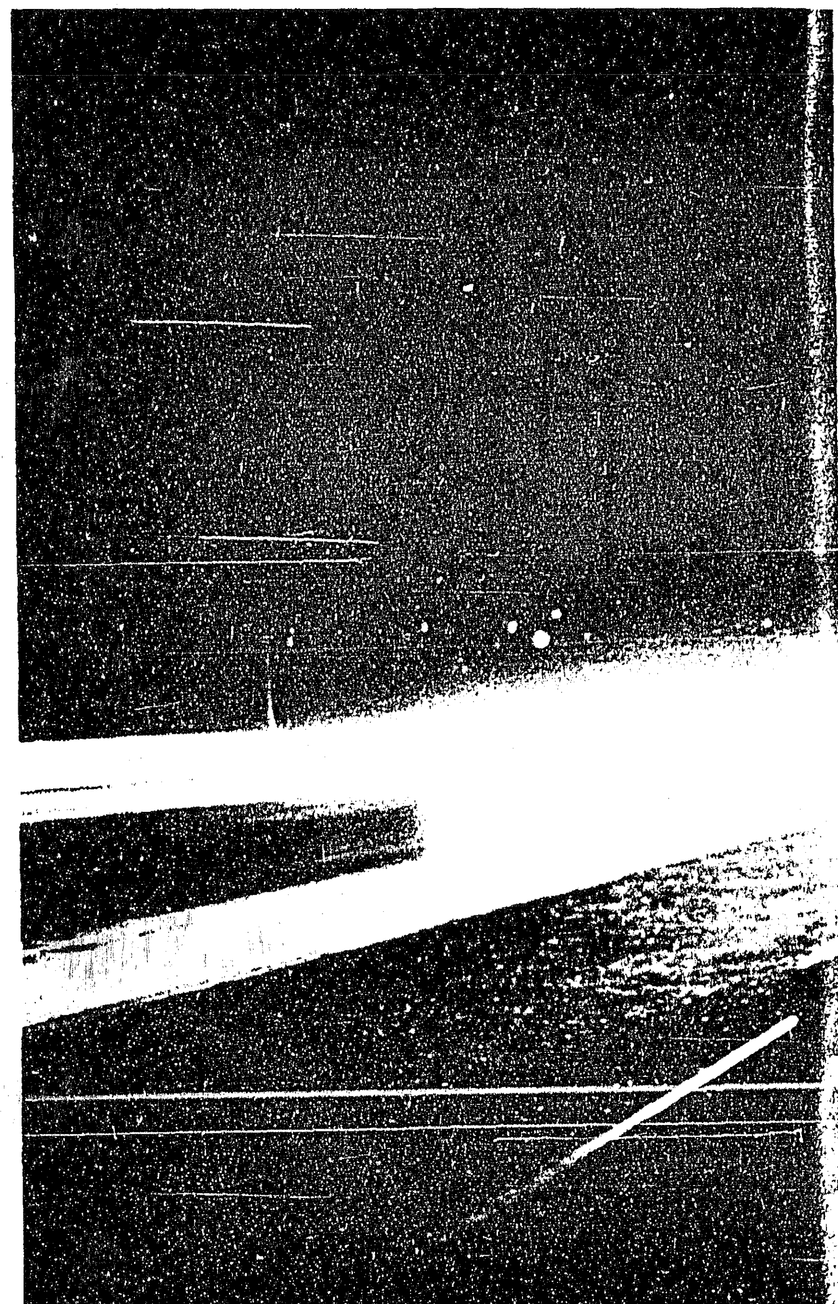
The Number 4 Balmat concrete lined shaft with an 18-foot inside diameter reached a depth of 1,302 feet at year end—only slightly behind schedule. Excavation of mining level stations proceeded as planned, and galvanized shaft steel sets—galvanized with St. Joe zinc—have been installed to a depth of 1,201 feet. Shaft sinking will continue to 3,100 feet, the deepest hoisting level. The use of galvanized steel in the shaft, the first such application in the United States, will reduce maintenance costs.

Continuing geologic investigations substantiate earlier estimates of the new Number 4 ore body's potential, and the mine is expected to be in production in 1970. Almost one million tons of ore per year will be hoisted from the new shaft.

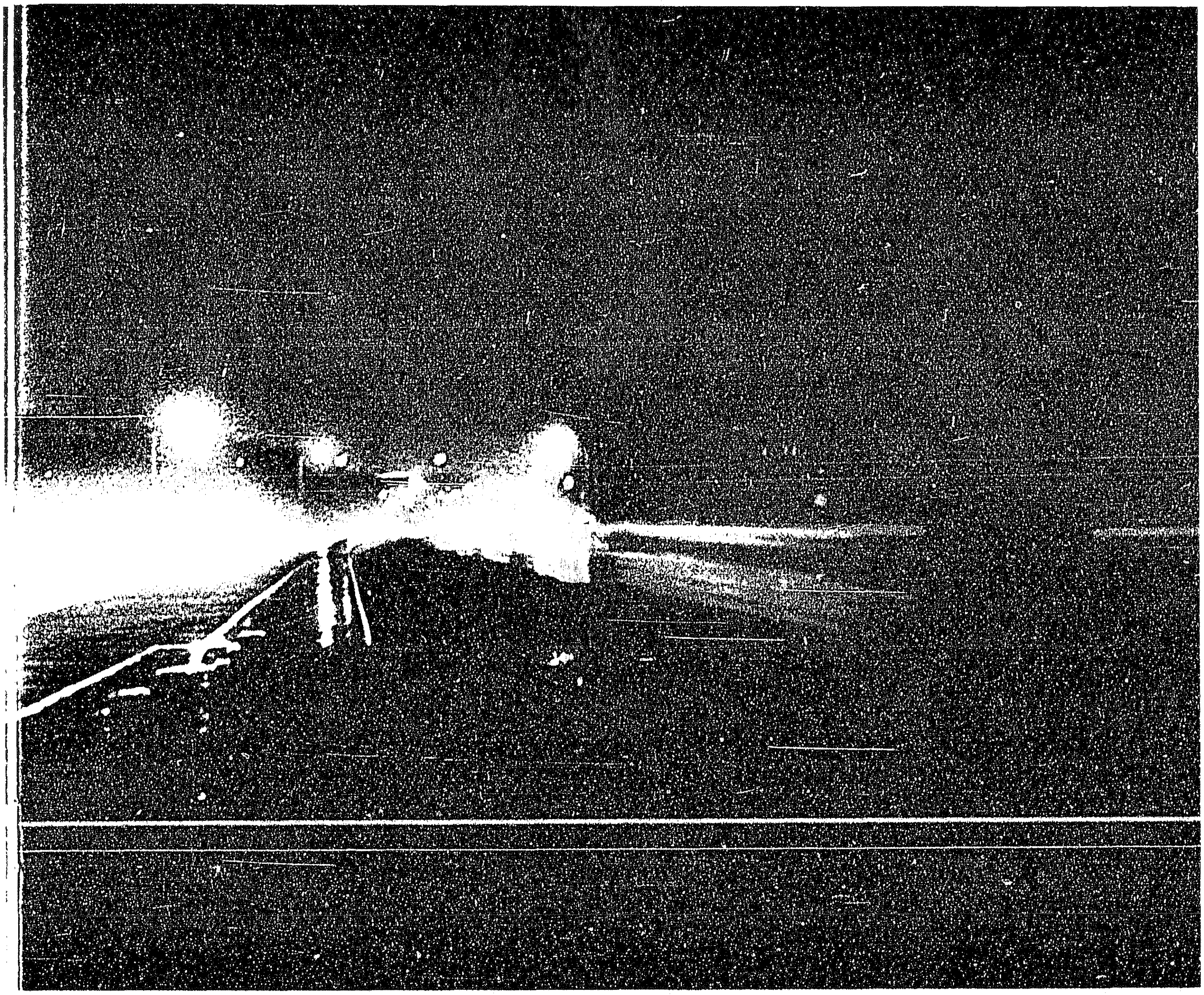
The Balmat-Edwards Division shipped all its zinc concentrate output to the Josephtown Smelter.

**Zinc Production** After curtailing its slab zinc production schedule in the early part of 1967, as previously announced, the Josephtown Smelter in Pennsylvania had a total zinc equivalent output for the year approximating 1966 tonnage. Schedules were adjusted upward late in the year as demand improved. Slab zinc production equaled 188,470 tons, down from the 193,301 tons produced in 1966, but zinc oxide production was somewhat increased.

Reduced automobile production was a major



Demand for galvanized steel has been increasing. The highway guardrail shown dividing the picture below dramatically demonstrates the advantages of the protective zinc skin which eliminates the need for painting and extends for years the structural integrity and effective life of steel.



factor in the lowering of slab zinc sales, although the amount of zinc in each 1967 car manufactured averaged 102 pounds, an increase over the 1966 level.

The hot dip galvanizing industry showed substantial expansion during the year, adding a number of new plants and completing additions to existing facilities. The increasing demand for galvanizing as a protective coating continued the trend of the past several years, and the industry's new facilities are capable of zinc coating much larger structural steel products as well as steel sheet.

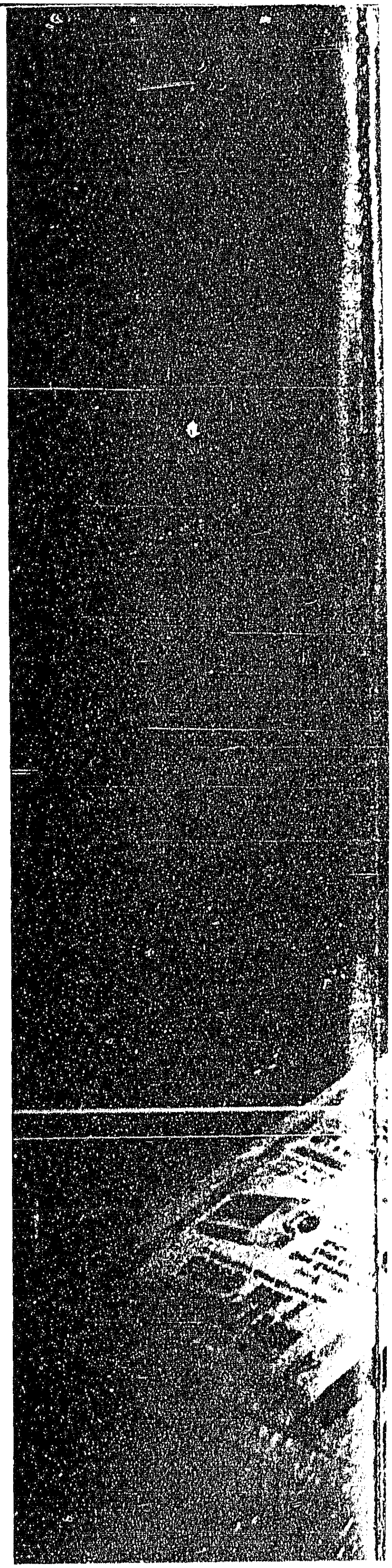
St. Joe's many types of zinc oxide continued to be more widely used in the rubber, photocopy, pharmaceutical, and paint industries. Blister-resistant zinc oxide, a new St. Joe product for use in paints, is being tested and is expected to increase future zinc oxide sales.

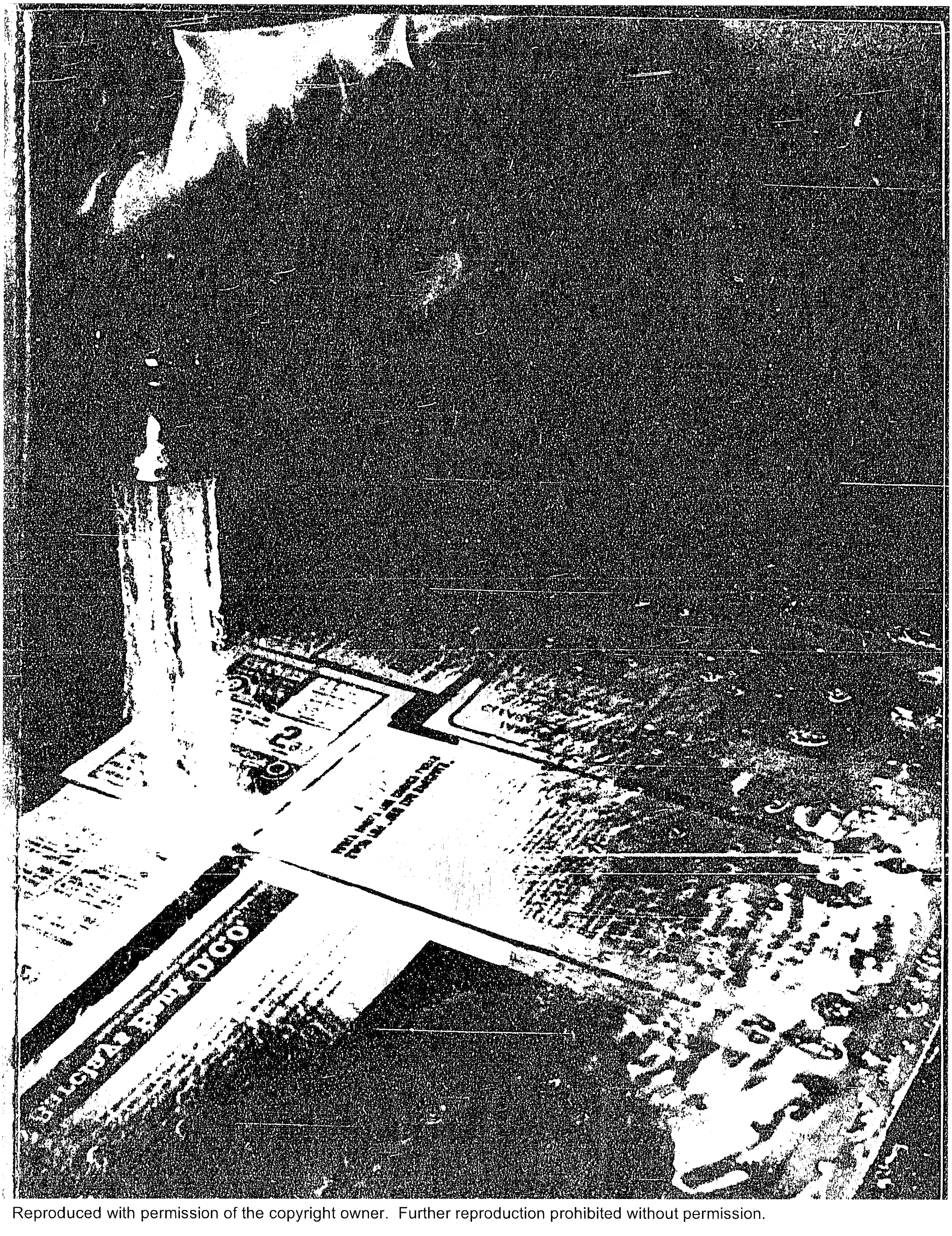
Research and development work on several other zinc and zinc oxide products is continuing and will serve as the basis for the Company's entry into new markets in the future.

St. Joe is also substantially broadening its technical service to provide a greater degree of support and guidance to current and potential customers. St. Joe's technical service work has been particularly effective due to coordination with the efforts of the St. Joe research groups located in Pennsylvania.

**Foreign Operations** Compania Minera Aguilar, S. A., in Argentina, mined and milled approximately the same tonnage as in 1966. Lead concentrate production was increased, largely due to the higher lead content of the ore mined, while

St. Joe zinc was used to make the photo engraving plate being developed, right, at *The New York Times.*
St. Joe is currently involved in research and testing aimed at development of lighter weight plates which will not sacrifice the quality and cost advantage of zinc.





J. Ellis Walrond, Paint Chemist at St. Joe's research facility studies paint test samples, some of which contain the Company's new blister resistant (St. Joe 50-BR) zinc oxide developed to reduce the blistering tendencies of outdoor oil paints while maintaining the tint retention and durability provided by zinc oxide.

zinc concentrate production remained close to the 1966 level.

With the Argentine authorities' approval of the previously proposed expansion of Aguilar's productive capacity, construction of the new facilities began at both mine and mill. Over $7 million will be spent in construction and new equipment. The program is scheduled for completion during 1968. The additional lead and zinc concentrates produced will be smelted and used to contribute to Argentina's expected future economic growth.

The zinc plants of Compania Metalurgica Austral and Compania Sulfacid, S. A., in which Aguilar has investments, continued to have satisfactory production levels during 1967. With the expansion of the mining facilities at Aguilar, Sulfacid will proceed with plans for increasing its electrolytic zinc plant capacity.

Compania Minerales Santander, Inc., operating in Peru, proceeded with development of its underground mine. Successful completion of the shaft, started in 1966, will permit development of the ore body during 1968 as scheduled. The open pit mine will be gradually phased out in the fourth quarter of 1968. Zinc concentrate tonnage increased slightly over that of 1966, but production of lead concentrates decreased due to the reduced grade of lead in ore mined from the open pit.

Exploration activities in both Argentina and Peru continued at an accelerated rate in 1967.

The 1967 investment in the newly formed Australian joint venture, St. Joseph Phelps Dodge Exploration Pty. Ltd., developed the early stages of its exploration program. Desmond O'Driscoll, St. Joe zinc oxide was a prime material in the manufacture of this improved automobile tire undergoing safety testing, below, on Uniroyal's dynamic force machine in Detroit. St. Joe produces more than 30 types of zinc oxide in addition to a variety of custom grades.

formerly Assistant Director of Australia's Bureau of Mineral Resources, was appointed Managing Director, and John F. Ivanac, Chief Geologist of the organization, will supervise its broad mineral exploration program.

The joint venture company was incorporated on June 15, 1967, and has its headquarters in Canberra, capital of Australia.

**Meramec Mining Company** Production of iron-ore pellets by Meramec Mining Company, St. Joe's joint venture with Bethlehem Steel, increased and totalled 1,806,138 gross tons in 1967, the greatest annual tonnage yet produced from the Pea Ridge mine.

Installation of the new underground crushing facility continued on schedule and completion is anticipated in the first quarter of 1969.

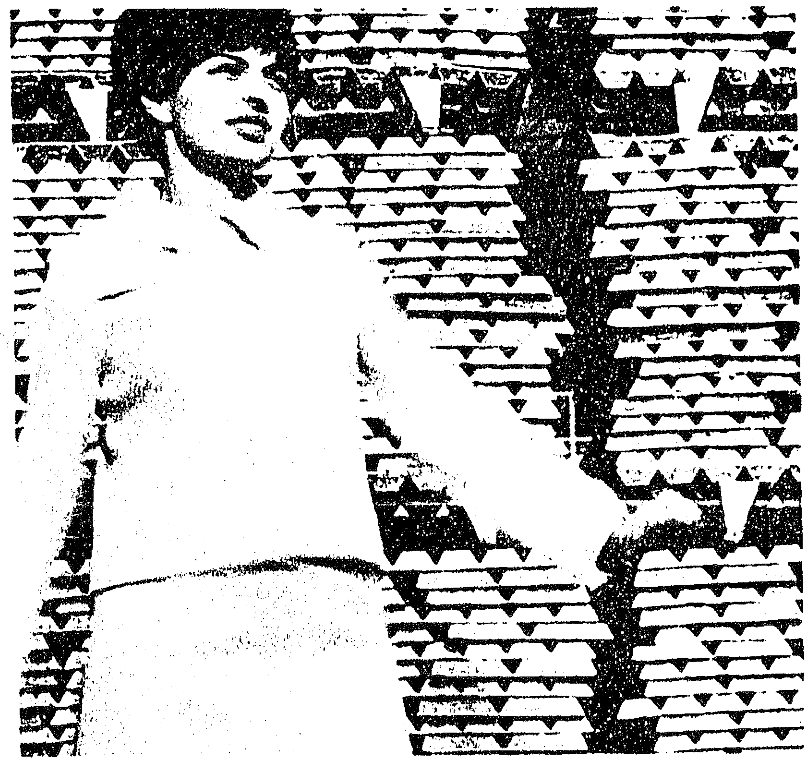
Mining methods were somewhat modified during 1967 to permit greater extraction of ore at the western extremity of the ore body by removal of supporting pillars. These operations have proved to be successful and were reflected in the mine's reduced operating costs during the year.

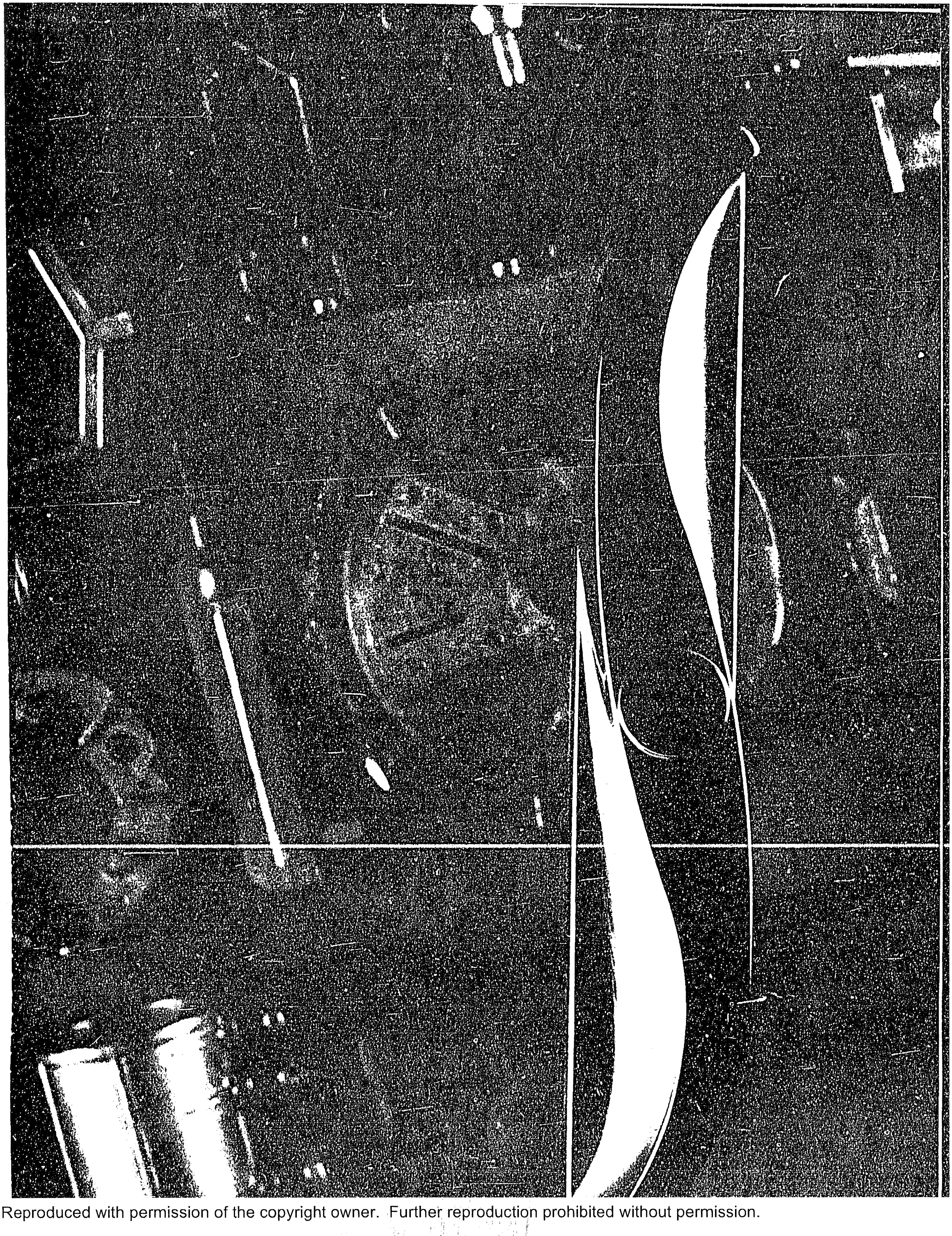
The Company completed the research program relating to the treatment of high grade hematite ore found at the Pea Ridge mine, and at year end was reviewing the economic aspects of modifying Meramec's concentrating plant to accommodate this ore.

Late in 1967 the first commercial test shipment of Meramec Iron Oxide was made. This high-grade powder has a variety of industrial uses, and the quantities planned for processing and sale in 1968 will provide additions to Meramec's income.

St. Joe zinc, mined at the Balmat-Edwards Division, is also widely used in die casting parts and assemblies shown at right, which were produced by Allen-Stevens Corporation. Zinc die castings, rugged and corrosion resistant, form many of the intricate and familiar components found in automobiles, appliances and industrial machinery.

Below, Mrs. Leona M. Fisher, St. Joe Accounting Department employee, wears a 100% American Viscose rayon suit by Ginori Sportswear. St. Joe zinc waffle slabs in the background are cast at the Josephtown Smelter specifically for rayon manufacturers who use substantial quantities of the metal in fiber production.





## CONSOLIDATED BALANCE SHEET DECEMBER 31, 1967 AND 1966

| ASSETS | 1967 | 1966 |
|---|---|---|
| **Current Assets:** | | |
| Cash | $ 3,105,082 | $ 4,366,160 |
| Marketable securities (at cost) | 23,249,984 | 26,584,285 |
| Accounts receivable—trade | 16,344,966 | 15,201,512 |
| Other accounts receivable | 1,613,498 | 1,511,856 |
| Inventories (Note 1): | | |
| Lead, zinc, etc. | 17,288,565 | 13,806,052 |
| Materials and supplies | 7,631,663 | 7,344,787 |
| **Total Current Assets** | 69,233,758 | 68,814,652 |
| **Investments and Advances** (at cost or below): | | |
| Fifty-percent owned companies (Note 2) | 14,489,542 | 14,954,496 |
| Subsidiaries not consolidated (Note 3) | 1,299,072 | 1,929,608 |
| Other securities, loans, etc. | 57,786 | 58,731 |
| **Total Investments and Advances** | 15,846,400 | 16,942,835 |
| **Property, Plant and Equipment** (Note 4): | 175,503,841 | 168,175,847 |
| Less accumulated depreciation and depletion | 103,708,519 | 100,224,325 |
| **Property, Plant and Equipment—Net** | 71,795,322 | 67,951,522 |
| **Other Assets:** | | |
| Securities on deposit with Governmental agencies | 962,666 | 963,048 |
| Cash and marketable securities—Fire Insurance Fund (see contra) | 419,694 | 370,544 |
| **Total Other Assets** | 1,382,360 | 1,333,592 |
| **Deferred Charges:** | | |
| Deferred shaft sinking and development expenditures | 9,166,879 | 7,802,679 |
| Other deferred charges | 1,975,562 | 1,643,062 |
| **Total Deferred Charges** | 11,142,441 | 9,445,741 |
| **Total** | $169,400,281 | $164,488,342 |

See Notes to Financial Statements.

| LIABILITIES AND SHAREHOLDERS' EQUITY | 1967 | 1966 |
|---|---|---|
| **Current Liabilities:** | | |
| Accounts payable and accrued liabilities .... | $ 8,696,316 | $ 11,696,407 |
| Long-term debt due within one year (Note 5) .. | 1,000,000 | 1,000,000 |
| Federal income taxes .................... | 4,531,756 | 5,071,964 |
| **Total Current Liabilities** ................ | 14,228,072 | 17,768,371 |
| **Long-Term Debt** (Note 5) .................... | 14,666,669 | 15,666,669 |
| **Deferred Federal Income Taxes**—related to accelerated amortization and depreciation .... | 5,490,853 | 4,666,134 |
| **Reserves:** | | |
| Injury claims and workmen's liability insurance | 576,663 | 607,012 |
| Employees life insurance and retirement .... | 225,798 | 237,690 |
| Fire insurance (see contra) ............... | 419,694 | 370,544 |
| **Total Reserves** ........................ | 1,222,155 | 1,215,246 |
| **Shareholders' Equity** (Note 6): | | |
| Capital stock, par value $10 per share: Authorized—10,000,000 shares Outstanding—1967, 4,485,638 shares; 1966, 4,496,267 shares (after deducting shares in treasury; 1967, 108,565.35; 1966, 97,936.35 shares) ............... | 44,856,380 | 44,962,670 |
| Other Capital—representing principally excess of amount of stock dividends over par value of capital stock .......... | 20,675,895 | 21,015,379 |
| Retained Earnings ....................... | 68,260,257 | 59,193,873 |
| **Total Shareholders' Equity** ..... ......... | 133,792,532 | 125,171,922 |
| **Total** .......................... | $169,400,281 | $164,488,342 |

See Notes to Financial Statements.

## STATEMENT OF CONSOLIDATED INCOME FOR THE YEARS ENDED DECEMBER 31, 1967 AND 1966

| | 1967 | 1966 |
|---|---|---|
| **Net Sales** | $129,036,565 | $145,109,767 |
| **Cost of Sales** | 98,770,092 | 112,595,456 |
| | 30,266,473 | 32,514,311 |
| **Other Income:** | | |
| Dividends from: | | |
| Foreign investments | 4,488,185 | 5,393,778 |
| Domestic investments | 35,000 | 166,553 |
| Interest | 1,188,680 | 1,953,295 |
| Royalty, Meramec Mining Company | 1,250,000 | 1,250,000 |
| Sundry—net | 710,707 | 527,264 |
| **Total** | 37,939,045 | 41,805,201 |
| **Deduct:** | | |
| Selling and administrative expenses | 3,310,558 | 2,954,896 |
| Research expenses | 842,667 | 777,246 |
| Shaft sinking and development expenses | 555,007 | 760,767 |
| Other exploration and development expenses | 192,945 | 487,884 |
| Depreciation | 5,089,118 | 4,010,790 |
| Depletion | 429,358 | 415,917 |
| Interest on indebtedness | 725,625 | 853,906 |
| **Total Deductions** | 11,145,278 | 10,261,406 |
| **Income Before Income Taxes** | 26,793,767 | 31,543,795 |
| **Federal and State Income Taxes** | 5,159,034 | 8,826,341 |
| **Net Income for the Year** | $ 21,634,733 | $ 22,717,454 |
| **Per Share**—based upon average shares outstanding during the year | $4.82 | $4.99 |

## STATEMENT OF CONSOLIDATED RETAINED EARNINGS FOR THE YEARS ENDED DECEMBER 31, 1967 AND 1966

| | 1967 | 1966 |
|---|---|---|
| **Retained Earnings at Beginning of the Year** | $ 59,193,873 | $ 48,527,315 |
| **Net Income for the Year** | 21,634,733 | 22,717,454 |
| **Total** | 80,828,606 | 71,244,769 |
| **Dividends Paid:** | | |
| Cash (1967, $2.80 per share; 1966, $2.65 per share) | 12,568,349 | 12,050,896 |
| **Retained Earnings at End of the Year** | $ 68,260,257 | $ 59,193,873 |

See Notes to Financial Statements.

## NOTES TO FINANCIAL STATEMENTS

**1. Inventories**

Inventories of lead, zinc, etc. (finished, in process, and concentrates) are valued at cost (not in excess of market), determined substantially on the last-in, first-out (LIFO) method. Materials and supplies are valued at average cost.

**2. Fifty-Percent Owned Companies**

Meramec Mining Company (50% owned by Bethlehem Steel Corporation) is a "cost company" which has no net income or loss. For financial accounting purposes, depreciation is provided in the accounts of the Company on its share of the depreciable property of Meramec Mining Company over twenty years, but for Federal income tax purposes on the declining balance method over ten years. Depreciation was provided in 1967, in the amounts of $902,001 and $1,733,575, for book and tax purposes respectively, and deferred U.S. income taxes of $399,155, based on current tax rates, applied to the difference in the depreciation amounts, were charged against income.

The Company's equity in the net assets of Mine La Motte Corporation (50% owned by National Lead Company) at December 31, 1967, was $214,651 and its equity in the corporation's net loss for the year then ended, was $2,423.

**3. Subsidiaries not Consolidated**

A balance sheet of Compania Minera Aguilar, S.A. (99.9% owned) as of December 31, 1967 and a related statement of income for the year then ended, both in summary form and stated in Argentine pesos, follow:

| BALANCE SHEET | Argentine Pesos* |
|---|---|
| Current Assets | 3,052,356,392 |
| Investments (at cost) | 201,160,072 |
| Capital Assets | 2,635,028,544 |
| Deferred Charges | 8,144,145 |
| Total Assets | 5,896,689,153 |
| Current Liabilities | 880,263,462 |
| Reserves | 1,245,366,226 |
| Unearned Interest | 1,277,778 |
| Shareholders' Equity | 3,769,781,687 |
| Total Liabilities and Shareholders' Equity | 5,896,689,153 |

| STATEMENT OF INCOME | Argentine Pesos* |
|---|---|
| Gross Profit from Sales | 2,607,501,928 |
| Other Income | 374,692,644 |
| Total | 2,982,194,572 |
| Expenses, Other Taxes, Depreciation, Depletion and other Deductions | 547,747,124 |
| Argentine Income and Emergency Taxes, Net | 636,280,579 |
| Special Appropriation for Replacement of Capital Assets | 116,477,812 |
| Total | 1,300,505,515 |
| Net Income for the Year | 1,681,689,057 |

*The quoted free rate of exchange for a peso was approximately $.0029 at December 31, 1967.

The above financial statements are in conformity with accounting principles generally accepted in Argentina, which differ in respect to the accounting for capital assets and related depletion and depreciation and for special appropriations out of income for the replacement of capital assets, from that generally accepted in the United States of America.

The equity of the Company in the net income of the Argentine subsidiary, exceeded dividends received by 221,777,026 pesos. Dividends received are recorded as they are converted into U.S. dollars or U.S. dollar bonds of the Argentine government.

The net assets of Compania Minerales Santander, Inc. (wholly owned) and its liability to the Company on debentures totaled $5,032,123 at December 31, 1967 and its net income for the year then ended was $598,492.

**4. Property, Plant and Equipment**

All properties are stated at cost except for $17,000,000 of mining properties and mineral rights stated at appraised values, for which full allowances for depletion have been provided. The net amount of property, plant and equipment as shown in the consolidated balance sheet does not indicate the present value of these assets, as such value could be arrived at only by current estimates which would vary from time to time depending on the price of metals,

**NOTES TO FINANCIAL STATEMENTS**

rate of production, cost of labor, and other factors.

**5. Long-Term Debt**

Long-term debt at December 31, 1967, exclusive of amounts due within one year, comprises 4½% Notes Payable to Bethlehem Steel Corporation, aggregating $14,666,669 due March 31, 1984. Under its Credit Agreement with Bethlehem Steel Corporation, the Company has assigned royalties to be received from Meramec Mining Company, up to $1,000,000 annually, as collateral security for the Notes.

**6. Stock Option Incentive Plan**

Under the Company's Plans adopted in 1958 and 1967, options have been granted to officers and other key employees under 60 years of age to purchase shares of the common stock of the Company at a price not less than the fair market value on the date the options are granted. The options are exercisable in equal annual instalments and any part of an option not exercised at the end of five years from the date of the grant becomes void and available for future grants.

During the year 1967, options for 1,721 shares were exercised. Other Capital was increased by $44,028 representing the excess of the aggregate option price over the par value of the shares issued.

Outstanding options at December 31, 1967 adjusted to reflect the three-for-two stock split in 1964 are as follows:

| Date of Grant | No. of Shares | Option Price |
|---|---|---|
| January 10, 1964 | 42,095 | $35.58 |
| July 8, 1965 | 32,350 | 41.25 |
| September 14, 1966 | 42,200 | 37.63 |
| | 116,645 | |

At December 31, 1967, there were 200,000 shares available for future grants.

In 1967, Other Capital was reduced by $383,512 representing principally the excess of cost over par value of 12,350 shares of treasury stock acquired for future issuance under the Stock Option Incentive Plan.

**7. Retirement and Pension Plans**

The Company and its subsidiaries have several pension plans covering substantially all of their employees, including certain employees in foreign countries. The total pension expense for the year was $1,806,315. The Company's policy is to fund pension cost accrued. The plans are non-contributory and all past service costs have been funded. At December 31, 1967, deferred past service costs were $1,525,777 which amount is to be amortized over the period as allowed by the Internal Revenue Code. The actuarially computed value of the vested benefits for the plans does not exceed the total of the pension fund.

**8. Income**

Sales and cost of sales for the year ended December 31, 1967 include $1,448,064 for lead and zinc sold from the Government stockpile on which, by law, no profit was realized.

**ACCOUNTANTS'**
***OPINION***

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

TWO BROADWAY
NEW YORK 10004

To the Shareholders of St. Joseph Lead Company:

We have examined the consolidated balance sheet of St. Joseph Lead Company and its consolidated subsidiaries as of December 31, 1967 and the related statements of consolidated income and consolidated retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statements of consolidated income and retained earnings present fairly the financial position of St. Joseph Lead Company and its consolidated subsidiaries at December 31, 1967 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

HASKINS & SELLS

February 21, 1968

**COMPARATIVE FINANCIAL REVIEW 1958-1967**

| | 1967 | 1966 | 1965 |
|---|---|---|---|
| **Average Metal Prices (Cents per pound)** | | | |
| Lead, New York | **14.000** | 15.100 | 16.000 |
| Zinc, St. Louis | **13.800** | 14.500 | 14.500 |
| **Sales** | **$129,036,565** | $145,109,767 | $136,156,901 |
| Cost of Sales | **98,770,092** | 112,595,456 | 96,979,226 |
| Gross profit from sales | **30,266,473** | 32,514,311 | 39,177,675 |
| **Other Income:** | | | |
| Dividends | **4,523,185** | 5,560,331 | 1,982,553 |
| Interest and other (net) | **1,899,387** | 2,480,559 | 2,300,335 |
| Royalty—Meramec Mining Company | **1,250,000** | 1,250,000 | 1,250,000 |
| Total | **37,939,045** | 41,805,201 | 44,710,563 |
| **Deduct:** | | | |
| Selling, administrative and research, etc. | **4,153,225** | 3,732,142 | 3,478,610 |
| Strike and shutdown expense | — | — | — |
| Shaft sinking, development and exploration | **747,952** | 1,248,651 | 595,396 |
| Depreciation and depletion | **5,518,476** | 4,426,707 | 4,860,834 |
| Interest on indebtedness | **725,625** | 853,906 | 1,121,922 |
| U.S. and foreign income taxes | **5,159,034** | 8,826,341 | 11,887,303 |
| Total Deductions | **16,304,312** | 19,087,747 | 21,944,065 |
| **Net Income Before Extraordinary Items** | **21,634,733** | 22,717,454 | 22,766,498 |
| **Extraordinary Items** | — | — | 14,610 |
| **Net Income** | **$ 21,634,733** | $ 22,717,454 | $ 22,781,108 |
| **Per Share Outstanding**[1] | **$4.82**[2] | $4.99[2] | $4.98 |
| **Percent Gross Profits from Sales Applicable to:** | | | |
| Lead | **40** | 36 | 50 |
| Zinc | **48** | 52 | 43 |
| Iron | **12** | 12 | 7 |
| Total Assets | **$169,400,281** | $164,488,342 | $158,733,300 |
| Current Assets | **69,233,758** | 68,814,652 | 74,347,349 |
| Current Liabilities | **14,228,072** | 17,768,371 | 17,129,015 |
| Current Ratio (to 1) | **4.87** | 3.87 | 4.34 |
| **Shareholders' Equity:** | | | |
| Amount | **$133,792,532** | $125,171,922 | $117,290,252 |
| Per share outstanding at end of year[1] | **$29.83** | $27.84 | $25.66 |

(1) Adjusted to reflect the 10% stock dividend paid December 21, 1962, and the three-for-two stock split effected September 30, 1964.
(2) 1967 and 1966 stated at average shares outstanding during the year; prior years at shares outstanding at end of the year.

| 1964 | 1963 | 1962 | 1961 | 1960 | 1959 | 1958 |
|---|---|---|---|---|---|---|
| 13.596 | 11.137 | 9.631 | 10.871 | 11.948 | 12.211 | 12.109 |
| 13.568 | 11.997 | 11.625 | 11.542 | 12.946 | 11.448 | 10.309 |
| $109,509,039 | $ 75,598,525 | $ 67,981,883 | $ 71,008,301 | $ 79,970,908 | $ 86,611,677 | $ 76,075,865 |
| 83,481,096 | 57,932,666 | 58,106,248 | 58,063,668 | 69,062,502 | 72,804,292 | 67,370,230 |
| 26,027,943 | 17,665,859 | 9,875,635 | 12,944,633 | 10,908,406 | 13,807,385 | 8,705,635 |
| 4,455,494 | 2,613,188 | 3,588,027 | 1,634,422 | 1,991,830 | 2,276,864 | 2,762,943 |
| 1,779,855 | 781,304 | 952,053 | 2,493,264 | 551,587 | 732,196 | 321,775 |
| 1,250,000 | 1,250,000 | 729,166 | — | — | — | — |
| 33,513,292 | 22,310,351 | 15,144,881 | 17,072,319 | 13,451,823 | 16,816,445 | 11,790,353 |
| 3,209,101 | 2,657,207 | 2,542,330 | 2,272,135 | 2,322,476 | 2,355,219 | 2,310,268 |
| — | 1,566,461 | 1,844,107 | — | — | 316,272 | — |
| 718,666 | 1,657,847 | 2,770,751 | 2,304,202 | 2,880,829 | 1,850,551 | 1,522,462 |
| 4,551,255 | 3,897,981 | 3,538,848 | 3,180,607 | 3,766,920 | 3,334,648 | 2,754,733 |
| 1,378,073 | 975,111 | 1,142,997 | 1,136,735 | 1,172,042 | 1,154,307 | 513,973 |
| 5,744,418 | 1,651,971 | 518,216 | 1,846,444 | 337,488 | 1,542,372 | 702,037 |
| 15,601,513 | 12,406,578 | 12,357,249 | 10,740,123 | 10,479,755 | 10,553,369 | 7,803,473 |
| 17,911,779 | 9,903,773 | 2,787,632 | 6,332,196 | 2,972,068 | 6,263,076 | 3,986,880 |
| 2,332,715 | — | 1,532,241 | — | — | — | — |
| $ 20,244,494 | $ 9,903,773 | $ 4,319,873 | $ 6,332,196 | $ 2,972,068 | $ 6,263,076 | $ 3,986,880 |
| $4.44 | $2.18 | $.96 | $1.41 | $.66 | $1.40 | $.89 |
| 41 | 29 | 6 | 26 | 26 | 42 | 33 |
| 59 | 71 | 94 | 74 | 74 | 58 | 67 |
| — | — | — | — | — | — | — |
| $153,707,601 | $123,611,533 | $117,897,308 | $120,298,163 | $116,545,876 | $117,549,738 | $107,679,085 |
| 70,071,803 | 45,422,385 | 46,823,524 | 54,787,270 | 45,178,167 | 50,098,983 | 45,791,438 |
| 14,222,293 | 11,352,128 | 8,753,333 | 11,276,912 | 7,485,650 | 7,456,767 | 5,786,183 |
| 4.93 | 4.00 | 5.35 | 4.86 | 6.04 | 6.72 | 7.91 |
| $104,778,131 | $ 91,795,960 | $ 84,578,891 | $ 82,967,539 | $ 79,349,540 | $ 79,064,194 | $ 75,517,340 |
| $22.98 | $20.21 | $18.86 | $18.50 | $17.70 | $17.64 | $16.85 |

## WORKING CAPITAL ANALYSIS AND GENERAL STATISTICS 1958-1967

| WORKING CAPITAL | 1967 | 1966 | 1965 |
|---|---|---|---|
| **Source** | | | |
| Earnings | **$ 21,634,733** | $ 22,717,454 | $ 22,781,108 |
| Provision for Depreciation and Depletion | **5,518,476** | 4,426,707 | 4,860,834 |
| Long-term Borrowings | — | — | — |
| Sale of Investments | — | 4,000 | 5,724,028 |
| Other, Net | — | 1,066,522 | 551,519 |
| Total | **$ 27,153,209** | $ 28,214,683 | $ 33,917,489 |
| **Use** | | | |
| Dividends Paid: | | | |
| Shares outstanding at end of year | **4,485,638** | 4,496,267 | 4,570,565 |
| Per share | **$2.80** | $2.65 | $2.30 |
| Amount | **$ 12,568,349** | $ 12,050,896 | $ 10,503,786 |
| Capital Expenditures | **8,316,355** | 15,711,952 | 10,265,587 |
| Investments | **484,871** | 217,411 | 607,863 |
| Repayment of Debt | **1,000,000** | 3,550,000 | 11,171,429 |
| Purchase of Company stock for stock options | **507,813** | 2,856,476 | — |
| Other, Net | **316,417** | — | — |
| Total | **$ 23,193,805** | $ 34,386,735 | $ 32,548,665 |
| **Working Capital at End of Year** | **$ 55,005,686** | $ 51,046,282 | $ 57,218,334 |

| GENERAL STATISTICS | 1967 | 1966 | 1965 |
|---|---|---|---|
| Number of Shareholders | **18,585** | 16,204 | 11,792 |
| United States Employees: | | | |
| Number | **3,959** | 3,986 | 3,820 |
| Salary and wage costs | **$ 32,038,839** | $ 30,098,896 | $ 27,900,722 |
| Pension and Retirement Plans: | | | |
| Members | **2,796** | 2,910 | 2,911 |
| Contributions | **$ 1,967,573** | $ 1,154,212 | $ 2,384,779 |
| Pensioners | **1,097** | 1,081 | 1,047 |
| Pension Payments | **$ 700,907** | $ 624,676 | $ 606,841 |
| Deferred Profit Sharing Plan: | | | |
| Eligible employees | **758** | 675 | 666 |
| Contributions | **$ 649,042** | $ 679,585 | $ 636,135 |

| 1964 | 1963 | 1962 | 1961 | 1960 | 1959 | 1958 |
|---|---|---|---|---|---|---|
| $ 20,244,494 | $ 9,903,773 | $ 4,319,873 | $ 6,332,196 | $ 2,972,068 | $ 6,263,076 | $ 3,986,880 |
| 4,551,255 | 3,897,981 | 3,538,848 | 3,180,607 | 3,766,920 | 3,334,648 | 2,754,733 |
| 18,000,000 | — | 3,000,000 | — | — | 5,000,000 | 15,000,000 |
| 197,213 | — | — | 8,549,758 | — | — | — |
| 1,773,262 | — | — | 179,429 | — | 1,509,628 | 1,108,897 |
| $ 44,766,224 | $ 13,801,754 | $ 10,858,721 | $ 18,241,990 | $ 6,738,988 | $ 16,107,352 | $ 22,850,510 |
| 4,560,078 | 3,028,217 | 2,989,382 | 2,717,322 | 2,717,222 | 2,716,222 | 2,716,222 |
| $1.66 | $1.25 | $1.00 | $1.00 | $1.00 | $1.00 | $1.00 |
| $ 7,588,828 | $ 3,763,404 | $ 2,717,622 | $ 2,717,247 | $ 2,717,222 | $ 2,716,222 | $ 2,716,222 |
| 8,314,200 | 3,186,963 | 3,750,014 | 2,445,243 | 5,912,656 | 9,283,290 | 11,830,509 |
| 2,376,800 | 5,866,947 | 4,634,987 | 3,554,516 | 1,891,994 | 620,879 | 1,857,468 |
| 4,707,143 | 4,290,476 | 4,290,476 | 3,707,143 | 850,000 | 850,000 | — |
| — | — | — | — | — | — | — |
| — | 693,897 | 905,790 | — | 316,815 | — | — |
| $ 22,986,971 | $ 17,801,687 | $ 16,298,889 | $ 12,424,149 | $ 11,688,687 | $ 13,470,391 | $ 16,404,199 |
| $ 55,849,510 | $ 34,070,257 | $ 38,070,190 | $ 43,510,358 | $ 37,692,517 | $ 42,642,216 | $ 40,005,255 |
| 9,107 | 8,772 | 8,986 | 9,740 | 10,651 | 11,812 | 13,315 |
| 3,769 | 3,621 | 3,774 | 3,871 | 4,171 | 4,263 | 4,581 |
| $ 24,926,760 | $ 20,813,527 | $ 19,781,411 | $ 22,598,389 | $ 24,803,687 | $ 22,670,522 | $ 23,755,404 |
| 2,788 | 2,628 | 2,777 | 2,789 | 2,690 | 2,622 | 2,448 |
| $ 1,314,415 | $ 814,733 | $ 939,017 | $ 944,152 | $ 1,049,557 | $ 780,000 | $ 826,198 |
| 1,023 | 937 | 920 | 886 | 819 | 822 | 780 |
| $ 537,621 | $ 496,194 | $ 457,701 | $ 434,517 | $ 355,782 | $ 331,550 | $ 303,019 |
| 669 | 687 | 683 | 702 | 698 | 682 | 693 |
| $ 590,768 | $ 297,113 | — | $ 189,966 | — | $ 187,892 | — |

**UNITED STATES LEAD STATISTICS IN SHORT TONS**

| | 1967 (Estimated) | 1966 (Final) |
|---|---|---|
| **Current Supply:** | | |
| Recoverable U. S. mine production | **315,000** | 327,000 |
| From U. S. stockpile | **15,000** | 72,000 |
| From scrap | **575,000** | 573,000 |
| Imports of concentrates and bullion (lead content) | **125,000** | 147,000 |
| Metal imports (net) | **357,000** | 280,000 |
| Total Lead Equivalent Available | **1,387,000** | 1,399,000 |
| **Consumption:** | | |
| Batteries | **463,000** | 472,000 |
| Gasoline anti-knock additives | **253,000** | 247,000 |
| Cables | **65,000** | 66,000 |
| Construction | **96,000** | 114,000 |
| Pigments | **104,000** | 120,000 |
| Other uses | **279,000** | 305,000 |
| Total Consumption | **1,260,000** | 1,324,000 |

**UNITED STATES ZINC STATISTICS IN SHORT TONS**

| | 1967 (Estimated) | 1966 (Final) |
|---|---|---|
| **Current Supply:** | | |
| Recoverable U. S. mine production | **550,000** | 573,000 |
| Less—used to make pigments | **90,000** | 97,000 |
| Recoverable domestic zinc available to metal smelters | **460,000** | 476,000 |
| From U. S. stockpile | **13,000** | 43,000 |
| From scrap | **70,000** | 72,000 |
| Imports of concentrates (recoverable zinc content) | **500,000** | 521,000 |
| Imports of slab zinc | **280,000** | 277,000 |
| Total Zinc Equivalent Available | **1,323,000** | 1,389,000 |
| **Consumption:** | | |
| Galvanizing | **454,000** | 496,000 |
| Zinc-base alloys | **522,000** | 606,000 |
| Brass | **135,000** | 186,000 |
| Rolled zinc | **45,000** | 53,000 |
| Oxides | **32,000** | 28,000 |
| Other | **35,000** | 41,000 |
| Total Consumption | **1,223,000** | 1,410,000 |
| Exports | **17,000** | 1,000 |
| Total Zinc Metal Consumed and Exported | **1,240,000** | 1,411,000 |

**ST. JOSEPH LEAD COMPANY LEAD STATISTICS IN SHORT TONS**

| Year | Lead Concentrates Produced from Company's Mines | Net Lead Raw Materials Purchased | Pig Lead Production | Pig Lead Purchased | Pig Lead Sales Including 1958-1960 Sales Under Agency Contracts |
|---|---|---|---|---|---|
| 1958 ....... | **149,624** | **25,102** | **116,799** | **51,569** | **139,131** |
| 1959 ....... | **143,167** | **8,300** | **101,478** | **50,306** | **164,084** |
| 1960 ....... | **147,879** | **13,656** | **98,447** | **33,209** | **131,852** |
| 1961 ....... | **139,817** | **4,927** | **116,148** | **17** | **108,447** |
| 1962 ....... | **86,375** | **4,453** | **77,156** | **—** | **112,857** |
| 1963 ....... | **113,801** | **2,773** | **81,319** | **10,357** | **96,692** |
| 1964 ....... | **170,704** | **3,528** | **117,643** | **8,724** | **125,177** |
| 1965 ....... | **189,962** | **4,086** | **133,601** | **9,135** | **142,243** |
| 1966 ....... | **189,225** | **4,796** | **118,354** | **69,201** | **175,762** |
| 1967 ....... | **224,233** | **4,489** | **124,480** | **18,996** | **160,115** |

**ST. JOSEPH LEAD COMPANY ZINC STATISTICS IN SHORT TONS**

| Year | Zinc Concentrates Produced from Company's Mines | Net Zinc Raw Materials Purchased | Slab Zinc Equivalent of Smelter Production | Purchased Zinc | Slab Zinc Equivalent of Sales | Sulphuric Acid Sales |
|---|---|---|---|---|---|---|
| 1958 ... | **99,523** | **110,182** | **122,774** | **46,453** | **174,083** | **171,938** |
| 1959 ... | **81,292** | **121,611** | **128,670** | **44,334** | **179,478** | **176,607** |
| 1960 ... | **128,762** | **166,613** | **148,788** | **26,730** | **158,276** | **186,722** |
| 1961 ... | **111,598** | **123,882** | **141,209** | **8,511** | **162,005** | **194,327** |
| 1962 ... | **104,080** | **170,281** | **153,968** | **4,709** | **152,258** | **199,866** |
| 1963 ... | **99,914** | **153,053** | **174,089** | **6,726** | **178,515** | **211,930** |
| 1964 ... | **117,473** | **214,772** | **193,444** | **15,538** | **211,731** | **243,920** |
| 1965 ... | **140,284** | **229,958** | **202,657** | **21,058** | **221,329** | **237,305** |
| 1966 ... | **147,860** | **250,413** | **216,910** | **9,874** | **214,189** | **252,987** |
| 1967 ... | **147,361** | **231,283** | **212,338** | **1,118** | **208,150** | **229,678** |

**IRON ORE PELLET STATISTICS IN LONG TONS (ST. JOE SHARE)**

| Year | Production |
|---|---|
| 1964 ..... | **407,814** |
| 1965 ..... | **791,439** |
| 1966 ..... | **869,239** |
| 1967 ..... | **903,069** |

**ST. JOSEPH LEAD COMPANY**

Incorporated March 25, 1864, under the laws of the State of New York
**Executive Office** 250 Park Avenue, New York, N. Y. 10017



**EXECUTIVE OFFICERS**

Francis Cameron
*Chairman*

Lawrason Riggs III
*President*

Robert H. Ramsey
*Executive Vice President*

Malcolm Bonynge
*Vice President*

James G. Colvin*
*Vice President & Treasurer*

*Died February 18, 1968

D. Broward Craig
*Vice President & Secretary*

John R. Englehorn
*Vice President—Marketing & Development*

Edward P. Merrell
*Assistant Treasurer*

William L. Murphy, Jr.
*Comptroller & Assistant Secretary*

Frank J. Reidy
*Assistant Comptroller*

**MANAGER OF EXPLORATIONS**

Norman H. Donald, Jr.

**UNITED STATES DIVISION MANAGERS**

**Mines**

Lawrence W. Casteel, *Southeast Missouri*
Mark E. Riley, *Balmat-Edwards, New York*

**Smelters**

John W. Sherman, *Herculaneum, Missouri*
Charles D. Henderson, *Josephtown, Pennsylvania*

**Cia. Minera Aguilar, S. A., Argentina** — Wing L. Lew, *Executive Vice President*; John E. Loser, *Managing Director*

**Cia. Minerales Santander, Inc., Peru** — Clinton L. Miller, *Vice President & General Manager*

**Meramec Mining Company** — Robert G. Peets, *Manager*

**General Counsel** — Debevoise, Plimpton, Lyons & Gates, *320 Park Avenue, New York, N. Y. 10022*

**Transfer Agent** — Bankers Trust Company, *16 Wall Street, New York, N. Y. 10015*

**Auditors** — Haskins & Sells, *Two Broadway, New York, N. Y. 10004*

**Registrar** — The First National City Bank, *55 Wall Street, New York, N. Y. 10005*

**Annual Meeting Notice**
St. Joe's 1968 Annual Meeting will be held at 2:00 P.M. Monday, May 13, 1968, at the Barbizon Plaza Hotel, New York City.