

|                                                  | Month of<br>November<br>1940 | Month of<br>October<br>1940 | Month of<br>November<br>ended 1940 | Month of<br>November<br>ended 1940 |
|--------------------------------------------------|------------------------------|-----------------------------|------------------------------------|------------------------------------|
| Smelting Department                              | \$ 43,187                    | \$ 51,978                   | \$ 419,159                         | \$ 27                              |
| Refining Department                              | 121,816                      | 168,511                     | 1,904,885                          | 1,35                               |
| Concentrating Department                         | 3,707                        | 2,247                       | 130,134                            | 2                                  |
| Lead Refining Department                         | 8,438                        | 3,439                       | 139,590                            | 1                                  |
| Cine Waste Department                            | 20,434                       | 21,159                      | 2,119                              | 14                                 |
| White Lead Department                            | 6,371                        | 2,287                       | 34,515                             | 5                                  |
| Miscellaneous Income                             | 1,051                        | 1,051                       | 75,041                             | 1                                  |
| <b>Total</b>                                     | <b>1407,240</b>              | <b>1237,294</b>             | <b>12,834,715</b>                  | <b>14,01</b>                       |
| Less - Dividend - Mountain City Copper Company - | 122,866                      | -                           | 122,866                            | 14                                 |
|                                                  | <b>1284,374</b>              | <b>1237,294</b>             | <b>12,711,849</b>                  | <b>12,20</b>                       |
| <b>EXPENSES:</b>                                 |                              |                             |                                    |                                    |
| Administrative Expenses                          | \$ 3,000                     | \$ 4,729                    | \$ 61,319                          | \$ 1                               |
| Miscellaneous Taxes                              | -                            | 6,437                       | 6,437                              | 1                                  |
| Capital Stock Tax                                | 1,042                        | 1,042                       | 11,611                             | 1                                  |
| Interest -                                       | -                            | -                           | -                                  | -                                  |
| Oil Forest, Ventures                             | 40,000                       | 40,000                      | 438,901                            | 4                                  |
| Advanced Copper Mining Company                   | 13,013                       | 14,090                      | 114,201                            | 14                                 |
| Advanced Sales Company                           | -                            | -                           | 51,389                             | 14                                 |
|                                                  | <b>56,013</b>                | <b>58,861</b>               | <b>653,258</b>                     | <b>6</b>                           |
| <b>Less - Depreciation</b>                       | <b>1331,071</b>              | <b>1177,433</b>             | <b>12,333,923</b>                  | <b>12,4</b>                        |
|                                                  | <b>253,303</b>               | <b>58,994</b>               | <b>758,366</b>                     | <b>7</b>                           |
| <b>Less - Federal Income Tax</b>                 | <b>1271,343</b>              | <b>1123,479</b>             | <b>11,595,337</b>                  | <b>11,7</b>                        |
|                                                  | <b>138,000</b>               | <b>14,800</b>               | <b>147,000</b>                     | <b>1</b>                           |
| <b>NET INCOME</b>                                | <b>1243,063</b>              | <b>119,879</b>              | <b>11,467,737</b>                  | <b>11,4</b>                        |
| Less - Net Income of Subsidiary Companies        | -                            | -                           | -                                  | -                                  |
| <b>CONSOLIDATED NET INCOME</b>                   | <b>1243,063</b>              | <b>119,879</b>              | <b>11,467,737</b>                  | <b>11,4</b>                        |

\*Dividend on 1,461,834 shares - 25¢ per share declared  
November 15, 1940, payable December 20, 1940:

|                                       |                 |
|---------------------------------------|-----------------|
| One-half accrued in month of November | 1140,866        |
| One-half accrued in month of December | 114,866         |
|                                       | <b>1255,732</b> |

#### CONSOLIDATED FINANCIAL ACCOUNT

**SALARY - January 1, 1940**

**AND - Net Income - eleven months ended November 30, 1940**

**SALARY - November 30, 1940**

PNYC 00011548

INTERNATIONAL MINING AND REFINING COMPANY  
MEMORANDUM FOR THE BOARD OF DIRECTORS - NOVEMBER 24TH 1940  
ATTACHED FOR INFO. - FINANCIAL STATEMENT

|                             | Month of<br>November<br>1940 | Month of<br>October<br>1940 | Month of<br>ended Nov.<br>Nov. 1940 | Month of<br>ended Nov.<br>Nov. 1939 |
|-----------------------------|------------------------------|-----------------------------|-------------------------------------|-------------------------------------|
| Boole Lead Plant            | 17,863                       | 738                         | 127,117                             | 113,363                             |
| Boole Copper Plant          | 13,079                       | 2,110                       | 121,742                             | 116,441                             |
| Boole Sulphide Concentrator | 2,312                        | 11,905                      | 111,836                             | 45,174                              |
| Boole Zinc Concentrator     | -                            | -                           | 5,708                               | 10,393                              |
| Boole Mill Plant            | -                            | -                           | 132,000                             | 133,857                             |
| Lead Plant                  | 20,000                       | 22,200                      | 142,125                             | 52,750                              |
|                             | <u>53,462</u>                | <u>61,953</u>               | <u>720,888</u>                      | <u>479,168</u>                      |
| Cost -                      |                              |                             |                                     |                                     |
| Land                        | -                            | -                           | -                                   | 52,076                              |
| Tramway Operations          | 575                          | 524                         | 4,510                               | 10,300                              |
| Outside Exploration         | 6,000                        | 6,100                       | 53,035                              | 26,273                              |
| Building Construction       | 2,300                        | 1,000                       | 28,380                              | 21,772                              |
| Shutdown Expense -          |                              |                             |                                     |                                     |
| Sulphide Concentrator       | 700                          | 633                         | 7,133                               | 10,300                              |
| Sulphide Concentrator       | -                            | -                           | -                                   | 7,286                               |
| Lead Concentrator           | 500                          | 100                         | 5,500                               | 6,268                               |
| Lead Plant                  | -                            | -                           | 3,173                               | 2,508                               |
|                             | <u>10,275</u>                | <u>9,777</u>                | <u>107,719</u>                      | <u>119,753</u>                      |
|                             | <u>63,737</u>                | <u>71,730</u>               | <u>828,607</u>                      | <u>598,921</u>                      |
| Loss - Depreciation         | -                            | -                           | -                                   | 174,797                             |
| <u>Net Income</u>           | <u>\$ 25,658</u>             | <u>\$ 35,770</u>            | <u>\$ 337,258</u>                   | <u>\$ 3,558</u>                     |

PNYC 00011549

INTERNATIONAL COMMERCE AND SHIPPING COMPANY  
 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1940  
 CONSOLIDATED BALANCE SHEET - ASSETS

|                                   | Month of<br>December<br>1940 | Month of<br>December<br>1940 | Month of<br>December<br>1940 | Month of<br>December<br>1939 |
|-----------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| <b>ASSETS</b>                     |                              |                              |                              |                              |
| Profit on sales                   | \$ 89,196                    | \$ 83,165                    | \$ 21,044,322                | \$ 22,416                    |
| Profit on premium                 | 79,321                       | 94,575                       | 94,043                       | 410,755                      |
| Profit on sales                   | 22,000                       | 5,132                        | 72,374                       | 49,765                       |
| Interest on investment            | 6,179                        | 1,478                        | 17,350                       | 33,250                       |
|                                   | 196,696                      | 184,350                      | 21,828,089                   | 23,615,180                   |
| Less - miscellaneous earnings     | 3,000                        | 3,535                        | 15,470                       | 75,924                       |
|                                   | 193,696                      | 180,815                      | 21,812,619                   | 23,539,256                   |
| Less - general expenses           | 1,000                        | 1,071                        | 14,550                       | 13,742                       |
| Administrative expenses           | 15,515                       | 17,458                       | 57,120                       | 14,740                       |
| Selling expenses                  | 1,705                        | 405                          | 6,007                        | 4,023                        |
|                                   | 18,220                       | 19,934                       | 77,677                       | 32,505                       |
|                                   | 175,476                      | 160,881                      | 21,734,942                   | 23,506,751                   |
| Less - depreciation               | 32,673                       | 33,113                       | 131,622                      | 122,395                      |
| <b>NET ASSETS</b>                 | <b>142,803</b>               | <b>127,768</b>               | <b>21,603,320</b>            | <b>23,384,356</b>            |
| <b>LIABILITIES</b>                |                              |                              |                              |                              |
| Proceeds of copper deliveries     | 172,343                      | 322,425                      | 4,546,701                    | 4,453,525                    |
| Value of copper deliveries        | 172,322                      | 311,938                      | 4,626,661                    | 4,636,546                    |
| Trading profit                    | 121                          | 10,467                       | -                            | -                            |
| Less - freight differential       | 1,781                        | 3,252                        | 71,003                       | 33,307                       |
|                                   | 1,407                        | 12,923                       | -                            | -                            |
| Operating profit                  | 6,314                        | 17,557                       | 703,066                      | 76,570                       |
|                                   | 7,716                        | 31,152                       | 195,009                      | 266,918                      |
| Less - buying and selling expense | 2,009                        | 3,773                        | 31,772                       | 5,530                        |
| Outstanding expense               | -                            | 6,125                        | 13,051                       | -                            |
|                                   | 2,009                        | 9,898                        | 44,823                       | 5,530                        |
|                                   | 5,707                        | 21,254                       | 150,186                      | 261,388                      |
| Less - depreciation               | 57                           | -                            | 1,449                        | 20,820                       |
| <b>NET LIABILITIES</b>            | <b>5,650</b>                 | <b>21,254</b>                | <b>148,737</b>               | <b>282,568</b>               |
| Collateral - funds                | 1,506,611                    | 2,374,823                    | 39,055,140                   | 45,191,233                   |
| Trading profit, per pound         | .0025                        | .365                         | -                            | -                            |
| Freight differential, per pound   | .0035                        | .0055                        | .0079                        | .0074                        |
| Net Operating Profit, per pound   | .2805                        | .2895                        | .2845                        | .445                         |
| Net Income per pound              | .3735                        | .7395                        | .2647                        | .406                         |

PNYC 00011550

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - DECEMBER 26TH 1940

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

|                                       | Month of<br>November<br>1940 | Month of<br>October<br>1940 | Month of<br>November<br>1939 | Month of<br>October<br>1939 |
|---------------------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|
| <u>LEAD REFINING DEPARTMENT:</u>      |                              |                             |                              |                             |
| Operating Income                      | \$ 3,439                     | \$ 3,439                    | \$ 139,390                   | \$ 139,390                  |
| Less: Depreciation                    | 2,102                        | 2,038                       | 40,811                       | 39,133                      |
| <u>NET INCOME</u>                     | <u>\$ 1,337</u>              | <u>\$ 1,401</u>             | <u>\$ 98,579</u>             | <u>\$ 100,257</u>           |
| <u>ZINC OXIDE DEPARTMENT:</u>         |                              |                             |                              |                             |
| Sales of Zinc Oxide                   | \$213,685                    | \$245,943                   | \$2,042,276                  | \$2,247,266                 |
| Cost of Sales                         | 241,819                      | 290,892                     | 2,039,675                    | 2,240,752                   |
|                                       | \$ 1,866                     | \$ 1,051                    | \$ 2,601                     | \$ 6,514                    |
| Less: "Bulldoze" expense - Iron Plant | 250                          | 250                         | 2,790                        | 9,843                       |
|                                       | \$ 1,616                     | \$ 801                      | \$ -189                      | \$ -3,329                   |
| Less: Depreciation and Obsolescence   | 3,420                        | 3,928                       | 32,757                       | 44,979                      |
| <u>NET INCOME</u>                     | <u>\$ 1,190</u>              | <u>\$ 242</u>               | <u>\$ 2,790</u>              | <u>\$ 2,163</u>             |
| Pounds of Zinc Oxide Sold             | 3,600,680                    | 4,135,349                   | 34,421,103                   | 37,374,202                  |
| Sales Price                           | 5.938¢                       | 5.953¢                      | 5.922¢                       | 5.951¢                      |
| Cost of Sales                         | 6.716¢                       | 6.260¢                      | 5.972¢                       | 5.990¢                      |
| <u>WHITE LEAD DEPARTMENT:</u>         |                              |                             |                              |                             |
| Sales of Lead Products                | \$109,381                    | \$ 70,425                   | \$ 319,930                   | \$1,066,274                 |
| Cost of Sales                         | 103,030                      | 62,152                      | 293,415                      | 1,011,467                   |
|                                       | \$ 6,351                     | \$ 8,273                    | \$ 26,515                    | \$ 54,807                   |
| Less: Depreciation                    | 2,999                        | 1,897                       | 24,036                       | 28,411                      |
| <u>NET INCOME</u>                     | <u>\$ 3,362</u>              | <u>\$ 6,326</u>             | <u>\$ 9,400</u>              | <u>\$ 26,390</u>            |
| Pounds of Lead Products Sold          | 1,394,432                    | 894,374                     | 11,511,051                   | 13,753,221                  |
| Sales Price                           | 7.85¢                        | 7.87¢                       | 7.84¢                        | 7.77¢                       |
| Cost of Sales                         | 7.401¢                       | 7.420¢                      | 7.405¢                       | 7.36¢                       |

PNYC 00011551

INTERNATIONAL SMELTING AND REFINING COMPANY  
STATEMENT FOR DIRECTORS' MEETING - DECEMBER 24TH 1940  
BY CURRENT AND FUTURE OWNERS - JANUARY 30TH 1940

ASSETS:

|                                  |                 |        |            |            |
|----------------------------------|-----------------|--------|------------|------------|
| Supplies                         |                 |        |            | 635,157    |
| Totals:                          |                 |        |            | 2,573,278  |
| In process                       |                 |        |            |            |
| Finished:                        |                 |        |            |            |
| Lead                             | 14,040,065 lbs. | 4.93%  | 722,715    |            |
| Copper                           | 27,063,776 lbs. | 9.72%  | 2,625,001  |            |
| Silver                           | 2,111,151 grs.  | 54.83% | 1,125,949  |            |
| Gold                             | 24,033 grs.     | 34.09  | 739,841    |            |
| By-products                      |                 |        | 400,815    |            |
|                                  |                 |        | 25,714,499 |            |
| Reserve for freight and refining |                 |        | 596,921    | 5,115,578  |
| Manufactured products:           |                 |        |            |            |
| Lead products                    |                 |        | 1 299,412  |            |
| Wire oxide - finished            |                 |        | 277,000    |            |
| Wire oxide - electro sheet       |                 |        | 9,378      | 595,790    |
| Accounts receivable:             |                 |        |            |            |
| Reynolds Sales Company           |                 |        | 1 502,861  |            |
| Tolls                            |                 |        | 738,497    |            |
| Wire oxide                       |                 |        | 329,391    |            |
| Columbia City Copper Company     |                 |        | 698,743    |            |
| Alker Mining Company             |                 |        | 76,521     |            |
| Others                           |                 |        | 551,204    | 6,737,277  |
| Cash                             |                 |        |            | 260,000    |
|                                  |                 |        |            | 12,250,100 |

LIABILITIES:

|                                               |  |  |           |                  |
|-----------------------------------------------|--|--|-----------|------------------|
| Taxes                                         |  |  | 1 444,312 |                  |
| Interest                                      |  |  | 345,109   |                  |
| Accounts payable:                             |  |  |           |                  |
| Inter-company:                                |  |  |           |                  |
| Reynolds Copper Mining Company - note payable |  |  | 4,750,000 |                  |
| Others                                        |  |  | 22,127    |                  |
| Other accounts payable                        |  |  | 1,432,158 |                  |
| Notes payable                                 |  |  | 137,536   | 7,107,632        |
| <u>BALANCE - NET CURRENT ASSETS</u>           |  |  |           | <u>5,172,534</u> |

OTHER ASSETS:

|                                                                                |  |  |           |         |
|--------------------------------------------------------------------------------|--|--|-----------|---------|
| Advances to sundry mining companies, including advances on work, lease reserve |  |  | 1 104,364 |         |
| Installment loans and lease sales and other                                    |  |  |           |         |
| Accounts receivable - lease reserve                                            |  |  | 53,404    | 157,768 |

BALANCE - NET CURRENT AND OTHER ASSETS

5,330,302

PNYC 00011552

INTERNATIONAL SOUTHERN AND SOUTHERN COMPANY  
STATEMENT OF OPERATIONS - MONTH ENDING - NOVEMBER 30TH 1940  
NET DELIVERIES AND PRODUCTION - ALL COMPANIES

|                             | Month of<br>November<br>1940 | Month end<br>Nov.<br>30th 1940 | Month end<br>Nov.<br>30th 1939 | Percent<br>Increase |
|-----------------------------|------------------------------|--------------------------------|--------------------------------|---------------------|
| <u>NET DELIVERIES:</u>      |                              |                                |                                |                     |
| Copper - lbs. - Total:      |                              |                                |                                |                     |
| Custom                      | 102,556                      | 4,389,532                      | 5,419,246                      | 12.1                |
| Soll                        | 3,577,933                    | 35,749,134                     | 36,043,546                     | 18.9                |
| Lead - lbs. - Total:        |                              |                                |                                |                     |
| Custom                      | 374,340                      | 3,170,736                      | 1,743,160                      | 156.6               |
| Soll                        | 3,233,150                    | 46,734,426                     | 55,791,060                     | 10                  |
|                             | <u>3,607,493</u>             | <u>50,904,262</u>              | <u>61,534,226</u>              |                     |
| Lead - lbs. - Total         | 4,404,054                    | 59,404,237                     | 43,420,036                     | 15.9                |
| <u>NET PRODUCTION:</u>      |                              |                                |                                |                     |
| Recoverable contents - lbs. | 4,696,335                    | 44,982,564                     | 42,725,010                     | 5.3                 |
| <u>NET DELIVERIES:</u>      |                              |                                |                                |                     |
| Copper - lbs.               | 44,102,102                   | 482,063,715                    | 372,890,139                    | 29.3                |
| Lead - lbs.                 | 4,365,349                    | 52,178,771                     | 73,920,767                     | 19.3                |
| Silver - ozs.               | 1,494,454                    | 15,000,046                     | 11,124,337                     | 40.2                |
| Gold - ozs.                 | 19,110                       | 235,395                        | 182,116                        | 29.2                |
| <u>NET DELIVERIES:</u>      |                              |                                |                                |                     |
| Copper - lbs.:              |                              |                                |                                |                     |
| Total                       | 1,400,000                    | 6,650,000                      | 3,000,000                      | 33.3                |
| Lead                        | 2,100,000                    | 4,550,000                      | -                              | -                   |
| Silver - refinery           | 34,347                       | 179,410                        | 75,348                         | 63.2                |
| Silver - secondary          | <u>2,945,139</u>             | <u>16,066,002</u>              | <u>16,447,721</u>              |                     |
|                             | <u>6,479,547</u>             | <u>47,785,412</u>              | <u>31,523,069</u>              |                     |
| Lead - lbs.                 | 4,437,432                    | 41,747,864                     | 69,915,432                     | 16.1                |
| <u>NET PRODUCTION:</u>      |                              |                                |                                |                     |
| Copper - lbs.:              |                              |                                |                                |                     |
| Total                       | 250,000                      | 3,750,000                      | 3,450,000                      | 6.7                 |
| Lead                        | 500,000                      | 2,750,000                      | -                              | -                   |
| Silver - refinery           | 34,347                       | 179,410                        | 75,348                         | 55.1                |
| Silver - secondary          | <u>1,500,611</u>             | <u>29,463,061</u>              | <u>45,191,233</u>              |                     |
|                             | <u>2,285,958</u>             | <u>33,382,471</u>              | <u>48,716,681</u>              |                     |
| Lead - lbs.                 | 3,692,228                    | 37,646,040                     | 67,345,162                     | 18.1                |
| <u>NET PRODUCTION:</u>      |                              |                                |                                |                     |
| Production - lbs.           | 3,399,000                    | 34,661,522                     | 37,827,916                     | 10.1                |
| Deliveries - lbs.           | 3,601,400                    | 34,423,272                     | 36,401,059                     | 11.1                |

PNYC 00011553