

STATE OF ARIZONA - MINING DIVISION
ANNUAL REPORT - MOUNTAIN CITY COPPER WORKING - JANUARY 28TH 1941

ESTIMATED NET INCOME

	Month of December 1940	Month of November 1940	Twelve Mos. ended Dec. 31, 1940	Twelve Mos. ended Dec. 31, 1939
Smelting Department	\$ 48,773	\$ 8,521	\$ 652,540	\$ 437,555
Refining Department:				
Primary Department	213,914	188,071	2,147,035	1,408,399
Secondary Department	13,004	1,042	155,903	245,243
Lead Refining Department	20,000	1,000	201,383	1,444
Mine Waste Department	21,205	1,404	53,018	159,402
White Lead Department	9,268	6,371	41,405	57,723
Miscellaneous Income	2,317	2,317	28,524	27,245
Total	\$286,611	\$174,313	\$3,439,408	\$2,428,155
Add - Dividend - Mountain City Copper Company	182,867	182,867	365,734	239,440
	\$469,478	\$357,180	\$3,805,142	\$2,667,595
<u>EXPENSES:</u>				
Administrative Expenses	\$ 5,000	\$ 4,507	\$ 65,846	\$ 60,000
Miscellaneous Taxes	-	-	6,457	5,405
Capital Stock Tax	1,042	1,042	12,050	9,737
Interest -				
Six Percent.	40,000	40,000	480,000	450,000
Anaconda Copper Mining Company	13,021	13,021	127,229	124,500
Anaconda Sales Company	-	-	51,389	133,333
	\$59,063	\$58,570	\$743,531	\$668,534
Less - Depreciation and Obsolescence	\$410,415	\$298,610	\$2,862,071	\$1,321,591
	72,033	58,808	896,081	794,025
Less - Federal Income Tax	\$38,382	\$239,802	\$1,965,790	\$1,020,300
	43,900	24,000	270,000	130,000
<u>NET INCOME</u>	\$294,482	\$219,602	\$1,695,390	\$890,300
Add - Net Income of Subsidiary Companies	-	-	2,300	1,000
<u>CONSOLIDATED NET INCOME</u>	\$294,482	\$219,602	\$1,697,690	\$891,300

*Dividend on 1,462,934 shares @ 25¢ per share
declared Nov. 19, 1940, payable Dec. 20, 1940:

One-half accrued in month of November	\$182,867
One-half accrued in month of December	182,867
	<u>\$365,734</u>

CONSOLIDATED SURPLUS ACCOUNT

BALANCE - January 1, 1940

ADD - Net Income - Twelve Months ended December 31, 1940

Less - Write-off of Investments in the following:

 Falleys Mining and Milling Company
 Rico Concentrator (Rico, Colorado)

\$ 365,968
161,512

BALANCE - DECEMBER 31, 1940

1,092,831
622,339
527,480
\$ 94,459

INTERNATIONAL TRADING AND MINING COMPANY
MEMORANDUM FOR INVESTING COMMITTEE - JANUARY 1941
ESTIMATED NET INCOME - COPIED FROM JANUARY 1941

	Month of December 1940	Month of November 1940	Twelve Mos. ended Dec. 31st 1940	Twelve Mos. ended Dec. 31st 1939
Total Lead Plant	\$ 7,835	\$ 7,835	\$153,176	\$156,120
Total Copper Plant	\$1,088	\$1,577	\$22,803	\$42,406
Total Sulphide Concentrator	\$10,000	\$9,657	\$27,975	\$45,376
Total Oxide Concentrator	-	-	\$5,908	\$10,593
Opbir Mill Plant	-	-	\$39,848	\$77,762
Lead Plant	\$10,000	\$9,438	\$49,658	\$66,741
	\$58,923	\$17,169	\$269,368	\$358,742
educt -				
Tramway Operations	\$ 400	\$ 323	\$ 4,657	\$ 12,053
Outside Exploration	\$6,000	\$5,295	\$60,327	\$91,901
Selling Commissions	\$2,500	\$1,800	\$9,045	\$3,073
Shutdown Expense -				
Oxide Concentrator	\$650	\$630	\$9,727	\$11,377
Sulphide Concentrator	-	-	-	\$7,160
Lead Concentrator	\$600	\$600	\$9,900	\$9,723
Lead Plant	-	-	\$1,171	\$3,506
	\$10,150	\$6,648	\$116,528	\$160,793
	\$48,773	\$8,521	\$652,540	\$437,955
Less - Depreciation	\$21,165	\$17,529	\$103,086	\$287,371
<u>NET INCOME</u>	<u>\$27,588</u>	<u>\$1,102</u>	<u>\$349,454</u>	<u>\$150,084</u>

	Month of December 1946	Month of November 1946	Twelve Mos. ended Dec. 1946	Twelve Mos. ended Nov. 1946
<u>Profit on Sales</u>	117,736	17,133	1,111,146	1,173,736
Profit on Realties	51,407	2,376	73,135	73,135
Profit on Sales	1,421	18,779	19,374	2,005
Interest Income	6,706	6,179	24,771	2,005
	202,471	20,467	2,032,117	1,401,770
<u>Less - Miscellaneous Expenses</u>	5,500	5,454	106,584	11,735
	407,471	47,361	2,125,533	1,410,035
<u>Product - General Expenses</u>	1,500	1,200	17,400	1,170
Advertising Expenses		15,515	47,074	1,170
Selling Expenses	1,117	1,766	7,165	1,170
		12,470	72,446	1,170
	415,114	179,471	2,247,433	1,411,205
<u>Less - Depreciation</u>	2,000	2,073	36,000	1,170
<u>Net Income</u>	413,114	177,398	2,211,433	1,410,035
<u>Income Statement</u>				
Proceeds of Sales of Deliveries	472,775	172,543	4,755,676	4,117,777
Value of Copper Deliveries	270,647	171,777	4,755,676	4,117,777
Trading Profit	4,407	465		
Less - Freight Differential	4,407	1,000	77,736	77,736
	5,115	1,764		76,736
Operating Profit	11,659		2,720	76,736
	16,322	411	3,000	76,736
<u>Less - Buying and Selling Expense</u>	3,300	2,000	55,111	1,170
Shut-down Expense			1,170	
	3,300	2,000	56,281	1,170
<u>Less Depreciation</u>	13,000		1,170	1,170
	13,000		1,170	1,170
<u>Net Income</u>	7,756		107,204	75,566
<u>Deliveries - Pounds</u>	2,435,116	1,506,611	2,140,256	47,673,476
Trading Profit per pound	.113¢	.031¢		
Freight Differential per pound	.039¢	.032¢	.070¢	.035¢
Net Operating Profit per pound	.186¢		.260¢	.070¢
Net Income per pound	.373¢		.254¢	.062¢

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INTERNATIONAL BOLLING & REVENUE COMPANY

STATEMENT FOR THE YEAR ENDING - 31st MARCH 1941

THIS STATEMENT SHOWS THE REVENUE, THE EXPENSES, THE PROFITS AND THE BALANCE SHEET

	Month of December 1940	Month of November 1940	Twelve mo. ended 31st 1940	Twelve mo. ended 31st 1939
<u>REVENUE ACCOUNTS:</u>				
Operating Income	20,000		101,373	
Less: Depreciation	3,901	2,100	43,118	10,111
<u>NET INCOME</u>	<u>16,019</u>	<u></u>	<u>157,459</u>	<u></u>
<u>EXPENSE ACCOUNTS:</u>				
Sales of Inc. Mide	300,071	215,035	12,341,752	12,470,000
Cost of Sales	326,076	241,519	1,292,702	1,100,400
Less: Shutdown Expenses - Kron. Plant	250	250	3,015	10,440
Less: Depreciation and Amortization	4,731	3,420	17,548	15,400
<u>NET INCOME</u>	<u></u>	<u></u>	<u>15,470</u>	<u>100,580</u>
Pounds of Inc. Mide Sold	5,043,704	3,600,080	59,524,100	47,317,000
Sales Price	6.0085	5.9899	1.0411	5.95
Cost of Sales	6.4637	6.7107	1.0411	5.45
<u>EXPENSE ACCOUNTS:</u>				
Sales of Lead Products	113,183	109,511	1,043,113	11,117,500
Cost of Sales	113,915	102,210	1,002,041	1,009,750
Less: Depreciation	2,595	2,399	10,170	17,750
<u>NET INCOME</u>	<u>5,673</u>	<u>3,902</u>	<u>15,509</u>	<u>45,000</u>
Pounds of Lead Products Sold	1,683,106	1,394,452	13,240,117	14,537,750
Sales Price	7.2927	7.8587	1.0777	7.75
Cost of Sales	6.7447	7.4017	1.0777	7.35

BEST POSSIBLE COPY

INTERNATIONAL MINING AND REFINING COMPANY
STATEMENT FOR THE QUARTER ENDING - JANUARY 31ST 1941
NET CURRENT AND OTHER ASSETS - JANUARY 31ST 1940

<u>NET CURRENT ASSETS:</u>				
Supplies				\$ 911,144
Materials:				
In Process				2,401,023
Finished:				
Lead	17,454,764 lbs.	4.78¢	\$ 838,724	
Copper	29,424,743 lbs.	9.86¢	2,901,750	
Silver	2,255,862 lbs.	52.59¢	1,175,886	
Gold	26,545 ozs.	\$34.09	904,910	
By-products			435,512	
			\$6,256,282	
Reserve for Freight and Refining			542,976	5,714,306
Manufactured Products:				
Lead Products			\$ 263,529	
Zinc Oxide - Finished			273,973	
Refined Copper Works - Electro Sheet			9,100	546,608
Accounts Receivable:				
Macdonald Sales Company			\$ 169,993	
Tells			877,508	
Zinc Oxide			190,210	
Mountain City Copper Company			39,743	
Other Mining Company			804,909	
Others			569,206	4,741,509
Cash				219,440
				<u>\$12,513,350</u>
<u>CURRENT LIABILITIES:</u>				
Taxes			\$ 346,041	
Interest			21,099	
Accounts Payable:				
Inter-company:				
Macdonald Copper Mining Company - Note Payable			4,750,000	
Others			28,101	
Other Accounts Payable			1,549,840	
Notes Payable			99,885	5,722,884
<u>NET CURRENT ASSETS:</u>				\$ 5,722,884
<u>OTHER ASSETS:</u>				
Advances to sundry mining companies, including				
advances on ores, less reserve			\$ 85,232	
Installment house and land sales and other				
accounts receivable - less reserve			53,750	138,982
<u>BALANCE - NET CURRENT AND OTHER ASSETS</u>				<u>\$ 5,861,866</u>

INTERNATIONAL HOLDING AND REFINING COMPANY
MEMORANDUM FOR DIRECTOR'S OFFICE - JANUARY 26TH 1941
SALES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

	Month of December 1940	Twelve Mos. ended Dec. 31st 1940	Twelve Mos. ended Dec. 31st 1939	Percent Increase
<u>CHLORIDE PRODUCTION:</u>				
Copper - lbs. - Tooele:				
Custom	530,754	5,520,706	5,950,504	
Toll	3,537,474	39,280,606	32,830,760	17.7
Miami:				
Custom	278,310	3,469,246	1,398,128	148.2
Toll	5,062,290	54,590,710	51,160,276	
	<u>10,868,828</u>	<u>102,673,274</u>	<u>102,187,928</u>	.5
Lead - lbs. - Tooele	0,254,761	65,056,998	49,379,407	22.9
<u>BRASS BRONZE AND OTHER ALLOYS:</u>				
Recoverable Contents - lbs.	5,426,980	50,415,564	49,900,793	3.0
<u>REFINERY PRODUCTION:</u>				
Copper - lbs.	04,723,012	546,780,727	415,190,012	31.7
Lead - lbs.	5,730,034	90,915,404	80,490,879	10.4
Silver - ozs.	1,427,529	17,027,575	12,571,503	35.5
Gold - ozs.	18,464	253,859	211,053	19.5
<u>SALES:</u>				
Copper - lbs.:				
Tooele	-	0,650,000	5,000,000	33.0
Miami	-	4,650,000	-	-
Baritan - Refinery	-	179,410	95,348	88.2
Secondary	<u>2,545,572</u>	<u>38,031,574</u>	<u>60,572,389</u>	
	<u>2,545,572</u>	<u>50,310,984</u>	<u>65,667,737</u>	
Lead - lbs.	6,647,838	08,394,702	71,018,121	
<u>DELIVERIES:</u>				
Copper - lbs.:				
Tooele	500,000	4,250,000	4,500,000	
Miami	-	2,750,000	-	
Baritan - Refinery	-	179,410	95,348	88.1
Secondary	<u>2,491,565</u>	<u>42,244,026</u>	<u>47,095,080</u>	
	<u>2,991,565</u>	<u>49,324,036</u>	<u>52,290,428</u>	
Lead - lbs.	3,846,870	01,492,710	00,007,325	
<u>ZINC OXIDE:</u>				
Production - lbs.	4,688,000	39,349,416	40,930,644	
Deliveries - lbs.	4,997,600	39,426,815	42,254,727	

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