

McIntyre Continuing Work at New Lower Levels of Mine

New Internal Shaft at McIntyre Mine will Allow Early Development of Important Chances Below the 4,000-foot Level. Annual Report Proves the More Satisfactory and Encouraging the More it is Studied. Some Facts and Figures from the Report.

Last week brief reference was made to the annual report of the McIntyre Porcupine Mines, Limited, and it was promised that further details would be presented in these columns this week.

The report as issued to shareholders last week is for the fiscal year ending March 31st, 1933.

Remarks by the President

The report for the year ending in March opens with particulars as to stock, etc. The authorized capital is 800,000 shares of a par value of \$5.00 (\$4,000,000.00); while the issued capital stock is 798,000 shares, par value, \$5.00, \$3,990,000.00.

The location of mines, plant and head office is given as Schumacher, Ont. The executive offices are at 15 King street, west, Toronto. The officers for 1932 were:—J. P. Bickell, president, Toronto; W. J. Sheppard, vice-president, Waubesa, Ont.; J. B. Tudhope, Orillia, Ont.; D. H. McDougall, Stollerton, N.S., and Strachan Johnston, K.C., Toronto, directors; E. D. Fox, secretary; Balmer Neilly, treasurer. R. J. Ennis, Schumacher, is the general manager. The following is the introduction to the report by the president:—

"Shareholders, in examining the 21st annual report of the company will note with satisfaction that we have once more set up new high records with respect to the value of our gross production and the net profits derived therefrom. During the year we produced 427,211 (exclusive of premium on exchange), and finished the year with an estimated ore reserve in excess of that reported a year ago.

"As forecasted last year, additional air capacity has been provided and we are now well started on the work of sinking the new internal shaft (No. 12) below the horizon served by the No. 11 or main shaft. This new shaft, and the necessary hoisting equipment, is so planned that development therefrom can be carried to the 7,000-foot horizon.

Taxation Burdensome

"The new plan was in continuous operation during the year and unit costs are gradually being decreased, but unfortunately that rate of decrease is so far insufficient to neutralize the continuous increase in taxation. However, we must not be unthankful of the stupendous task presented to those responsible for the direction of this country's business. Relief must be provided. The country's services must be maintained and our external credit

protected. Let us hope though that when conditions become more normal there will be a disposition on the part of the governments, Provincial and Dominion, to study the question of mine taxation in detail to the end that an amended policy may be adopted along lines that are fair and just to all concerned.

"The latest tax on dividends presented certain difficulties. Approximately 30 p.c. of the company's shareholders, now numbering 3,462, are registered in the United States. If our dividend were declared payable in Canadian funds, the tax would not apply on the amount paid to Canadian shareholders. However, it would be necessary to deduct five per cent. from the dividends payable to those resident in the United States and pay them in a currency subject to heavy discount in that country. It was therefore decided that the company would absorb the tax and issue cheques in New York currency to all shareholders, irrespective of their nationality or place of residence, and thus conserve to the Canadian shareholders the benefits they presently enjoy by reason of the premium payable on New York funds.

"No report of this kind could be considered complete without formal reference to the splendid work of the staff and our sincere appreciation is herewith recorded."

Some Figures from the Report

The following are some figures from the auditors' report and other features of the report for 1932:—

Operations, Etc.	To Mar. 31 1933
Bullion Rec. Net	\$ 5,957,215
Operating Costs	2,973,729
General Expenses	90,854
Depreciation	277,245
Non-Operation Rev.	119,765
Taxes	330,800
Net Profit	2,404,351
Per Share	3.01
Dividends	1,097,250
Silicosis, Etc.	145,987
Taxes, prior years	32,072
Undistributed Div.	96,287
Trans to Sec. Res.	
Other Writeoffs	65,271
Ore Treated, tons	736,300
Value per ton	7.70
Rec. @ \$20.67	5,427,211
Rec. per ton	7.37
Ore Res. tons	2,605,066
Value per ton	7.70
Total Value	20,017,000
Development, footage	27,479
Diamond Drilling	36,243
Operating Costs	\$ 4,1621

Balance Sheet

Assets	Cost
Bullion	\$ 1,033,766
Securities	435,224
Receivables	3,063,823
Supplies	24,775
Total Cash Assets	297,214
Non Operating Costs	4,874,884
Properties	908,942
Plants	4,196,444
Deferred Charges	4,702,628
Marketable securities, less reserve provided for and earned surplus, at market or less.	45,672
Current Liabilities	\$ 753,433
Deprac. Res.	3,587,730
Cap. (789,000 shares)	3,990,000
Earned Surplus	5,379,947
Capital Surplus	1,017,530

General Manager's Report

The report of the general manager, R. J. Ennis, contains much of interest and importance. During the past fiscal year 736,200 tons of ore were treated, value \$7.70 per ton. The net value of the bullion recovered including gold, silver, etc., is given at \$5,957,215.69. A table in the general manager's report shows that since 1912 the McIntyre has produced \$56,513,762.59 in gold. The first year's production was \$76,166.38. That was in 1912. Last year the net value of gold produced was \$5,427,211.15.

Development Work

After detailing ore broken in stopes (684,453 tons); ore from development, 64,212 tons; ore hoisted, 744,623 tons; cut and fill methods of mining noted as used for 59 per cent. of the ore stoped; ore hoisted by levels, etc., the general manager's report continues as follows:—

"Development work amounted to 27,480 feet. This work included 14,851 feet of drifts of which 1,463 feet was on line and 13,388 feet in vein material; of this, 5,827 feet was in ore of \$7.90 grade over drift width.

"No. 3 vein: Stopes produced 128,539 tons of average grade of \$8 per ton. On the 1,375, 1,500, 1,625, 1,750, 1,875 and 2,000 levels, 1,690 feet of drifting was done, of which 938 feet was in ore of \$6.70 grade over drift width.

"No. 5 vein: Stopes produced 33,997 tons of an average of \$9.10 per ton. On the 400 and 1,250 levels, 340 feet of drifting was done, of which 219 feet was in ore of \$8.60 grade over drift width.

"No. 7 vein: Stopes produced 136,052 tons of an average grade of \$8.90 per ton. On the 1,250, 2,625 and 2,750 levels, 635 feet of drifting was done, of which 262 feet was in ore of \$9.70 grade over drift width.

"No. 8 vein: No work was done on this vein.

"No. 9 vein: Stopes produced 46,450 tons of average grade of \$7.40 per ton. On the 2,625 and 2,875 levels, 262 feet of drifting was done, of which 181 feet was in ore of \$8.80 grade.

"No. 10 vein: Stopes produced 84,907 tons of ore of an average grade of \$5.70 per ton. On the 2,750, 2,875 and 3,250 levels, 677 feet of drifting was done, of which 334 feet was in ore of \$5.30 grade.

"No. 12 vein: Stopes produced 39,752 tons of an average grade of \$7.10 per ton. On the 500, 600, 800, 1,000, 1,375, 1,500, 1,750 and 2,000 levels, 3,865 feet of drifting was done, of which 1,669 feet was in ore of \$8.90 grade over drift width.

"No. 13 vein: Stopes produced 68,375 tons of average grade of \$10.20 per ton. On the 2,500, 2,625 and 3,125 levels, 819 feet of drifting was done, of which 337 feet was in ore of \$7.30 grade over drift width.

"No. 14 vein: Stopes produced 40,456 tons of an average grade of \$7.30 per ton. On the 800, 1,375, 1,750, 2,500, 2,625, 2,750 and 2,875 levels, 2,295 feet of drifting was done, of which 940 feet was in ore of \$6.60 grade over drift width.

"No. 15 vein: Stopes produced 2,742 tons of an average grade of \$10.70 per ton. On the 1,500, 2,000, 2,625 and 2,875 levels, 690 feet of drifting was done, of which 342 feet was in ore of \$5.90 grade over drift width.

"No. 16 vein: Stopes produced 95,655 tons of average grade of \$7.80 per ton. On the 800, 900 and 2,750 levels, 1,202 feet of drifting was done, of which 741 feet was in ore of \$10.90 grade over drift width.

"No. 18 vein: Stopes produced 1,555 tons of an average grade of \$3.70 per ton. On the 2,375, 2,875 and 3,125 levels, 713 feet of drifting was done, of which 177 feet was in ore of \$3.20 grade over drift width.

At Apex of Platt Ore

"No. 22 vein: On the 3,625, 3,750 and 3,875 levels, 1,646 feet of drifting was done, of which 505 feet was in ore of \$5 grade over drift width.

"This work further confirms our observation of last year to the effect that this orebody, as at present disclosed, is the apex of a new ore bearing system that will in due course be elaborated upon by work directed from No. 12 shaft below the 3,875 foot level.

"The mill operated 98.16 p.c. of the possible running time with satisfactory costs and metallurgical results.

"Additions to plant buildings and equipment totalled \$108,343.

Internal Vertical Shaft from 3,875-ft. Level.

"Veins Nos. 16, 19 and 20, located in the quartz porphyry on the 3,750 and 3,875 foot levels, will pass into the underlying basic schist at a depth of approximately 4,700 feet. From the interpretation of geological data accumulated over a period of years, we believe that these veins will become important producers below this horizon. To develop this area, an internal vertical shaft was started from the 3,875-foot level. It is located 1,500 feet south and 1,000 feet east of No. 11 shaft. The permanent hoisting equipment will be placed on the 3,750-foot level, with dumping and storage facilities above the 3,875-foot level. The plant is laid out to afford necessary ventilation, and provide a hoisting capacity of 1,500 tons in 16 hours from a depth of 3,500 feet below the 3,875-foot level. Sinking operations are well under way and the second station is just being completed.

"Development work in the north contact zone, from the west to the east end of the property, and to a depth of approximately 1,000 feet, is proving up a large number of short lenses of ore that

are of good width and grade and gives promise of very considerable tonnage."

In concluding his report the general manager says:—"I have pleasure in reading the splendid co-operation and good work of the staff."

Iroquois Falls Workers Accept Another Wage Cut

A despatch this week from Iroquois Falls says:—The Papermakers' Union accepted the new Abitibi wage cut Thursday evening, June 1. The Pulp and Sulphite acceptance took place on May 31st. The mills are now running four machines out of seven and one, it is understood, will be closed down next week. This is the third cut taken by the Unions since 1931. The wage scale will mean a minimum of 36 cents per hour. The mill at present is working six hours a day, which means a weekly earning power for the lowest paid men of \$12.96 for six-day week.

A two-thirds vote is necessary for a strike, and the matter will not be definitely settled until the papermakers' suits and the units in Port Arthur and Sault Ste. Marie have voted.

So far as the men at the Falls are concerned, they say they feel the latest reduction in wages is a hardship but they can do little else than accept it under the present circumstances and conditions. So far as the Falls is concerned a strike is the last thing desired or likely to occur, but at the same time they are naturally looking forward to better times with the hope that with improved business the men will receive more money again and so be able to live with greater comfort and assurance.

"Hello, old man! How you've changed! What's making you look so old?"

"Trying to keep young," was the reply.

"Trying to keep young?"

"Yes—nine of them," was the gloomy response.

—Exchange

Geo. W. Lee Gets Hooked in Big Battle with Fish

(By Douglas R. Oliver, Mail and Empire Staff Writer)

George W. Lee, of North Bay, the North Country's most incorrigible optimist and teller of tall tales, was down at Queen's Park yesterday with the story of a whopping fish—we forget whether it weighed 7 or 70 pounds, and was a plain Temagami trout or some transient loud-mouthed bass—that gave him the doggondest kind of a licking a few days ago, and left his big right hand so temporarily crippled that if the T. & N. O. trains don't make Moonshee on time for the next week or so their passengers will know the reason why.

"Gosh," said Mr. Lee yesterday, "I never in all my angling experience ever had an encounter like it. Why, the minute I had that fish in the boat, he showed fight. What a beautiful green eye he had. Gave you the shivers. I'd no more than led for him with my left when he threw so many hooks at me that he had me almost out in no time."

"Hooks?" questioned The Mail and Empire.

"Sure," said Mr. Lee holding up the hand that directs the destinies of the Ontario Government's railroad. The Mail and Empire took a look. What it saw was a swath of bandages, with three pink fingers-tips peeping from the topmost fringe of it.

"That," said the T. & N. O. chairman, wiggling the sole digit that would wiggle, "was where the first hook landed. 'Bout an inch deep."

"This," and he wagged a stub of bandage, faintly receding of iodine, mercurochrome, and what have you, "took the rest of the hooks—six of them." Pulling back his sleeve, to disclose a wrist barbed-wired in red, Mr. Lee added: "And that's where the son-of-a-gun bit me."

It was Mrs. Lee who hooked the fish. He came into the boat, with some five big hooks of the big spoon he'd taken



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still dangling free. With his usual cool collectedness, T. & N. O. George reached out a hand to put the finishing touches to him. Quicker than you could bat an eye-lash the fight was on. All the hooks in the world appeared to have been let loose by the fish. Not only did the free-danglers land where they'd do the most painful damage, but the fish, while on the fly, got rid of two of the trio on which he'd bitten, and with great dexterity planted them (fortunately for someone) in a roll of trouser cloth just above somebody's rather fleshy waist-line. It took 20 minutes, not to end the scrap, but to reach shore, where friends unwrapped both Mr. Lee and his opponent from the same spoon and took them both up to the cottage ice-box. Mr. Lee, of course, for the iodine and the mercurochrome. Fishing is reported as specially good this year in the Connaught section,—if you know where to go.

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Legal opinion of the Attorney-General of Ontario and of E. G. Long, Esq., K.C.

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Applications to the above loan will be received by any Branch of any Chartered Bank in Canada, any Branch of The Province of Ontario Savings Office, and by recognized bond dealers and stock brokers, from whom may be obtained copies of the official prospectus containing complete details of the loan.

Subscriptions to this loan will be subject to allotment and the lists will close at the discretion of the Treasurer of Ontario.

Interim Debentures in bearer form will be available for delivery on or about June 12, 1933.

TREASURY DEPARTMENT, PARLIAMENT BUILDINGS, TORONTO, MAY 31, 1933.