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## Another Successful Year for the Hollinger Mine

Profit from all sources, \$5,798,743.86. Payroll Totals \$5,647,048.26. Supplies, Practically All Produced and Purchased in Canada, \$3,997,253.40. Taxes Represented Nearly 60c per Ton Milled.

The annual report of the Hollinger Consolidated Gold Mines Limited has just been issued, and as the president states, "the company has had another successful year."

### Some Facts From the Report

During the year ending Dec. 31st, 1936, there were 1,755,768 tons milled. The average value per ton was \$8.61. The gross value was \$15,119,205.59, from which \$888,791.65 is deducted for loss in tailings, leaving net value recovered, \$14,530,413.94.

Average tons per day, 4850.  
Percentage of possible time run, 85.2.  
3029 Employees

The average number of men employed during the year was 2907, distributed as follows:—Miners, 1902; mechanics, 345; general, 660. Outside properties:—Ross Mine, 56; Smith Thorne, 46; Lang, 24; Holly-Reserve, 6; total, 132.

### Ore Reserves

Ore reserves on Dec. 31st, 1936, consisted of 7,257,257 tons of a total value of \$51,027,123.00, having an average value of \$7.03 per ton.

These figures compare with 7,355,318 tons of total value of \$51,918,222.00, and average value of \$7.06 per ton at the end of 1935.

The price of gold has been set at \$20.67 in calculating the ore reserves, and the same minimum ore grade as used in former years continued.

### Balance Sheet, Dec. 31st

The following is a summary of the balance sheet as at Dec. 31st, 1936:—

Assets  
Mining properties, \$22,490,685.17.  
Plant brought forward from 1935, \$100,113.89; additions during 1936, \$194,430.44; total, \$294,544.33; less depreciation for 1936, \$52,874.44; making \$241,669.89.

Expenditures on Young-Davidson Mines, \$461,020.10; Ross Mine (Hislop property) \$77,183.84; interest in other companies and mining properties, \$493,551.00.

Total capital assets, \$24,404,110.60.  
Deferred Assets:—Material and supplies on hand \$669,124.00; solutions on hand, \$161,717.62; precipitates on hand, \$265,896.39; gold and silver on hand, \$5629.69; charges paid in advance, \$39,619.79; total, \$1,141,987.49.

Current:—Cash on hand and in banks, \$855,657.65; bullion in transit, \$554,467.27; accounts receivable, \$68,916.03; accrued interest, \$10,557.06; total, \$1,489,598.01.

Investments:—International Bond and Share Corporation stock (market value), \$7,411,427.43; \$3,367,860.48; securities of other companies, at cost, \$1,162,304.76; Dominion of Canada, provincial and municipal bonds, at cost, \$878,081.67; total, \$5,408,246.91.

Total of assets, \$32,443,943.01.  
Liabilities  
Capital stock:—Authorized, \$25,000,000; in treasury, \$400,000; \$24,600,000.  
Current liabilities:—Wages unpaid, \$236,764.80; accounts payable, \$345,919.29; total, \$582,684.09.

Reserve for taxes and contingencies, \$950,000.00.  
Surplus:—Balance carried forward, Dec. 31st, 1936, \$6,311,258.92.

### President's Report

The president, Jules R. Timmins, in the directors' report, says:—  
"Your directors take pleasure in presenting the Twenty-sixth annual report covering operations of your company for the year 1936, with statement of assets and liabilities, and profit and loss account, duly certified by the auditors, together with the reports of the general manager and the consulting engineer."

"The company has had another successful year. The value of gold and silver produced was \$14,530,413.94, premium on gold in process was \$75,761.78, and interest on investments and other income amounted to \$219,106.03, making total income \$14,825,281.75, applied as follows:—General, Mining and Milling Charges, \$8,149,696.88; Dominion, Provincial and Municipal Taxes, \$1,040,671.58; Depreciation, \$185,275.85, leaving net profit from operations \$5,449,638.44, to which should be added

\$349,105.42, profits from the sale of securities and other assets, making a total profit from all sources of \$5,798,743.86. Fuller details of amounts paid for Taxes, Workmen's Compensation, Sickness, and the cost of marketing bullion appear in the profit and loss statement.

"Special attention should be drawn to the amounts expended for payroll, namely, \$5,647,048.26, for Miscellaneous and Material and Supplies, \$3,997,253.40, practically all produced and purchased in Canada. Amounts charged for taxes against 1936 operations, \$1,040,671.58, representing 59.2c per ton milled.

"At the close of the year 1936, the net asset value of your subsidiary, International Bond and Share Corporation, was \$7,411,427.43, compared with \$6,136,492.67 as of December 31st, 1935, an increase of \$2,274,934.76, or 44.29 per cent. for the year. As in the past, the portfolio of your subsidiary consists of readily marketable securities. The holdings of your subsidiary, based on market values, are classified as follows:—Bonds, 7.00 per cent.; Preferred Stock, 12.50 per cent.; Common Stocks, 80.50 per cent.

"The securities in other companies and the bonds held by your company appear in the balance sheet at cost, which is considerably less than their market value.

"The Group Insurance and Employees' Savings plan inaugurated during 1933 is giving general satisfaction. Under the Group Policy \$78,000.00 in death claims were paid to 31st December, 1936, and on the same date employees' savings amounted to \$209,000.00.

"The number of our shareholders of record at the end of the year was about 10,600. In our report for the year 1933 we pointed out that the Hollinger Company was predominantly Canadian. This condition still exists, the outstanding 4,920,000 shares being distributed as follows: 8366 shareholders residing in Canada hold 4,309,224 shares; 1784 shareholders in the United States hold 562,786 shares; 119 shareholders in Great Britain hold 19,486 shares; and 225 shareholders residing elsewhere hold 28,524 shares.

"Towards the end of the year your directors authorized the re-location of the mill grinding units and the sinking of a new shaft with present objective of 3160 feet and future objective of probably 4250 feet.

"The general policy of exploration and investigating outside properties was also continued during the year. "At the end of the year our consulting engineer, Mr. A. F. Brigham, tendered his resignation after having served the company most acceptably for 18 years, first as general manager for 15 years and afterwards as consulting engineer. The resignation was accepted with regret.

"The average number of men on the payroll during the year was 2907.

"Conditions at the mine and mill were satisfactory. "It again affords your directors pleasure to record their thanks to the general manager, the consulting engineer, and the entire staff for the manner in which they have performed their respective duties during the year."

### General Manager's Report

The following facts are included in the report of the general manager, John Knox:—

Gold and silver produced, \$14,530,413.94; premium on gold in process, \$75,761.78; interest on investments and other income, \$219,106.03; total, \$14,825,281.75.  
Royalty, Town of Timmins, \$48,921.58; Township of Tisdale,

\$11,831.36; Municipal taxes, Town of Timmins, \$69,576.91; Municipal taxes, Township of Tisdale, \$3,939.94; miscellaneous, \$80.16; reserved for Dominion, provincial and municipal, \$128,113.80; total, \$1,040,671.58.

Net profit from operations, before depreciation, \$5,634,914.29; less depreciation—plant, \$52,874.44; investments in other companies and properties written down, \$6,882.07; expenditures on properties abandoned, \$125,519.34; total, \$185,275.85.

Net profit from operations carried to surplus account, \$5,449,638.44.

Paid out in dividends, \$5,412,000.00.  
Balance carried forward in surplus account, \$6,311,258.92.

### The Hollinger Mill

During the year a series of experiments on grinding have been completed indicating that considerable saving could be effected in our costs. The dimensions of the present mill structure do not admit of efficient installation of new equipment. This, coupled with the fact that recent exploration has indicated a considerable quantity of ore under our grinding units, has brought about a decision to erect a new primary grinding building and ore storage to be located approximately 500 feet west of our present plant. Preparation for the erection of this new plant is now under way and we expect it to be completed during the year.

### The Hollinger Mine

During the year 37.6 per cent. of the ore milled came from above the 800-foot level. Above this level it is probable that all of the major ore has been discovered and we can expect a falling off in development results from these horizons in the future.

No. 25 shaft was completed to the 5150-foot level, but no development work was undertaken below the 3950 level during the year, as it seemed advisable to concentrate on the upper levels in order to complete this upper development as rapidly as possible. However, sufficient diamond drilling was done from the 5150-foot station to satisfy ourselves that the geological conditions continued favourable and some ore was encountered. Development will be proceeded with in this horizon during 1937.

There is a decrease of \$900,000 in the value of ore reserves for the year, which is mostly accounted for by the fact that prospecting was directed to less favourable areas in order to complete the clearing up of the upper levels.

The grade of ore for the year was \$8.61 as compared to \$8.31 during 1935, based on 35.00 gold.

No stoping has been done below the 2750-foot level.

The ore remaining in the pillars around central shaft above the 800-foot level has a value of approximately \$9,000,000. Having this in mind it was decided to sink a new shaft in a location which has been selected 1500 feet north of central shaft. This work has been commenced and will be proceeded with at such a rate as not to interfere with regular operations.

### Young-Davidson Mine

The operations have been satisfactory during the year.  
301,163 tons were milled with a recovery of \$2.97 and from operations we have applied \$208,585.05 on account of our advances.

The 262-foot level has been prepared for stoping and 27,795 tons of ore milled came from this source.  
The cost of this development amounting to \$183,000 has been charged against operations.

### Ross Mine, Hislop Township

There have been no new discoveries during the year, but a development drift is being driven along a fault to the south to investigate interesting drill hole intersections.

27,540 tons of ore were milled during the year giving a recovery of \$8.20. The profit from the operation amounted to \$27,789.84.

### Horwood Lake

The developments at this property have not as yet resulted in the discovery of commercial ore bodies, but diamond drilling is being carried on to the east to investigate the possibilities of this area.

### Lang Property

This property which lies immediately east of the Pamour is under option. A shaft has been sunk to the 220-foot level and 1000 feet of development completed.

Of the 1000 feet 487 feet of drifting is on the Pamour conglomerate bed,

but sufficient work has not been done to make any definite prediction as to the merits of the property.

My thanks are due to the entire organization for the result of the year's work, and to the Board of Directors for their assistance.

### Report of A. F. Brigham, Consulting Engineer

In his report Mr. Brigham says that in all there were 164 examinations of other properties undertaken during the year, of which 147 were in Ontario, 16 in Quebec, and 1 in the North West Territories. On some of them a limited amount of work was done, but nothing was discovered to justify further expenditures. Prospecting, development and exploration work on outside properties, exclusive of Young-Davidson and Ross Mines, involved an expenditure of \$352,000.

## Considers That Polaris Drilling Has Interest

(From Northern Miner)

Polaris Gold Mines (Canada) Limited is carrying on an interesting campaign of diamond drill exploration on its property located north of Hollinger and northwest of Moneta in the Porcupine district of Ontario. W. E. Segsworth and Dr. F. W. James are now acting in an advisory capacity to the Polaris company.

While no actual ore intersections have been returned, The Northern Miner can say that drilling has revealed important geological conditions within the boundaries of the property. Part of the town of Timmins is located on Polaris ground and as a result some of the diamond drill set-ups are right on the city streets. Both contacts of a sedimentary belt of rocks have been picked up in the drilling striking southwest across Polaris and it is believed that there are good chances for picking up ore structures extending west from the main Porcupine camp.

The success of Moneta in finding good ore beyond the westerly limits of previously known ore in the camp has, of course, stimulated greater interest all through the west end of the district.

## One Kayorum Share for Each Golden Porcupine

(From Northern Miner)

Shareholders of the Golden Porcupine Mines, Limited, are in receipt of notice that the company proposes to distribute its holdings of Kayorum Gold Mines, Limited, to stockholders of record at the close of business on March 1st, 1937. The distribution, as previously announced, will be on the basis of one Kayorum for each Golden Porcupine, and will be made by Prudential Trust Co., 217 Bay Street, Toronto, the latter company's transfer agent.

Kayorum Gold Mines, Limited, was formed recently by Hollinger Consolidated Gold Mines, Ltd., to develop the Golden Porcupine and several adjoining groups of claims in the Porcupine area, Northern Ontario.

## Porcupine's Nickel Mine May Re-open

### Exploration Work Being Carried on Now by Ontario Nickel Corporation

The Porcupine's only nickel mine may come into operation again, if exploration work now being done by the Ontario Nickel Corporation proves encouraging. The Alexo mine, near Alexo station a short distance from Porcupine Junction, was under option to Cuiptau Mines Ltd. and when this company was taken over by Ontario Nickel, the option was taken over too. Although the extent of present exploration plans is not fully known, it is understood that a considerable amount of work will be done within the next few months.

Discovered by Alexo Kelso before gold was found in the Porcupine, the Alexo mine produced about 65,000 tons of five per cent. nickel ore to 1915. This was shipped out by rail for refining. When the war demand for nickel slackened, the Alexo was closed down.

## To-day's Stocks

Listed	Bid	Asked
Ashley	12 1/2	12 1/2
Bretz	16	16 1/4
Base Metals	58	58
Big Missouri	136	136
Bankfield	147	147
Beattie	142 1/2	145
Bobjo	22	23
Bralorne	8	7 1/2
Buffalo Ankerite	11 25	12 00
Canadian Malarite	2	2 07
Castle T.	1	1 52A
Central Porcupine	23 1/2	23 1/2
Central Patricia	4	4 70
Conlaurum	1	1 83-1 90
Cons. Chibougamaui	1	1 90
Darkwater	2	2 40
Dome	48	48 75
Eldorado	2	2 50B
Falconbridge	12	12 50
Francoeur	1	1 26
God's Lake	8	8 13
Glenora	22 1/2	24
Granada	40	43
Goldale	4	4 1
Greene Stabell	25	25
Gunnar	1	1 05
Hardrock	2	2 35
Hollinger	15	15 00
Howey	5	5 1B
Hudson Bay	39 1/2	39 1/2
International Nickel	71	71 75
Jackson Manion	47	47
Kirkland Lake	1	1 07
Lapa Cad	1	1 05
Label Oro	27	27
Lake Shore	58	58 50
Lee Gold	5	5 1/2-6
Little Long Lac	7	7 35
Macassa	7	7 70-7 85
MacLeod Cocksutt	2	2 50
McIntyre	40	40 25B
McKenzie Red Lake	1	1 84
McVittie Graham	50	50
McWatters	80	80 52
Mining Corporation	4	4 80
Moneta	1	1 76
Naybob	80	80
Nipissing	2	2 90-3 00
Night Hawk	3	3 5
Noranda	80	80 25
O'Brien	9	9 60
Omega	1	1 13
Pamour	3	3 60
Paymaster	1	1 03
Pickle Crow	8	8 40
Pioneer	6	6 05
Porcupine Crown	7	7 15
Preston East Dome	1	1 34
Premier	3	3 75-3 90
Read Authier	6	6 10B
Red Lake Goldshore	1	1 35
Renou	1	1 29
Roche Long Lac	37	37
Ross Antonio	2	2 10
Shawkey	89	89
Sherrill Gordon	3	3 75
S. Anthony	25	25
Scuth Tibemont	4	4 4 1/2
Sullivan	1	1 88
Sudbury Contact	32	32
Stadacona	1	1 71
Sylvania	4	4 25
Tiscoe	5	5 95
Tec Hughes	5	5 90
Toburn	3	3 40-3 75
Ventures	3	3 20
Wright Hargreaves	7	7 80

### Unlisted

Bid	Asked
Albany River	112
Brevand	17
Canadian Pandora	16
Canusa (new)	25
Darwin	27
De Santis	70
Delnite	130
Delwood	19
Empire	15
Jowsey Denton	20
Gale Gold	33
Gillies Lake-Porcupine	50
Gilbec	5
Hallner	275
High Pam	55
Kerr Addison	365
Lamaque	925
Magne Lake	14
Ossian	6
Moffat Hall (new)	10
O'Leary	19
Porquin	21
Presdor	25
Porcupine Creek units	100 00
Porcupine Lake M.	35
Porcupine Goldreef	6
Porcupine United	15
Vimy	17
Wood Porcupine units	22 50
Young Davidson	18

Stayner Sun:—She locked me up in Bradstreet's; now I'm Dun.

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## Clark Porcupine Adds More Claims to Holdings

### "Cattarello" Group of Thirteen Patented Mining Claims Adjoining Ground Now Part of Syndicate Property. Company Being Formed Under the Name of Roma Lake Gold Mines, Ltd.

The Clark-Porcupine Mining Syndicate has recently acquired the Cattarello group of thirteen patented mining claims, which adjoin the syndicate's original ground on the East, in Cody township. This recent addition extends the property to the westerly boundary of the Electra Porcupine Mines group in Cody township.

A company is being formed under the name, Roma Lake Gold Mines, Ltd., with a capital of 5,000,000 shares. The property of the new company will embrace 26 claims, in all approximately 1035 acres. After paying for the properties the treasury will have over 3,000,000 shares. The unit-holders in Clark-Porcupine Mining Syndicate will

receive three hundred shares of the capital stock of Roma Lake Gold Mines Limited for each unit.

It is planned to make a geographical survey of the Company's ground in the spring, and to carry out an extensive diamond drilling campaign during the present summer.

The Clark-Porcupine Mining Syndicate will continue to operate. They hold a group of fifteen claims in Macklem township, in the vicinity of Porcupine. McNabb Mines property, and thorough prospecting of this group will be carried out as soon as the snow is off. The Syndicate treasury is amply financed for this programme and no treasury stock is being sold at this time.

## Holyrex Property Awarded to McIntyre

### Decision in Favour of McIntyre by Supreme Court. Some Hold No Further Appeal Possible.

The Supreme Court of Canada, in reversing the judgment of the Court of Appeal of Ontario, has returned the property of the Holyrex mine to McIntyre Porcupine Mines. The dispute over the property arose when W. O. Langdon, acting for the McIntyre, bought the Holyrex property at a tax sale of the Township of Tisdale.

The Holyrex company then took the case to the Ontario Court of Appeal where judgment was given in favour of them. Since that time there have been many rumours current about agreement between the McIntyre and Holyrex but these are apparently not true, for the McIntyre carried on its case in the Supreme Court and has won the judgment of Canada's highest tribunal.

## Work at the DeSantis Mine Making Good Progress

(From Northern Miner)

Work on the DeSantis Porcupine Mines in January was centred about the discovery that an albite intrusive was fingering out on the newly opened third and fourth levels. Diamond drilling had intercepted the tips of this intrusive in various locations and the values at the extremities or tongue varied from a trace to three ounces, but since they occurred at the end and not on the main body could not be regarded as representative.

Following the completion of diamond drilling