

Last Year One of the Best in the History of the McIntyre Mine

Ore Reserves are Record in Tonnage, Value and Per-Ton Grade. No. 25 Vein Most Outstanding Mine Development Since 1925. Earnings per Share in 1938 Only Exceeded by One Other Year.

The twenty-seventh annual report of the McIntyre-Porcupine Mines, issued last week, shows that the fiscal year ending March 31st, 1939, was one of the best in the history of the McIntyre. To the public as well as to the shareholders the report should prove most satisfactory because it shows that while the mine is prospering and progressing, the public are reaping benefits directly and indirectly. Among the points in which the general public should be specially interested are: the research carried on to battle silicosis; the erection last year of the new community building by the Mine; and the value to all Canada of mining enterprises carried on successfully. In regard to the last-named point, the annual report of the McIntyre publishes a detailed list of purchases by Canadian mines of consumable stores, equipment, fuel, freight and insurance. The gold mines totalled \$40,625,357 and the base metals mines, \$59,331,709—a grand total of nearly a hundred million dollars a year. The employment and business created by this truly "grand total" is worthy of general consideration.

In regard to the work carried on at the McIntyre to combat silicosis, the annual report says: "The silicosis research work carried on jointly by Mr. J. J. Denny and Dr. W. D. Robson of the McIntyre staff and Dr. Irwin of the Banting Institute has been continued, and is, we believe, approaching a satisfactory conclusion. The results of their recent work are summarized in a paper published by the Canadian Medical Journal in March of this year. Metallic aluminum powder in minute quantities is now being used in certain parts of the mine and is effectively reducing the solubility of the fine suspended quartz particles, thus providing real protection against the hazard of silicosis. It is hoped that during the coming year sufficient progress will be made in the technique of its application, to make the results of this discovery available to industry upon a practical basis."

In the matter of the building of the community rink and hall, the following is the reference in the report of R. J. Ennis, the general manager: "During the year, a first-class community building was erected on the company's property. On the main floor is a heated skating arena, equipped with artificial ice plant to maintain ice on a 80' by 190' surface. Sufficient chairs are provided to accommodate 2,000 spectators. On the second floor is a large community hall and two assembly rooms. The building is intended to serve as a recreational and social centre for the whole community."

Probably from the shareholders' viewpoint, the most important item in the report is the part about ore reserves, which at the end of the year were highest in tonnage, grade and gross value in the company's history. Earnings were exceeded only once before, as were production and tonnage milled. Earned surplus and working capital, taking investments at cost, were highest ever, although, if market value of investments is used, latter was exceeded in 1937.

Net profit was \$3,712,040, or \$4.65 per share on each of the 798,000 shares issued, compared with \$3,597,818, or \$4.51 per share in previous year. Earned surplus increased to \$13,596,759 from \$12,145,858. Working capital was up to \$15,699,525, taking investments at book value, or \$17,976,719 taking them at market value.

Production was \$8,375,336 from milling of 871,900 tons for average recovery of \$9.61 per ton, compared with \$8,091,906 from 871,200 tons and average of \$9.25 per ton, compared with \$4,218,538, or \$4.84.

Ore Reserves \$44,465,995
Ore reserves are placed at 3,998,336 tons, containing 1,270,457 fine ounces of gold worth \$44,465,995, or \$11.12 per ton. This is an increase of 215,215 tons, 133,912 ounces of gold, \$4,686,924 in gross value and 62 cents in per ton.

This increase in reserves is no doubt due to the development of No. 25 vein, discovered early this year. This vein is described by R. J. Ennis, general manager, as the most outstanding mine development since the discovery of the No. 7 vein in 1925. A flat drill hole intersected it from the 3,875 level, on the margin of the porphyry, where it enters the shear zone. It has now been opened up on the 3,625, 3,750, 3,875 and 4,175 levels, total of 2,973 feet of drilling being completed, of which 1,601.5 feet was in ore averaging 356 ounces across drift width of 12 feet.

Mine Life Lengthened
President J. P. Bickell states that the grade disclosed up to this time appreciably exceeds the average grade of ore heretofore developed in other parts of the mine. In order that no erroneous impression may be gained as to the effect this new ore will exert upon normal earnings, he states, as the view of the management, that, unless tonnage and grade ultimately developed exceeds by far present anticipations, it is unlikely to have any radical influence on annual per share earnings. Nevertheless, it will enable company to maintain profit per ton treated and at the same time permit pressing of development of what are now considered marginal ore deposits, thus prolonging the life of the mine.

holders' meeting, has proceeded steadily and with very satisfactory results," President J. P. Bickell says in the report. "As indicated in the body of this report, the grade disclosed by development work accomplished up to this time, exceeds appreciably the average grade of the ore heretofore developed in other parts of the mine."

"In order that no erroneous impression may be gained as to the effect this new ore will exert upon our normal earnings, it is here stated, as the view of the management, that, unless the tonnage and grade ultimately developed exceeds by far our present anticipations, it is unlikely to have any radical influence in our annual per share earnings. Nevertheless, it will enable us to maintain our profit per ton treated, and permit us at the same time to press the development of what are now considered our marginal life of the mine, and adding to the continuity of employment and to the ultimate advantage of our shareholders."

"Turning to the 'Balance Sheet,' it will be noted under 'Capital Assets,' that the cost of 'Mining Properties' has been increased, as compared with last year's total, by approximately \$500,000. This represents the purchase price of a small contiguous area, described at our last annual shareholders' meeting, and developed underground to the point where the ore reserves could be calculated with reasonable accuracy."

"The result of the past year's work at the Belletre Quebec Mine is described in our general manager's report. In October last, the hydro-electric plant at Wineway Falls was completed, and power was made available at the mine. Underground development is being pressed aggressively, but has not yet reached the stage where production can be stepped up to the full capacity of the power plant."

During the fiscal year 871,900 tons were treated, the average grade of which was \$10.10 per ton. From this were recovered 237,072 ounces of gold and 55,733 ounces of silver, the gross value of which was \$8,375,336 or \$9.25 per ton. In the preceding year 871,200 tons were milled for production of \$8,091,906 or \$9.25 per ton. The all-time record output was achieved in the 1934-1935 fiscal period when bullion to the value of \$8,430,670 was recovered.

"Throughout the mine, ore development was most satisfactory, the average grade exposed being somewhat higher than usual," R. J. Ennis, general manager, says. "Levels above the 1,000 continue to supply over 25 per cent. of the ore treated and several low grade sections on the upper levels have expanded into orebodies of considerable tonnage and better grade. The most outstanding mine development since the discovery of No. 7 vein in 1925, has been the discovery of No. 25 vein system. The area in which it is located, north of No. 11 shaft, has been a subject for study for a number of years. At frequent intervals, long holes have been drilled in a northerly direction, seeking to ascertain where a mass of quartz porphyry, outcropping at the western limit of the property, one-half mile west from No. 11 shaft, would enter a shear zone on its pitch east ward. Early this year, flat drill hole from the 3,875 ft. level intersected a vein of high grade ore on the margin of the porphyry where it enters the shear zone. This vein has now been opened up on the 3,625, 3,750, 3,875 and 4,175 ft. levels, showing ore of an average grade of 356 ounces per ton over a width of 12 feet."

Belletre Has Profit
Brief review of Belletre Quebec Mines, 95 per cent. controlled by McIntyre, is contained in the report. In July, using Diesel power, mill was out into part time operation on development work. Hydro-Electric plant was completed and mill put into full-time operation, treating 200 tons daily, on Oct. 1.

From July 1, to April 1, 1939, 45,607 tons were treated, recovery being \$72,813, or \$8.18 per ton. Handling charges were \$4,839 and operating costs, less sundry revenue, \$289,548, leaving operating profit, before depreciation, of \$78,426.

Ore reserves are estimated from mine development at 138,323 tons, while there is indicated by diamond-drilling east of present mine workings, an additional 100,000 tons. This is total of 238,323 tons grading \$9.96 per ton, or gross value of \$2,373,941. This includes \$1,100,800 indicated in the diamond-drilling.

Crosscuts were driven from No. 3 shaft to No. 12 vein on the 125, 250, 375 and 500 levels. Drifts advanced 900 feet on the first and second levels indicated by diamond-drilling. Just above the 375 level, vein fracture became barren. Drilling is under way to explore for parallel structure below the 500 level.

MEN LOVE GIRLS WITH PEP

If you are peppy and full of fun, men will love you to dance and parties. BUT if you are cross, listless and tired, men won't be interested. Men don't like "quiet" girls. When they go to parties they want girls along who are full of pep. So in case you need a good general system tonic, remember for 3 generations one woman has told another how to go "smiling thru" with Lydia E. Pinkham's Vegetable Compound. It helps build up more physical resistance and thus aids in giving you more pep and lessens distress from female functional disorders. Each bottle of Pinkham's Compound WELL WORTH TRYING!

Development Work at Hoyle Gold Near the Pamour

Three New Directors Elected at Annual Meeting Last Week.

Toronto, May 24.—Definite information of the ore possibilities of the Hoyle Gold Mines property will be obtained from the extensive program of underground development planned for the balance of the year. Bert W. Lang, president, informed shareholders at annual meeting last week. The 3-compartment shaft, 1,000 ft. east of the Pamour boundary, has been completed to the present bottom level at 1,800 ft. with stations having been cut at 290-ft. intervals. Cross cutting to the conglomerate zones on the 400, 600, 800, 1,000 and 1,800-ft. levels should be completed in June, Mrs. Lang said, following which drifting will get underway along the main zone. The development program is designed to develop the ore indicated on upper levels and to explore for extensions and possible recurrences at depth. Work on the lower levels will be concentrated on the 1,800-ft. level where a favourable zone is believed to exist, as indicated by improvement in the appearance of the conglomerate bed at the 1,600-ft. horizon. The property of 1,200 acres covers over 2 miles on the strike of the favourable conglomerate and north contact structure east of Pamour. The indicated trend of the conglomerate ore zones is to rake flatly east so that the zones on Pamour may plunge east at depth into the Hoyle property, he stated.

A substantial amount was expended

by previous operators on the property where an orebody was indicated on the 1st level for 300 ft. of \$6 grade across 39 ft. width. Drilling below the 400-ft. level has proven continuation of this ore to below that level. Other possible orebodies were indicated in previous work, both in the conglomerate and in the sediments south of the contact. Drilling from the 3rd level station cut a zone in the greenstones assaying \$5.97 over core length of 15.3 ft. indicating possible parallel ore lenses in the greenstones north of the contact.

As at April 30, last, the company had net current assets of \$95,166, which with the \$60,000 due from underwriters, makes a total of \$155,000 available for underground development of the property. During the first four months of this year \$14,520 was expended on buildings and equipment and \$64,008 on development and general expense. The mining plant is complete, Mr. Lang stated, and only minor additions are required during the balance of the year.

Three new directors, Thayer Lindley, H. S. Munroe and H. Whittingham, were elected to replace R. W. Pingie, O. H. Barrett and D. R. Michener. The new directors represent Ventures and associated companies who control Hoyle through vendor shares and stock received from financing of the property to date.

Northern News—Squid lady to companion in rowboat who is making furious efforts to get her home from the driving rain—I shall certainly be glad to get a solid roof under my feet again.

Picton Gazette: Science now knows everything except how a woman can keep on sweeping up more dirt when no more is brought in.

Fine Wine Store Clerk for Serving Intoxicated Person

Magistrate Says "Tells Straightforward Story." Saga of Silk Pajamas.

A conviction was registered against Joseph Stachow, a clerk in the St. Catharines Wines Store, on a charge of serving wine to an intoxicated person in police court on Tuesday. He was sentenced to \$15 and costs.

Constable Guolla and O'Neill said that they saw Harold Richards, who was drunk and who previously had been sick on the street, go into the wine store. They saw Stachow serve him with two bottles of wine and take the money for the same.

On the stand Stachow said that he did not remember Harold Richards but that he had slips to show that he served him with two bottles of wine. He was instructed not to serve wine to an intoxicated person, he said, and to his knowledge he never had.

"The man was evidently intoxicated when he went in. He was sick on the sidewalk. However this man has told a straightforward story and has not tried to hide anything. 'Fifteen dollars and costs,' said the Magistrate.

A Pair of Silk Pajamas
William Keikal, who was convicted of having stolen a pair of silk pajamas did not appear to be the type who prefers silk next to his skin but the court decided that he was and so he was convicted and had to post a bond of \$100 that he would keep out of trouble.

Marko Kriyokuchi, a laundry owner, said that Keikal came into his establishment to get his laundry. He alleged that Keikal took his own parcel and

another which was on the counter and which contained a pair of silk pajamas owned by a man who lived in Apartment 15 in the Gordon Block, out with him when he left.

On the stand Keikal said that he did take two parcels out of the laundry. He thought they both were his. He threw them in a trunk and thought no more about them until police accused him of stealing them.

Asked why he first took police to a wrong house, he said that he was afraid and ashamed that the neighbors would see that he was in the officers' company.

Traffic Infractions
Eight persons paid fines of \$1 and costs for minor traffic bylaw infractions. One paid \$5 and costs for driving through a traffic light and seven paid fines of \$10 and costs for driving automobiles with defective brakes.

There were the usual large number of week-end celebrants. Most of those charged with drunkenness pleaded guilty but the odd one did not and police evidence was nearly always the same. "He was very drunk" was the usual statement of police witnesses.

KLEEREX FOR SKIN DISEASES

A Quick-Healing Salve for Cyanide Rash, Eczema, Psoriasis, Impetigo, Salt Rheum, Itch, Chancres, and most skin ailments. 30c.; \$1.00; \$2.00 sizes. (Medium and strong). At all Timmins, Schumacher and South Porcupine Drug Stores.

Delphis Lagroix, Arthur Leslie and Jerry Koeley were second offenders on drunk charges. They each were given the alternative of a fine of \$50 and costs or thirty days in jail.

SOME WANT TO CENSOR THE PRESS IN THE OLD COUNTRY

(From London (Eng.) Express)
Sir Samuel Hoare has answered the shrill cry for press censorship from certain persons in public life. These people want to control the newspapers because we print the news. They beat in puny voices for fetters on the press. They complain that newspapers tell the public things it should not know. They would rather have news doped and doctored to suit their own point of view.

Automobile Insurance

Do not take the risk of driving your car or truck without insurance. Call on us for rates and particulars.

We also sell Fire, Life, Sickness and Accident Insurance.

REAL ESTATE MORTGAGES

SULLIVAN & NEWTON

SECURITY SERVICE

PHONE: DAY 104 NIGHT 237

21 PINE STREET N. TIMMINS

CHEVROLET



IN SALES

The biggest selling 1939 model car in Canada—and more than that—the world's biggest selling car for seven out of the last eight years.

IN PERFORMANCE

It's faster on the getaway... it's stronger on the hills... and a much better all-round performer... than other cars in its field.

IN FEATURES

Steering Column Gear-Shift with "Vacuum Assist". New Aero-Stream Styling, New Bodies by Fisher. Chevrolet's Famous Valve-in-Head Six. Perfected Quadro-Action Hydraulic Brakes. New "Observation Car" Visibility. Advanced Knee-Action Riding System with Shockproof Dual Cross Steering (on Master De Luxe Models). Tiptoe-Matic Clutch.

IN VALUE

Dollar for dollar, feature for feature, car for car, it gives you more for your money than any other car in its price range—thanks to Chevrolet's volume leadership.

Low Monthly Payments on the General Motors Instalment Plan.

—because it's The Only Low-Priced Car Combining "All That's Best at Lowest Cost!"

Timmins Garage Co. Limited
Phone 800
Timmins, Ont.

BUY FROM A BUSINESS LEADER... YOUR CHEVROLET DEALER