

# Campbell Red Lake Mines Limited

Revised October 24, 1985 (MC)  
 Destroy all previous Basic and White  
 cards on this Company

CUSIP Number 134411  
 Stock Symbol CRK

Head Office — Box 270, Suite 2700, 1 First Canadian Place, Toronto, Ont. M5X 1H1

Telephone — (416) 364-3453

THE COMPANY owns a producing gold mine in the Red Lake area of Ontario, equipped with 1,070-ton mill; holds a 50% interest in the producing Detour Lake gold mine in northeastern Ontario; has interests in oil and gas exploration and development, participates in outside exploration with its parent, Dome Mines; and holds shares of Dome Petroleum Limited and Panarctic Oils Ltd.

COMPARATIVE DATA								
Fiscal Year	Gold Prod.	Working Capital	Total Revenue	Oper. Income	Net Income	Earns. Per Sh.	Divds. Decl.	Price Range High Low
	oz.	\$	\$	\$	\$	\$	\$	\$
1984....	254,144	26,468	130,220	79,593	25,339	0.53	0.44	38.38 21.75
1983....	225,137	19,480	127,096	93,953	37,521	0.78	0.480	41.25 26.00
1982....	217,158	16,838	109,676	82,093	35,762	0.75	0.340	34.50 10.13
1981....	200,528	3,793	114,746	91,042	46,047	0.96	0.353	24.50 16.13
1980....	189,536	25,275	138,795	122,680	57,523	1.20	0.417	31.58 10.67

Note—All common stock data adjusted for 3-for-1 stock split in May, 1981.

CAPITALIZATION AS AT DECEMBER 31, 1984			
	Outstanding		%
Long-term debt .....		\$14,845,000	8
Common stock .....	47,994,000 shs.	1,621,000	1
Retained earnings .....		164,053,000	91

## SUMMARY STATEMENT

For the six months ended June 30, 1985, net income was \$14,057,000 or 29 cents per share, compared with a year-earlier \$14,860,000 or 31 cents per share. Revenues for the 1985 period were \$66,576,000, down marginally from \$67,563,000 in 1984.

For the year ended Dec. 31, 1984, net income dropped 32% to \$25,339,000 or 53 cents per share, down from \$37,521,000 or 78 cents per share in 1983. Revenue of \$130,220,000 in 1984 was up marginally from the year-earlier total of \$127,096,000. Operating costs in 1984 jumped 69% to \$72,948,000, up from \$43,157,000 recorded in 1983.

Development plans for the Detour Lake mine were altered due to lower gold prices and lower production levels than anticipated. The projected life of the open pit operations was shortened. The initial underground stage of development was to be primarily directed at confirming and extending reserves and scheduled to be complete by Sept. 1, 1986, at a cost of \$11,176,000.

Gold production for 1984 totaled 213,946 oz. compared to year-earlier results of 219,200 oz. Production from the Dee Gold mine in Nevada in which the company holds an 11.7% interest, commenced Oct. 15, 1984. The company's share of 1984 production from the Dee Gold mine totaled 719 oz. gold.

Capital expenditures in 1984 totaled \$17,378,000 compared to \$30,761,000 in 1983. The majority (86%) of capital expenditures was used in Canadian projects including \$5,949,000 spent at the Detour Lake mine, \$4,554,000 at the Campbell mine and \$5,463,000 used for oil and gas operations.

Oil and natural gas production in 1984 rose 9% and 22% respectively to 374,000 bbl. and 1,298,000 mcf., up from 344,000 bbl. and 1,064,000 mcf. reported for 1983.

N.B.—For quick reference data, see page 2.

## THE FINANCIAL POST CORPORATION SERVICE

Macleon Hunter Building, 777 Bay Street, Toronto M5W 1A7 Telephone (416) 596-5585  
 1001 Boul. de Maisonneuve ouest, Montréal H3A 3E1 Téléphone (514) 845-5141

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## QUICK REFERENCE DATA

**Major Shareholder**—At March 31, 1985, Dome Mines held 56.9% of the outstanding shares of the company. Dome has held a major interest since the company was incorporated.

**Incorporation**—Ontario charter, July 18, 1944.

**Auditors**—Clarkson Gordon, C.A., Toronto.

**Fiscal Year End**—December 31.

**Annual Report Appeared**—In May in 1985.

**Annual Meeting**—May 29 in 1985.

**Listed**—CRK, Toronto and New York Stock Exchanges.

**Options**—Call and put options trade in the March/June/September/December cycle on Toronto Stock Exchange.

**Shareholders**—10,784 at January 28, 1985.

**Registrar and Transfer Agents**—Royal Trust Company, Toronto; The Bank of New York, New York, N.Y.

## COMPANY

The company owns a producing gold mine in the Red Lake area of northern Ontario, where milling commenced in June, 1949. Original mill capacity of 300 tons daily has since been increased to 1,070 tons per day. The company also has a 50% interest in and is operator of the Detour Lake mine in northeastern Ontario which commenced production in November, 1983 and an 11.7% interest in Dee Gold Mining Co., a Nevada partnership which commenced operations in late 1984.

In 1980, the company diversified into oil and gas exploration, development and production in western Canada.

Dome Mines Limited holds controlling interest. Campbell participates in the exploration ventures of its parent company.

Investments include 2,315,000 shares of Dome Petroleum Limited, and 246,260 shares of Panarctic Oils Ltd.

## PROPERTY

The Campbell mine comprises 46 patented claims, Balmer township, Red Lake mining division, northern Ontario. Also holds 50% interest in gold property comprising 312 claims at Detour Lake, Ontario.

## PLANT AND EQUIPMENT

The Campbell Red Lake property is equipped with a flotation-cyanide mill which has been enlarged over the years to its present capacity of 1,070 tons per day. A fluo-solid roaster of 65 tons daily rated capacity was installed to handle the flotation concentrates and began operation in mid-July, 1949. Roasting facilities were expanded in 1955.

A complete mining plant capable of handling operations to an ultimate depth of 4,000 ft. is installed. A crusher is installed on the 20th level and another on the 27th level.

During 1983, carbon columns were installed to recover gold from tailings effluent. Other new equipment was installed to monitor and control energy consumption and microseismic monitoring equipment. A new tailings pond was also constructed.

## DEVELOPMENT

A four-compartment shaft has been sunk on the property to a depth of 4,317 ft., having been deepened from 2,240 ft. in 1959-60, from 3,281 ft. in 1970, and from 3,890 ft. in 1971. Levels have been established at 175, 300, 425 and 550 ft., at 150-ft. intervals thereafter

for a total of 26 levels. A 27th level was established in 1971.

The property has shown numerous well-defined ore zones. These include the original A (South) zone, lying 125 ft. south of the shaft, which contains the principal ore body, and the original North zone, lying 600 ft. north of the shaft. Other significant zones include the F, G, H, J, K and L; plus the A-1 zone, discovered on the 14th level in 1963 (branching off the A zone), which has since been developed on deeper levels.

In 1981, new areas were brought into production as part of the company's program to increase mill throughput by 30% by 1982. Average grade of ore was lower. The company has undertaken development of three potential new mining areas located in the 1980 exploration program.

Mining activities have been halted in certain zones as a result of rock bursts. Efforts have been undertaken to develop methods and techniques to safely mine these areas. Mine output has not been affected as production from other areas has been increased.

The following table shows details of the development and diamond drilling completed during the past four fiscal years:

	1984	1983	1982	1981
	ft.	ft.	ft.	ft.
Development .....	13,750	15,561	12,657	9,882
Drilling .....	65,077	64,911	65,886	56,504

## PRODUCTION

During 1984, 395,000 tons of ore were processed through the Campbell mill, resulting in production of 213,946 oz. of gold. Research programs in the mill succeeded in effecting major improvements in gold recovery, particularly in the float tail circuit where gold losses were reduced by 45%. Mill recovery in 1984 increased to 94.5% from 94.2% in 1983.

For details of production see Production Summary.

## PRODUCTION COSTS

A breakdown of unit costs per ton of ore milled in last three years has been reported as follows:

	1984	1983	1982
	ft.	ft.	ft.
Development .....	\$12.34	\$13.37	\$11.49
Mining .....	31.22	24.78	24.88
Milling .....	14.76	15.68	14.23
Plant .....	5.28	4.69	5.63
Administration .....	7.67	7.65	6.57
Depreciation .....	4.71	4.95	4.96
Total .....	75.98	71.12	67.76

## ORE RESERVES

The company's proven extractable ore reserves at Dec. 31 in recent years have been as follows:

	Ore in place tons 000's	Aver. grade oz./ton	Broken ore tons 000's	Total reserves tons▲ 000's
1984 ....	2,026	0.622	265	2,291
1983 ....	2,052	0.622	277	2,329
1982 ....	2,042	0.622	268	2,310
1981 ....	2,082	0.620	234	2,316
1980 ....	2,044	0.617	206	2,250
1979 ....	1,814	0.657	163	1,977
1978 ....	1,761	0.664	138	1,899

▲To the 21st level.

## DETOUR LAKE JOINT VENTURE

Under a joint venture agreement, the company has a 50% interest in the Detour Lake mine and is operator. The remaining 50% interest is held by Amoco Canada Petroleum Company Ltd.

Capital expenditures to bring the property into production from start of construction to Dec. 31, 1984 totaled \$148,047,000. Capital expenditures in 1984 totaled \$11,959,000, of which \$8,784,000 was spent on the underground development program and \$3,175,000 for on-going operations. By Dec. 31, 1984, the headframe and hoist installations had been completed and the sinking of the production shaft had commenced.

In April, 1985, the development of the underground

mine was divided into two phases and the planned operating schedule of the open pit was shortened. The first phase of underground development consisted of the continued sinking of the production shaft to the 2,000 foot level, drifting and crosscutting on two levels (1,800 feet and 1,200 feet respectively) and diamond drilling. Scheduled completion was planned for Sept. 1, 1986, at an estimated cost of \$11,167,000 funded out of operating cash flows. The initial phase objectives included possible expansion of the ore reserves to 2,800 feet, and to confirm estimated reserves.

The decision to proceed with the second stage of the underground development program, capable of production at 2,750 tons per day and estimated by company to cost \$50,000,000 will be made based on findings of the initial phase. If the second stage proceeds, underground production was scheduled to commence in the first quarter of 1988.

Open pit operations are scheduled to continue through the third quarter of 1986, with an additional six months of low grade ore stockpiled.

**Property**—The original 26 claims were staked by Amoco in April 1974 and subsequently 286 surrounding claims were added. The claims are located near Detour Lake, 125 miles northeast of Timmins, and eight miles west of the Quebec border.

Construction at the site, which began early in 1981 was mostly completed by the end of July, 1983. The 137 km powerline to the site, which was constructed by the joint venturers, was completed on schedule in May, 1983. The permanent access road from the Cochrane/Iroquois Falls area was completed in November, 1983.

Crushing of waste rock and the grinding circuit commenced in July, 1983. To Oct. 31, 1983, the mill operated in a start-up mode and 169,000 tons were treated.

Repairs made to the liners in the grinding unit caused the loss of a significant amount of operating time in early 1984, however since February, the operations of the unit have been normal.

**Production**—Commercial production commenced on Nov. 1, 1983. During November and December, 124,000 tons of ore were processed at a grade of 0.100 oz. per ton, resulting in 5,937 oz. of gold produced. Production for 1984 totaled 78,958 oz. gold from 876,000 tons of ore. Harder and more abrasive ore than anticipated was attributed to be the main cause of lower production levels. Milling capacity during 1984 averaged 2,400 tons per day.

Production for the first quarter of 1985 totaled 8,692 oz. gold, up 15% from 7,398 oz. gold produced in the corresponding 1984 period.

**Reserves**—At Dec. 31, 1984, total proven and probable ore reserves in place were estimated at 10,900,000 tons at an average grade of 0.128 oz. gold per ton. In addition possible ore reserves were estimated at 8,700,000 tons at a grade of 0.082 oz. gold per ton. At Dec. 31, 1984, the grade of 300,000 tons of stockpiled ore averaged 0.05 oz. per ton.

#### OUTSIDE MINERAL EXPLORATION

Campbell conducts exploration on its own account mainly on properties in the vicinity of its mine.

Campbell also holds a 21% participation interest in the exploration activities of its parent company, Dome Mines, started between Jan. 1, 1969 and Jan. 1, 1977, and holds 50% interest in Ontario and 40% interest in Quebec exploration projects of Dome started on or after Jan. 1, 1977.

During 1984, Campbell's share of mineral exploration expenditures totaled \$6,430,000. Approximately 86% of the 1984 expenditures were on Canadian projects, most of which are located in Ontario, Quebec and British Columbia. Projects in Ontario and Quebec accounted for 78% of total expenditures. Exploration programs conducted by the Dome group were mainly directed toward the search for gold although the search for other base and precious metals continued. Activities during the year included work on 83 projects, 50 of which were continued from 1983. A total of 1,287 claims were staked in 19 groups in addition to which 23

properties were optioned. A total of 242,303 feet of drilling was conducted through 418 holes on 27 properties during 1984.

In 1984, a gold mineralization was discovered near Pickle Lake, Ont. on a property owned by the company and Dome Mines (50% each). Initial studies indicate mineral inventory of 1,474,000 tons with estimated grade of 0.23 oz. gold per ton. A major drilling program was planned for 1985 on the property.

Details on other current interests may be found in the separate basic card for Dome Mines Limited.

#### OIL AND GAS OPERATIONS

As of July 1, 1980, Campbell acquired a 4% working interest in certain producing properties and wells in progress for a total consideration of \$33,808,000. Dome Petroleum is the operator of these properties.

In addition, Campbell concluded agreements as of July 1, 1980, and earned a 4% interest in all Dome Petroleum's onshore, non-producing oil and gas lands in western Canada in return for a commitment to incur and pay \$79,584,000 of exploration costs in a program managed by Dome Petroleum. To Dec. 31, 1982, expenditures totaled \$130,155,000.

The exploration agreement with Dome Petroleum provides that Campbell will contribute its share of future exploration and development costs associated with the properties. Campbell also has the right to participate to the extent of 4% in future acquisitions of producing or exploration lands by Dome Petroleum in the area of mutual interest.

Expenditures on oil and gas exploration and development were \$5,699,000 in 1984 compared with \$2,312,000 in 1983.

During 1984, the company participated in drilling 12 net wells, which resulted in seven oil and three gas wells. At Dec. 31, 1984, the company had net working interests in 136 producing wells of which 87 were oil and 49 were gas.

The majority (85% of oil and 92% of natural gas) of production during 1984 was from fields in Alberta.

On June 1, 1985, oil pricing in Canada was deregulated. Approximately 45% of the company's reserves qualified for higher prices due to deregulation.

At Dec. 31, 1984, Campbell owned proved reserves of 5,006,000 bbl. oil and 53,400,000 mcf. gas. Land interests were held in 17,382,000 gross (391,000 net) acres and gross royalty interests were held in a further 2,620,000 acres. Property interests were in Alberta, British Columbia, Saskatchewan, Manitoba, Ontario and the Mackenzie Valley.

Statistical summary of oil and gas operations follows:

	Oil & Liquids bbl.	Natural Gas mcf	Revenue \$
1980▲	161,000	449,467	2,841,000
1981	351,000	953,395	5,509,000
1982	293,000	1,035,000	9,126,000
1983	344,000	1,064,000	10,367,000
1984	374,000	1,298,000	12,534,000

▲Six months from commencement.

#### OTHER INTERESTS

**Dome Nevada Ltd.**—Campbell holds a 40% interest in this company, a wholly-owned subsidiary of Dome Exploration (U.S.) Limited. Dome Nevada has a 29.33% partnership in the Dee Gold Mining Co., which is developing an open pit gold mine in Boulder Creek, Nevada. Campbell holds an indirect interest of 11.7% in the partnership. Construction of a 850-ton-per-day mill was completed and operations commenced in October, 1984. Campbell's share of production to Dec. 31, 1984, totaled 719 oz. of gold, with the company's planned share of 1985 production totaling 4,300 oz. Proven plus probable reserves are estimated to be 2,605,000 tons at an average grade of 0.115 oz. gold per ton. An additional 1,085,000 tons of lower grade ore are to be treated using heap-leach methods.

**Dome Petroleum Limited**—At Dec. 31, 1984, Campbell held 2,315,000 shares (0.9% interest) in this major oil and gas production and exploration company.

Interest was originally acquired through \$2,000,000 in convertible debentures purchased in 1973; subsequently interest was increased through share acquisitions. For further details see separate basic card on Dome Petroleum.

**Panarctic Oils Ltd.**—At Dec. 31, 1984, Campbell held 246,260 shares in this business/government consortium which is exploring for oil and gas in the Canadian Arctic. For further details see separate basic card on Panarctic.

#### ACCOUNTING CHANGES

On Dec. 31, 1983, Dome Petroleum segregated its investment in Frontier areas from its western Canada oil and gas operations and established separate cost centres. As a result, this change decreased Campbell's 1983 net income by \$2,736,000 or six cents per share.

#### OFFICERS AND DIRECTORS

**Officers**—F. M. Fell, chm. & chief exec. officer; C. H. Brehaut, pres. & chief operating officer; G. S. W. Bruce, v-p, explor.; J. S. Dever, v-p, corp. development; K. J. Hill, v-p; J. W. W. Hick, sec. and gen. counsel; H. D. Scharf, v-p, fin. treas. and chief financial officer; V. A. Wells, contr.; J. H. Hough, asst. sec.

**Directors**—F. M. Fell, P. A. Crossgrove, C. H. Brehaut, R. M. Franklin, J. K. Reynolds, Toronto; R. J. Pirie, Calgary, A. R. MacFarland, New York, N.Y.

**Campbell Mine Office**—Box 10, Balmertown, Ont. P0V 1C0. Mine mgr.—S. M. Reid.

**Detour Lake Mine Office**—130 Wilson Ave., Timmins, Ont. P4N 2S9. Mine mgr.—J. S. Rogers.

#### HISTORY

The company was incorporated in Ontario on July 18, 1944, to acquire 12 mining claims in Balmer twp., Red Lake area, northern Ontario. The company issued 1,200,000 shares to the vendors, of which 200,000 shares were donated for treasury purposes.

Preliminary financing to the extent of \$75,000 was provided under an option agreement to J. W. C. Rose, assigned to Brewis & White, Toronto, before management-option control was granted to Dome Exploration Co. (Canada) Ltd., Nov. 7, 1944. Subsequently, Dome provided financing through option agreements and money advanced under 5% income bond which was liquidated in 1952.

In February, 1950, the company acquired from Dexter Red Lake Gold Mines, 15 claims, of which 10 adjoined the original Campbell property on the north and west and five on the south. In consideration, Campbell issued 207,500 shares to Dexter which were distributed on the basis of one Campbell for each 10 Dexter shares held.

In 1973, debentures of Dome Petroleum Limited held by the company (\$2,000,000) were converted into 71,275 common shares (\$28.06 per share). Subsequently additional shares have been acquired, 28,725 in 1974 and 8,800 in 1979. Following a 1979 stock split, Dome Mines held 408,800 shares at Dec. 31, 1979.

An interest in Denison Mines Limited was purchased in 1978, and subsequently sold in 1983.

In 1979 the company entered a joint venture agreement with Amoco Canada Petroleum Company Ltd. and Dome Mines Limited for exploration and development of the Detour Lake gold property in northeastern Ontario. Campbell and Dome each earned 25% interest in the project through the expenditure of \$5,000,000 and Campbell, as operator also carried out a detailed feasibility study on the property. In 1982, the company acquired a further 25% interest from Dome Mines for \$18,275,000 in notes and a 27.5% royalty interest of net cash flow. The property commenced production on Nov. 1, 1983.

On Feb. 10, 1983, the company sold 738,720 common shares of Denison Mines Limited for \$21,799,000, realizing a gain of \$9,134,000 before provision for income taxes. Accordingly, the carrying value of \$12,590,000 was reclassified and included in marketable securities at Dec. 31, 1982.

#### CAPITAL STOCK

(As at Dec. 31, 1984)

	Author.	Outstand.	Par
Preference	100,000,000 shs.	nil	n.p.v.
Common	105,000,000 shs.	47,994,000 shs.	n.p.v.

#### PRICE RANGE OF STOCK†

Year	High	Low	Year	High	Low
1977	\$39.00	\$23.00	1981	\$24.50	\$16.13
1978	47.75	31.00	1982	34.50	10.13
1979	33.88	17.38	1983	41.25	26.00
1980	94.75	32.00	1984	38.38	21.75

†Listed June 15, 1945. See Historical Summary.

▲Adjusted for 3-for-1 split.

§Adjusted for 2-for-1 split.

#### CHANGES IN CAPITAL STOCK

In May, 1974, a stock split was effected on the basis of two new shares for one old. Authorized capital was accordingly increased to 8,000,000 shares (from a previous 4,000,000 shares), and par value of the stock was reduced to 50 cents (from \$1 per share).

In May, 1979, a stock split was effected on the basis of two new shares for one old. Authorized capital was accordingly increased to 16,000,000 shares (from a previous 8,000,000 shares) and par value, previously 50 cents per share, was changed to no par.

In May 1980, shareholders approved an increase in authorized capital to 35,000,000 shares, no par value.

On May 22, 1981, authorized and issued shares were split on a 3-for-1 basis, bringing authorized capital to 105,000,000 shares and issued capital to 47,994,000 shares.

Effective June 17, 1983, the authorized capital was increased by the creation of 100,000,000 preference shares without par value, issuable in series.

#### DIVIDENDS

**Common**—Paid quarterly. Annual rate of 40 cents per share established with quarterly payment of 10 cents per share on Nov. 26, 1984. Previously, a rate of 48 cents per share per annum was paid from May 30, 1983 to Aug. 27, 1984.

A rate of 36 cents per share per annum had been paid quarterly from Aug. 31, 1981 (first following a 3-for-1 split in May, 1981) to and including Feb. 22, 1982. Payments of seven cents per share were made May 31 and Aug. 30, 1982, and payments of 10 cents per share were made Nov. 29, 1982 and Feb. 28, 1983. A rate of 48 cents per share per annum was paid quarterly from May 30, 1983 to Aug. 27, 1984, inclusive.

For details of dividend payments for fiscal years ended Dec. 31, since initial disbursement of 50 cents per share on Dec. 31, 1952, see Historical Summary.

#### LONG-TERM DEBT

At Dec. 31, 1984, company had outstanding \$14,845,000 payable to Dome Mines, of which \$11,212,000 was in a promissory note bearing interest at 15% and interest of \$3,633,000.

## INTERIM EARNINGS

Fiscal Year	Total Revenue	Net Income 3 months	Earns. Per Sh.*	Total Revenue	Net Income 6 months	Earns. Per Sh.*	Total Revenue	Net Income 9 months	Earns. Per Sh.*
	\$000's	\$—	\$—	\$000's	\$—	\$—	\$000's	\$—	\$—
1978 ..	9,239	3,600	0.08	17,175	6,397	0.13	30,552	11,653	0.24
1979 ..	14,350	4,961	0.10	27,010	9,967	0.21	43,719	16,683	0.35
1980 ..	34,349	13,461	0.28	59,821	24,327	0.51	101,913	41,832	0.87
1981 ..	31,209	13,857	0.29	60,292	24,857	0.52	84,332	34,430	0.72
1982 ..	23,522	8,732	0.18	50,086	18,100	0.38	74,212	27,247	0.57
1983 ..	31,977	18,336	0.38	63,435	28,599	0.59	96,496	40,540	0.84
1984 ..	32,627	7,471	0.16	67,563	14,860	0.31	98,597	22,015	0.46
1985 ..	29,998	5,248	0.11	66,576	14,057	0.29			

\*Adjusted throughout to reflect 2-for-1 stock split in May, 1979; and 3-for-1 split in May 1981.

## CAMPBELL MINE PRODUCTION SUMMARY

Years Ended	Tons Milled	Tons Daily	Gold Prod. Oz.	Recover. Per Ton \$	Years Ended	Tons Milled	Tons Daily	Gold Prod. Oz.	Recover. Per Ton \$
Dec. 31					Dec. 31				
1949 ..	71,317	330		12.40	1967 .....	261,408	716	173,451	25.45
1950 ..	139,742	383		15.99	1968 .....	261,768	715	183,127	30.49
1951 ..	173,143	474		14.81	1969 .....	261,609	717	176,517	29.58
1952 ..	178,930	489		15.97	1970 .....	262,021	718	178,974	25.87
1953 ..	181,026	496		17.03	1971 .....	303,045	830	196,237	27.21
1954 ..	196,059	537		17.63	1972 .....	302,666	827	196,855	38.31
1955 ..	236,332	647		18.40	1973 .....	303,796	832	196,190	65.41
1956 ..	256,389	701		17.85	1974 .....	289,833	794	197,369	110.05
1957 ..	256,412	702	144,530	18.94	1975 .....	299,560	821	185,228	98.37
1958 ..	256,524	703	149,391	19.84	1976 .....	300,535	821	184,610	76.10
1959 ..	256,721	703	162,276	21.29	1977 .....	297,248	814	191,031	104.44
1960 ..	257,898	705	162,666	21.70	1978 .....	300,502	823	183,546	140.23
1961 ..	257,096	704	158,682	22.07	1979 .....	300,178	822	185,005	233.38
1962 ..	257,141	704	159,250	23.32	1980 .....	303,797	832	189,536	448.70
1963 ..	257,793	706	166,079	24.45	1981 .....	369,520	1,012	200,528	295.62
1964 ..	258,534	706	166,830	24.52	1982 .....	392,000	1,074	217,158	256.50
1965 ..	257,406	705	167,135	24.70	1983 .....	389,500	1,067	219,200	292.21
1966 ..	257,884	706	170,359	25.20	1984 .....	395,000	1,079	213,946	250.77

▲From June 1, commencement of milling.

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Years Ended December 31

	1983	1982	1981	1980	1979	1978	1977
	\$000's						
<b>Source of Funds</b>							
Net income .....	37,521	35,762	46,047	57,523	27,319	17,009	11,129
Depr., depl., amort. ....	6,068	3,995	3,755	2,024	999	880	880
Deferred taxes .....	6,324	7,946	23,832	19,137	991	144	1,370
Gain on invests. ....	*7,294						
Equity undist. earns. affil. ....	10,347	3,900	*1,570	*2,040	*1,210	*865	*767
Long-term debt .....			10,000				
Other investments .....	9,134	12,807					
	62,100	64,410	82,064	76,644	28,099	17,168	12,612
<b>Application of Funds</b>							
Dividends .....	23,037	16,318	16,958	19,998	12,398	9,999	6,799
Incr. fixed assets .....	30,761	25,047	86,524	†63,582	3,949	519	503
Incr. other inv. ....	288		64	3,851	483	12,666	1,869
Reduction long-term debt .....	5,372	10,000					
	59,458	51,365	103,546	87,431	16,830	23,184	9,171
Increase working capital .....	2,642	13,045	■ 21,482	■ 10,787	11,269	■ 6,016	3,441

\*Deduction.

†Including related party amounts of \$54,359,000.

■ Decrease.

**STATEMENT OF CASH FLOWS**  
**Years Ended December 31**

	1984	1983▲
	—\$000's	
<b>Cash provided by operating activities:</b>		
Net income .....	25,339	37,521
Add: Depreciation, depletion & amort. ....	12,830	6,068
Interest on long-term debt .....	1,942	281
Deferred income & mining taxes .....	5,266	6,324
Share of losses Dome Pete .....	.....	10,347
Loss on investments .....	.....	■ 7,294
	45,377	53,247
<b>Net change in current assets &amp; liabilities:</b>		
Accounts receivable .....	78	70
Mining & milling supplies .....	■ 427	■ 483
Accounts payable & accrued liab. ....	981	1,028
Taxes payable .....	■ 5,932	■ 12,368
Cash provided by operating activities .....	40,077	41,494
<b>Cash used by investment activities:</b>		
Additions to fixed assets .....	17,378	29,365
Investments .....	†106	288
Marketable securities .....	.....	†21,724
Net changes in accounts pay. ....	†522	1,811
	16,750	9,740
<b>Cash used in financing activities:</b>		
Bank loan .....	.....	5,000
Dividends .....	22,077	22,077
Repayment long-term debt .....	.....	7,049
	22,077	34,126
<b>Net increase in cash .....</b>	1,250	■ 2,372
<b>Cash, beginning of year .....</b>	49,529	51,901
<b>Cash, end of year .....</b>	50,779	49,529
<b>Changes in components of cash:</b>		
Cash & short-term investments .....	■ 3,832	■ 3,947
Bullion settlements rec. ....	612	■ 746
Bullion .....	4,470	2,321
	1,250	■ 2,372

▲As reported in 1984 annual report. For previous years see Statement of Changes in Financial Position.

■ Decrease. † Provided by.

**STATEMENT OF INCOME AND RETAINED EARNINGS**

**Years Ended December 31**

	1984	1983	1982	1981	1980	1979	1978
	—\$000's						
Bullion revenue .....	117,686	116,729	100,550	109,237	136,314	70,055	42,138
Oil and gas revenue .....	12,534	10,367	9,126	5,509	2,481	.....	.....
	130,220	127,096	109,676	114,746	138,795	70,055	42,138
Less: Mine oper. costs .....	45,942	29,110	24,615	20,813	14,545	9,432	9,116
Oil & gas oper. costs .....	2,633	2,231	1,681	1,482	693	.....	.....
General costs .....	2,052	1,802	1,287	1,409	877	2,780	1,648
Operating income .....	79,593	93,953	82,093	91,042	122,680	57,843	31,374
Add: Other income .....	2,942	10,759	5,349	7,567	8,806	5,182	4,316
Less: Deprec. etc. ....	12,830	6,068	3,995	3,755	2,024	999	880
Outside explor. w/o .....	6,430	2,589	2,073	2,401	1,879	1,108	756
Ont. mining tax .....	12,787	18,309	16,261	19,694	28,745	13,033	5,955
Pet. & gas rev. tax .....	1,119	1,076	1,087	518	.....	.....	.....
Int. long term debt (net) .....	1,942	281	.....	.....	.....	.....	.....
Income taxes .....	22,088	28,521	24,364	27,764	43,355	21,776	11,955
Add: Equity earns. Dome Pete. ....	.....	†10,347	†3,900	1,570	2,040	1,210	865
Net income .....	25,339	37,521	35,762	46,047	57,523	27,319	17,009
Add: Prev. ret. earns. ....	159,831	145,347	125,903	96,814	59,289	44,368	37,358
Less: Dividends .....	21,117	23,037	16,318	16,958	19,998	12,398	9,999
Retained earnings .....	164,053	159,831	145,347	125,903	96,814	59,289	44,368
†Loss.							

**Remuneration**—Of directors and senior officers amounted to \$534,250 in 1984; \$458,555 in 1983; \$410,405 in 1982; \$491,187 in 1981; \$421,583 in 1980; \$278,000 in 1979 and \$261,000 in 1978.

**Earnings per Share▲** ..... \$0.53      \$0.78      \$0.75      \$0.96      \$1.20      \$0.57      \$0.35

▲Adjusted throughout for 2-for-1 stock split in May, 1979; and 3-for-1 stock split in May, 1981.

**Dividends Declared:**

Common (new*) .....	\$0.44	\$0.48	\$0.34	\$0.27	.....	.....	.....
Common (old▲) .....	.....	.....	.....	0.25	\$0.95+	\$0.425+	.....
					0.30	0.25	
Common (old■) .....	.....	.....	.....	.....	.....	0.20	\$0.65+
							0.60

▲Following 2-for-1 stock split in May, 1979. ■ Prior to 2-for-1 stock split in May, 1979.

\*After 3-for-1 stock split in May, 1981.

**Shares Outstanding:**

Common .....	47,994,000	47,994,000	47,994,000	47,994,000	15,998,000	15,998,000	7,999,000
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## BALANCE SHEET AS AT DECEMBER 31

	1984	1983	1982	1981	1980	1979	1978
	\$000's						
<b>Assets</b>							
Current:							
Cash and deposits .....	40,678	44,510	48,457	26,055	71,716	54,018	31,743
Bullion on hand & transit .....	10,101	5,019	3,444	5,635	5,458	7,630	6,298
Short term comm. paper. ....	.....	.....	.....	.....	.....	500	3,300
Mktble. secs., bonds .....	.....	.....	12,590	1,390	1,390	1,494	1,592
Accounts receivable .....	2,183	2,261	2,331	322	1,389	931	591
Materials & supplies .....	4,391	3,964	3,481	3,580	2,922	2,446	1,927
	57,353	55,754	70,303	36,982	82,875	67,019	45,451
Invest. Dome Petroleum● .....	.....	.....	10,347	14,247	12,677	6,932	5,273
Invest. Denison Mines■ .....	.....	.....	.....	12,590	12,590	12,590	12,590
Shs. Panarctic Oils .....	693	713	689	722	637	594	594
Shs. other mining cos. ....	276	362	98	282	303	200	166
Fixed assets:							
Mining							
Bldgs., mach. & equip. ....	100,774	94,559	77,272	37,400	23,334	15,982	12,782
Less: Accum. deprec., etc. ....	24,484	18,992	16,546	14,665	12,215	11,054	10,138
	76,290	75,567	60,726	22,735	11,119	4,928	2,644
Oil & gas:							
Prop., plant & equip. ....	136,068	130,605	130,155	126,493	54,046	1,840	1,840
Less: Accum. deprec., etc. ....	13,132	7,348	4,008	1,960	738	.....	.....
	122,936	123,257	126,147	124,533	53,308	1,840	1,840
Mining cls. & prop. ....	.....	.....	.....	229	286	18	50
Townsite prop. ....	.....	.....	.....	.....	.....	328	31
Deferred expl. costs .....	19,344	15,198	4,296	4,345	4,360	401	.....
	276,892	270,851	272,606	216,665	178,155	94,850	68,639
<b>Liabilities</b>							
Current:							
Bank loan .....	.....	.....	5,000	.....	.....	.....	.....
Accts. pay. & accr. chgs. ....	6,371	4,868	5,651	5,947	11,019	1,963	991
Taxes payable .....	19,715	25,647	38,015	22,923	39,382	22,595	13,268
Dividends payable .....	4,799	5,759	4,799	4,319	7,199	6,399	6,399
	30,885	36,274	53,465	33,189	57,600	30,957	20,658
Long-term debt .....	14,845	12,903	18,275	10,000	.....	.....	.....
Deferred inc. tax .....	65,488	60,222	53,898	45,952	22,120	2,983	1,992
<b>Shareholders' Equity:</b>							
Common stock .....	1,621	1,621	1,621	1,621	1,621	4,000	4,000
Less: Discount on shs. ....	.....	.....	.....	.....	.....	2,379	2,379
	1,621	1,621	1,621	1,621	1,621	1,621	1,621
Retained earnings .....	164,053	159,831	145,347	125,903	96,814	59,289	44,368
	276,892	270,851	272,606	216,665	178,155	94,850	68,639
●Market value .....	5,000	9,607	7,640	34,725	33,047	22,126	9,525
■ Market value .....	.....	.....	.....	24,193	42,107	27,702	13,666
Working Capital (\$000's) .....	26,468	19,480	16,838	3,793	25,275	36,062	24,793
Ratio .....	1.86—1	1.54—1	1.31—1	1.11—1	1.44—1	2.16—1	2.20—1

# HISTORICAL SUMMARY Years Ended December 31

Fiscal Year	Total Assets	Working Capital	Prod. Rev. \$	Net Income	Earns. per Sh.	Dividends Regular +	Paid* Extra	Price High	Range† Low
	000's					Common Shares			
	\$	\$	\$	\$	\$	\$	\$	\$	\$
1949 ..	4,342	d414	▲884	140	0.04	.....	.....	3.75	2.70
1950 ..	4,169	d648	2,234	559	0.14	.....	.....	3.25	1.75
1951 ..	3,899	d183	2,565	744	0.19	.....	.....	4.60	2.10
1952 ..	3,814	564	2,858	624	0.16	0.50	.....	12.00	4.30
1953 ..	4,527	1,108	3,083	1,009	0.25	0.10	+ 0.05	10.50	6.70
1954 ..	5,002	1,244	3,456	1,089	0.27	0.15	+ 0.05	9.30	6.70
1955 ..	5,552	1,481	4,350	1,215	0.30	0.20	+ 0.05	10.38	6.70
1956 ..	5,918	1,880	4,576	1,443	0.36	0.25	+ 0.05	7.35	5.05
1957 ..	6,014	2,174	4,857	1,520	0.38	0.30	+ 0.05	6.20	4.50
1958 ..	6,317	2,492	5,091	1,614	0.40	0.31½	+ 0.05	11.75	5.15
1959 ..	6,610	2,645	5,467	1,688	0.42	0.35	+ 0.05	12.88	10.00
1960 ..	6,537	2,845	5,597	1,714	0.43	0.35	+ 0.05	17.63	9.75
1961 ..	6,868	3,290	5,675	1,830	0.46	0.35	+ 0.05	18.25	11.63
1962 ..	7,191	3,817	5,996	2,021	0.51	0.40	+ 0.05	19.50	13.00
1963 ..	7,894	4,369	6,303	2,365	0.59	0.41½	+ 0.05	18.13	13.25
1964 ..	8,165	4,672	6,339	2,405	0.60	0.45	+ 0.05	25.50	13.50
1965 ..	8,519	5,186	6,358	2,442	0.61	0.45	+ 0.05	25.00	18.38
1966 ..	9,087	5,607	6,498	2,485	0.62	0.45	+ 0.05	29.00	17.50
1967 ..	9,832	6,331	6,654	2,529	0.63	0.45	+ 0.05	29.50	18.00
1968 ..	11,199	5,644	7,980	3,184	0.80	0.45	+ 0.05	44.00	24.50
1969 ..	11,928	7,159	7,739	2,900	0.73	0.45	+ 0.05	36.63	15.75
1970 ..	11,788	7,296	6,779	1,942	0.48	0.45	.....	31.50	16.25
1971 ..	12,983	7,936	8,245	2,717	0.68	0.45	.....	31.75	19.00
1972 ..	16,265	10,035	11,596	4,667	1.17	0.46½	.....	43.00	22.50
1973 ..	23,657	15,009	19,871	8,908	2.23	0.50	+ 0.25	76.00	31.00
1974 ..	37,707	21,773	31,895	14,092	▼1.76	{ □ 0.125 ■ 0.425 }	{ + 0.075 + 0.225 }	▼48.00	▼19.75
1975 ..	41,136	27,548	29,467	11,366	1.42	0.60	.....	36.50	17.88
1976 ..	41,611	27,368	22,870	7,573	0.95	0.60	+ 0.30	27.00	16.50
1977 ..	48,253	30,809	31,045	11,129	1.39	0.60	+ 0.25	39.00	23.00
1978 ..	68,639	24,793	42,138	17,009	2.13	0.65	+ 0.60	47.75	31.00
1979 ..	94,850	36,062	70,055	27,319	▼1.71	{ □ 0.20 ■ 0.225 }	{ + 0.25 + 0.25 }	▼33.88	▼17.38
1980 ..	178,155	25,275	138,795	57,523	3.60	0.95	+ 0.30	69.50	32.00
1981 ..	216,665	3,793	114,746	46,047	►0.96	{ ±0.25 **0.27 }	.....	►24.50	►16.13
1982 ..	272,606	16,838	109,676	35,762	0.75	0.34	.....	34.50	10.13
1983 ..	270,851	19,480	127,096	37,521	0.78	0.48	.....	41.25	26.00
1984 ..	276,892	26,468	130,220	25,339	0.53	0.44	.....	38.38	21.75

▲Production commenced June 1.

►Adjusted for 3-for-1 stock split.

†Listed June 15, 1945; price range 1945, \$2.70, \$1.70; 1946, \$3.60, \$1.72; 1947, \$3.70, \$2.30; 1948, \$3.10, \$1.90.

□ Before (■ after) 2-for-1 stock split May 1974 and May 1979.

±Before (\*\*after) 3-for-1 stock split May, 1981.

\*Except in 1952, includes dividends declared which were paid in January or February of following year.

▼Adjusted for 2-for-1 stock split.

§Includes revenue from oil and gas operations in 1980-84.

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