

UNITED PARACALE ANNUAL MEETING

The annual meeting of the United Paracale Mining Company was held March 1, in the Marsman Building, Port Area, Manila. The following board of directors was unanimously elected for the year: J. H. Marsman, Major A. Beckerleg, H. P. L. Jollye, E. Heybroek, E. Madsen, A. F. Kelly, and S. J. Wilson.

Major Beckerleg, director and member of the board of consulting engineers of Marsman and Company, explained developments at the property during the year. United Paracale treated 106,689 tons of ore in 1937, from which ₱1,902,050.74 was recovered. Of this tonnage, 65,913 tons were sulphide ore from the mine, 39,617 tons of oxide ore from the Haliguang Bato talus deposit, and 1,159 tons of sulphide ore from the Rocky Mountain Fraction of the Northern Mining and Development Company; production was ₱1,668,515.11 from the mine sulphide ore; ₱215,777.81 from the oxide ore, and ₱17,757.82 from the Rocky Mountain Fraction. Recovered value per ton of sulphide ore was ₱25.31, while that for the oxide ore was ₱5.44.

Ore reserves as of January 1, 1938 were estimated at 121,083 tons with an average value of ₱23.11 per ton, or ₱2,798,073.64. This estimate does not take into account ore indicated by diamond drilling. It was explained that only very conservative tonnages had been taken into account from parallel vein system on which considerable work is in progress.

The company made a net profit of ₱386,690.56 during 1937. A dividend of 10% was declared payable on March 15, 1938 to stockholders of record as of March 1. This will absorb ₱110,000 of the earned surplus of 1937. Expenditures during 1937 for capital development amounted to ₱565,391.28, and for capital investments, ₱331,456.79, making a total of ₱896,848.07. The company invested ₱100,000 in the Philippine Smelting Company, which operates the

smelter which is treated concentrates from the United Paracale mill. This treatment locally effects a considerable saving to United Paracale, stockholders were informed.

At the meeting the stockholders authorized the board of directors of United Paracale to enter into negotiations with Marsman and Company for the purpose of eliminating the present financing agreement. If the directors conclude satisfactory arrangements, and if an agreement is reached with Marsman and Company, a special meeting of United Paracale shareholders will be called to discuss and act on such arrangements. No action has as yet been taken towards this end. Any increase in capital stock must, under the by-laws of the company, be approved by a two-thirds vote of the subscribed capital stock.

The present arrangement, by which Marsman and Company receives 15% of the profits of United Paracale in return for financial aid given during the past few years, is entirely satisfactory to Marsman and Company, stockholders were told, and any action taken will react to the financial benefit of the United Paracale shareholders. The matter was discussed at some length in the meeting.

The meeting was well attended, more being present than at any other annual gathering of shareholders. A resolution of thanks to Marsman and Company, managers, for the excellent results of the 1937 work, was unanimously passed.

United Paracale operating staff: R. H. Canon, general superintendent; C. R. Smith, mill superintendent; J. C. Alexander, mine superintendent; C. R. Hubbard, chief engineer; C. F. Fletcher, mechanical and power superintendent; C. E. van Landingham, accountant; G. W. Cotton, assayer; Dr. P. C. Palencia, resident physician; Mrs. P. C. Palencia, resident chief nurse.