

H. A. G.

SUPT. OF MINES DEPT.

STATEMENT 1931

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Walker Mining Company

PLUMAS COUNTY, CALIFORNIA

P. O. WALKERMINE, CALIFORNIA

SHIPPING POINT SPRING GARDEN, CALIFORNIA

OPERATING OFFICE

KEARNS BUILDING, SALT LAKE CITY, UTAH

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(Incorporated under the Laws of the State of Arizona)

SUPT. OF MINES DEPT.

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CAPITAL STOCK

COMMON—Authorized	- - - -	1,750,000 shares at \$1.00 per share
Issued	- - - -	1,749,308 shares at \$1.00 per share

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Directors

J. R. WALKER	R. MAY	J. O. ELTON	J. B. WHITEHILL
B. R. HOWELL	H. A. GEISENDORFER	ROBERT E. DWYER	

Officers

J. R. WALKER, *President*  
ROBERT E. DWYER, *Vice-President*  
J. O. ELTON, *Vice-President*  
J. B. WHITEHILL, *Secretary-Treasurer*

Transfer Agents

J. W. ALLEN, Transfer Agent, 25 Broadway, New York City, N. Y.  
ROM WARBURTON, Transfer Agent, 820 Kearns Bldg., Salt Lake City, Utah.

*To the Stockholders of the  
Walker Mining Company*

The financial statement of your Company at the close of business December 31, 1931, and an income account for the year 1931 are herewith submitted for your information.

The depressed state of general business during the year and the resultant decreased demand for and consumption of basic commodities have been only too evident. Your Company as a producer of metals used in industry has had its income and scale of operations seriously affected by these conditions. The production of your Company is copper concentrates whose value depends upon the metal content in the form of copper, gold and silver and the prices at which these metals are sold. In order that you may have a concrete picture of present conditions and those prior to 1931, I submit below some comparative figures for the 5-year period prior to 1931 and the year 1931.

	Average Price of Silver Per Ounce	Average Price of Copper Per Pound	Net Average Value of Walker Concentrates Per Ton
1926—1930 .....	50.78c	14.65c	\$58.98
1931 .....	28.69c	8.21c	\$33.33

A ton of average concentrates in 1931 was worth only 57% of what it was worth on the average in the previous 5-year period.

The mine was operated at a reduced capacity during the entire year. There were milled 432,294 tons of ore which produced 25,342.10 tons of concentrates. There were delivered and sold to the smelter 25,532.462 tons (including a small amount of lime scale and screenings) with a total metal content of:

Copper, pounds .....	12,850,281
Silver, ounces .....	322,429.39
Gold, ounces .....	13,614.215

Development has been kept up and 6,997 feet of advances were driven for purposes of development at a total cost of \$90,988.04 and as a result of this work an increased tonnage of ore has been put in sight. In spite of reductions in per ton cost production, the mine suffered an operating loss of \$73,829.30 for the year. This amount does not include depreciation but does include all charges for exploratory work and development.

It was the policy of your directors to continue operations so long as the monthly loss did not exceed the shutdown expense. Early in December it was realized that due to the extremely low price of copper and the general business outlook that some drastic action was necessary. It was decided to limit production and rotate employment giving underground and surface men three days per week, so as to furnish them a living for the remainder of the winter. It was realized that a continued low price for copper would sooner or later compel a cessation of production by the mine.

The physical conditions of the mine and the surface plant including the mill, shops and plant facilities are in as good condition as at any time in the history of the mine, and ore reserves are ample. When metal prices justify full capacity operation, low costs with resulting profits can again be expected.

Respectfully,  
J. R. WALKER, President.

Salt Lake City, Utah,  
March 15, 1932.

# Walker Mining Company

BALANCE SHEET—31st DECEMBER, 1931

ASSETS		
<b>FIXED:</b>		
Mine, Mining Claims and Development .....	\$1,319,131.96	
Plant and Equipment .....	1,455,438.07	\$2,774,570.03
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<b>CURRENT:</b>		
Supplies on hand and Expenses prepaid .....	\$ 160,295.61	
Ores and Concentrates on hand—at cost .....	276,067.71	
Accounts Receivable .....	13,997.18	
Cash .....	251,487.77	701,848.27
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		<u>\$3,476,418.30</u>
LIABILITIES		
<b>CAPITAL STOCK:</b>		
Authorized—1,750,000 shares of \$1.00 each.		
Outstanding—1,749,308 shares .....		\$1,749,308.00
<b>RESERVE FOR DEPRECIATION</b> .....		922,222.39
<b>CURRENT:</b>		
Interest and Taxes accrued .....	\$ 5,957.22	
Accounts and Wages payable .....	33,227.45	44,184.67
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<b>SURPLUS ACCOUNT:</b>		
Surplus 31st December, 1930 .....	\$ 876,775.44	
Net Loss of the year ended 31st December, 1931 ..	116,072.20	760,703.24
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		<u>\$3,476,418.30</u>

We hereby certify that this Balance Sheet shows the financial condition of Walker Mining Company at 31st December, 1931, and that the accompanying Income Account for the year ended that date is correct as stated.

POGSON, PELOUBET & COMPANY,  
Certified Public Accountants.

New York, 27th February, 1932.

NOTE—In order to comply with the Government Income Tax requirements for the purpose of computing depletion additional entries respecting the valuation of the mining property have been recorded upon the books of the Company; but being made for tax purposes only, the result of such entries is omitted from the current statements.

# Walker Mining Company

## INCOME ACCOUNT—YEAR ENDED 31st DECEMBER, 1931

Sales of Ore and Concentrates .....		\$ 982,090.49
Mining and Milling .....	\$ 848,332.55	
Transportation .....	131,715.02	
Inventory at beginning of year .....	351,939.93	
	<u>\$1,331,987.50</u>	
Less, Inventory at end of year .....	276,067.71	\$1,055,919.79
Operating Loss .....		\$ 73,829.80
Depreciation .....	\$ 50,395.58	
Federal Income Tax .....	48.86	50,444.44
		<u>\$ 124,273.74</u>
Interest Received .....		8,201.54
*Net Loss of the year ended 31st December, 1931 .....		<u>\$ 116,072.20</u>

\*NOTE—Net loss for the year as shown includes depreciation for the year in the amount of \$50,395.58.