

KERR LAKE MINING COMPANY, ANNUAL REPORT

President Adolph Lewisohn reports: During the year ending August 31st, 1915, the Kerr Lake Mining Co. produced 2,036,962 ounces of silver. In spite of the fact that a larger percentage of the production was derived from low-grade ore, the total cost per ounce was considerably lower than for the previous year. This was principally due to the marked reduction in the cost of mining, from \$5.09 to \$4.15 per ton. Due to the lower price of silver the total earnings were somewhat less than last year.

On July 15th, the company acquired a majority interest in the Caribou Cobalt Mines Co., which controls 70 acres adjoining the Kerr lake property.

Manager Robert Livermore reports:

The gross production from all ores, for the year ending August 31st, 1915, amounts to 2,036,962 oz. of silver. This figure includes 60,842 oz. of silver on hand August 31st, 1915, according to inventory. Of the total, 1,198,557.16 oz. was produced from shipping ore, and 838,405.38 oz. from low-grade ore milled by the Dominion Reduction So., Limited, at Cobalt.

Ore Production, Kerr Lake Mining Co., for the Year Ending August 31st, 1915.

Grade of ore.	Net weight, pounds.	Silver contents, ounces.	Average silver content per ton, ounces.
1st class	564,273	954,112.37	3,831.24
Bullion from 1st class		126,802.04	
2nd class	238,606	103,501.68	867.55
Bullion from metallics		14,141.07	
Mill ore	23,035 tons	838,405.38	36.396
		2,036,962.54	

Development.—Including drifting, cross-cutting, sinking and raising, 4,226.1 ft. was done in development for the year. This compares with 5,399.5 ft. for last year. The decrease in footage was caused by temporary shut-down of No. 3 shaft, and to the fact that there were fewer long drives in which uninterrupted progress could be made. Although a great deal of exploratory work was done in hitherto unprospected blocks, there were few new discoveries of importance during the year. In consequence additions to the reserves were made only through extending the developments on known veins.

Developments given in more detail are as follows:

No. 3 Shaft.—Drifts were extended east and west on the Keewatin vein and its branches on the 6th level, but no new ore was found. Owing to the fact that a small but rich ore pocket was found on this level last year, and that the vein was wide and well mineralized, it was decided to prospect at deeper levels in the Keewatin formation below the diabase contact. Accordingly a winze was started, and has to date been sunk to a depth of 64 ft. The 7th level at 50 ft. below the collar, and 370 ft. in all below the collar of No. 3 shaft, has been driven east and west 74 feet. Although the vein is still strong, and contains a quantity of smaltite, it has shown only low-silver values. From this same vein at the 2nd level of No. 3 shaft, a long cross-cut was driven through the south central part of the property directly to the south boundary. This cross-cut is in diabase formation, and has exposed no new veins for its entire 450 ft. in length. The results of this work make it seem unlikely that new ore bodies will be found in this part of the property.

Owing to the advisability of cutting off the high expense of operating during the winter months No. 3 shaft was closed, and development of this section has accordingly been slow. The open headings have now been housed in as a protection against freezing, and it is expected to do continuous development at depth on the Keewatin vein during the coming year.

No. 7 Shaft.—The largest amount of development on the 140-ft. level was done on the Fleming and Lake No. 3 vein systems in opening up their extensions and branches, with the result that enough ore was put in sight nearly to maintain the reserves of milling and high grade ore in these veins in spite of the past year's production. A notable discovery was made on the Fleming vein in particular, where a cross-cut north, opened up a branch not known before, which was drifted on for 186 ft., and contained at the level ore averaging 350 oz. over 6.3 inches in width, beside the usual width of milling rock. The distance between the level and the lake bottom is small, and so far the ore has not been found to extend to the 190-ft. level, the next level below. On Lake vein No. 3 extensions on the 140-ft. level did not open much ore beyond that discovered last year, but on the 175-ft. level, drifts showed that the values although spotty and not continuous extended to this depth.

Other drifting in No. 7 shaft opened nothing of great importance. An intermediate on No. 7 vein below the 175-ft. level, opened a small body of milling rock and second grade ore. An intermediate on No. 10 vein below the 140-ft. level extended the orebody for 50 ft.

Cross-cutting has become more a feature of the development, and drifting less, owing to the fact that the known veins have been followed out by drift to their full extent. The larger part of development work in the future will undoubtedly consist of cross-cutting unprospected blocks, especially in the more favorable Huronian formation.

Developments for the coming year will include thorough prospecting of this nature. Further development at depth of the Keewatin vein will be done, and a winze will be sunk on No. 10 vein, where at the lowest level the vein is still strong, though barren of value.

Stoping was evenly distributed over the mine, and the veins taken as a whole produced ore well up to the estimated contents for the ground removed.

The largest amount stoped in any single vein was in the Fleming below and for a distance of 28 ft. above the 225-ft. level, where the entire block was stoped and the level covered in. Eleven thousand nine hundred and eleven square feet was stoped which produced 3,000 tons of average grade mill rock, and 38,000 oz. of high grade ore. This block is of lower grade than those above. No stoping has been done above this point, and a better proportional production of both high grade and mill rock may be expected.

The Main East vein was stoped 8,622 sq. ft., through to surface, over a distance of 150 ft., under the former lake bottom, and the opening was covered over. This vein has produced handsomely both in high grade and mill rock, and still contains an excellent reserve of both broken rock and ore in place.

No. 10 vein was stoped for 4,564 sq. ft., mostly above the 140-ft. level. Production of both high grade and mill rock has been good, as the ore zone is from 10 to 40 ft. wide, and contains many stringers of high grade ore.