

Estimate of Costs and Profits on producing one Ton of Pure Plumbago.

Mining 6 tons of rock	at \$2.50 per ton	\$15.00
Drawing to dressing-mill	" .50 "	3.00
Crushing and dressing	" 1.25 "	7.50
Separating dead rock (if any), say	" .50 "	3.00
Calcining, to remove lime, &c., say		4.00
Barrels and packing		3.00
Drawing to shipping wharf		1.50
Freight to New York, say		7.00

Cost of one ton pure plumbago, delivered in New York	\$44.00
Value " " " " " at 6c. per lb.	120.00

Profits on one ton \$76.00

Suppose now that only 18 tons of rough rock—equal to 3 tons of pure plumbago—were produced per day, and allowing 240 days to the year, this would give (3 x 76 x 240) — annual profits \$54,720.00

Deduct interest on capital, say \$50,000, at 10 per cent, \$5,000.00

Exploring, wear and tear, depreciation of stock, &c. 3,000.00

General management, agencies, discounts and contingencies 5,000.00

13,000.00

Net annual profits \$41,720.00

Or nearly 84 per cent on the capital supposed to be invested.

It would appear from the foregoing estimate, which I have been careful in all the items to keep on the safe side, that there is a wide margin for profits even in working the impure plumbaginous rock, of which a regular and steady supply can be always relied on; while the mining operations necessary for its extraction will doubtless bring to light deposits of the mineral in the purer and more concentrated form, which will require no manufacturing process to render it marketable, and on which, consequently, great additional profits may be reasonably expected.

Your property is so extensive as to afford scope for a very much greater production, and, consequently, much larger profits, than I have assumed in the estimate above made.

The quality of the plumbago obtained in this section of country is excellent; and the demand for the article is great, and likely to increase as the progress of the arts reveals, from time to time, new applications and uses for the mineral.

In these circumstances, I must regard this as a highly promising field for mining enterprise, for which the property secured by you seems to be in every way well adapted.

I have the honor to be,

Your most obedient servant,

CHARLES ROBB, *Mining Engineer.*