

## Quantity of gravel washed:—

	Cubic yards.
From Upper Bench, Main Bank .....	1,693,554
" Intermediate Bench .....	144,444
" Lower Bench .....	5,940

Total quantity washed during the season.. 1,843,938

Average duty of the water per miner's inch, about 4 cubic yards; gold product for season, 20,470.91 troy ounces; value of the gold, \$350,085.77; average yield of gravel washed, 18.98 cents per cubic yard; average product per washing day, \$2,041.30.

The loss of washing time that occurred during the progress of the season's operations is distributed as follows:—

	Days	Hours
Repairing hydraulic plant and advancing giants .....	5	
Advancing and repairing sluices .....	5	11
Cleaning up .....	5	21
Delay in delivery of giants required for use on lower bench .....	12	
Delay in delivery of explosives caused by unusually heavy roads .....	18	8
Repairing break on Morehead Canal .....		14
Total loss of washing time .....	47	6

The receipts and expenditures attending the operation of the Company's mines for the season will be found distributed in detail in the following statement:

## MINE OPERATION EXPENSES FOR THE SEASON OF EXPENDITURE.

Lands and Leases—Rentals, etc .....	\$ 2,137 50
License Account—Free Miner's Certificates .....	110 00
Mining—	
Labor and Board .....	\$43,105 65
Explosives .....	31,622 10
Stores, etc .....	1,796 93
Blasting, including explosives .....	7,646 87
Since extensions and maintenance .....	84,171 55
Port. Hyd. Plant maintenance .....	15,918 42
South Fork ditch maintenance .....	5,014 14
Morehead Ditch maintenance .....	5,301 27
Mine Light maintenance .....	5,061 05
Camp maintenance, fuel, etc .....	1,939 25
Buildings maintenance .....	1,926 55
Roads and trails maintenance .....	1,175 95
Wagons and harness maintenance .....	279 13
Telephone maintenance .....	363 46
Melting plant maintenance .....	94 00
Stable expense account .....	8 75
Bullion expense account—	1,495 44
Government Royalty .....	\$5,567 47
Transportation and melting charges .....	4,915 33
Transportation of miners, etc .....	10,484 80
Mine office expenses .....	4,665 41
Stationery and printing .....	1,260 98
Postage and telegraph .....	291 67
Incidental expenses .....	31 25
Fire insurance account .....	485 50
Management .....	6,232 80
Tools and implements—depreciation for season..	845 14
Horses and mules account—loss for season.....	245 00
Wagons and harness account—loss for season.....	34 25
Quicksilver account—loss for season .....	1,485 65

Total operating expenses for the season.. \$151,181 72

## RECEIPTS.

Profit on Stores sold to employees .....	\$ 2,835 76
Profit on blacksmith shop .....	95 90
Profit on lumber sold .....	98 64
Rent received from Morehead camp buildings .....	30 00
Total Profits for season .....	\$ 3,060 30
Gold product for season .....	\$350,085 77
Total receipts for season .....	\$353,146 07

## WATER SUPPLY.

The quantity of water available for use during the season of 1900 exceeded that of the season of 1899.

Precipitation for 1899 .....	28.65 inches
Precipitation for 1900 .....	30.67 inches

Exceeding that of 1899 by ..... 2.02 inches

A large percentage of the winter snow disappeared rapidly under the influence of the warm Chinook winds that prevailed during the latter part of March, and while the remaining snow went off under more favourable weather conditions in April and May, it was not sufficient to fill the reservoirs to the height attained during the previous season. The heavy rains that fell during the summer and fall months afforded considerable water, and made up, in great measure, for the limited quantity of water afforded by the winter snow.

	Miner's inches
Quantity of water available for use in 1899 .....	463,056
Quantity of water used in 1899 .....	353,056

Quantity of water remaining in the reservoirs at close of season of 1899 .....	110,000
Quantity of water afforded by precipitation for season of 1900 .....	370,878

Total quantity of water available for use during season of 1900 .....	480,878
Quantity of water used during season of 1900 .....	460,878

Quantity of water remaining in Polley's Lake and Morehead lake reservoirs at close of season ..... 20,000  
The 20,000 miner's inches of water remaining in the storage reservoirs will be added to the supply afforded by the precipitation of the season of 1901.

## WATER SUPPLY SYSTEM.

The winter frost and heavy rains brought down numerous small slides from the inner slopes of both main canals, and settlement occurred in two sections of flume built on the clay banks of the upper section of the Morehead canal, but nothing occurred during the season to cause a loss of more than 14 hours' washing time.

With these exceptions the water supply system remained in good running order throughout the season, and was maintained at reasonable cost.

## CONDITION OF THE MINE.

The character of the deposits show a marked improvement as the workings are advanced up the channel. The heavy deposit of indurated clay overlying the gravel, on the southwest side of the channel, is decreasing rapidly. The pay gravel is increasing in depth in proportion to the decreasing in the thickness of the clay capping.

The channel appears to be widening, and the average yield of gravel washed during the season is a marked improvement on that of previous seasons.

The gravel on the lower bench continues of high grade, and will probably improve as the workings are carried around the big bend and advanced up the channel.

The gold saving appliances are in good running order and prove efficient for the economical removal of the gravel to the dumps and the recovery of a high percentage of the gold.

The Portable Hydraulic Plant is in good working order, but requires an additional 1,000 feet of 24 inch steel pipe for necessary extensions next season. Pit No. 1, with this addition to hydraulic plant, may be considered in good condition for the ensuing season's operations.

A water supply equal to that of 1900 will assure a greatly increased gold product for the season of 1901.

The operating expenses will vary as usual with the quantity of gravel washed and the difficulties encountered during the progress of the season's operations. Assuming that the clay capping will be successfully blank blasted and no accident occurs to interfere with the continuous operation of the mine, the operating expenses should not exceed about six cents per cubic yard of gravel washed.