

points known to us, at present, only by the 10-foot exposure in the shaft now being carried down. Until these works were completed, I would not think of erecting a dressing mill or putting up furnaces. A certain accumulation of ore, to feed these, should be on hand before starting, and also a certain amount of stoping ground under excavation, otherwise it will not be possible to keep the furnaces in constant blast.

The mill and furnaces ought to be near each other. A suitable spot for their erection might be found on the Company's ground; but a particularly desirable site, for works of this kind, occurs on a lot, adjacent to the Bobcaygeon Road, within a short distance of the Company's property. The necessary ground, I understand, might be rented or easily secured. It is contiguous to a small creek issuing from Silver Lake. A dam could be placed on this creek at little expense, and a good supply of water thus obtained. Timber for fuel and mining purposes occurs abundantly on the Company's location.

Notwithstanding the loss of metal entailed by its use, the Improved American, or Rossie Hearth, giving a blast heated by the combustion of the ore and fuel, will be found the most suitable furnace for the reduction of this ore. Pine or other wood is employed as fuel, and very little is required, the heat being derived, in great part, from the combustion of the sulphur in the ore. An ordinary furnace of this kind will give about three and a-half to three and three quarter tons of reduced metal in three eight-hour shifts, the ore being previously dressed to an average richness of 70 or 75 per cent. At the present time, in consequence of the stoppage of several mining works at no very distant localities, mill machinery, steam engines, and furnace materials may, probably, be obtained at a comparatively low cost. With judicious management, a sum of \$5,000 or \$6,000 would be sufficient to start the mine fairly, but a larger working capital will be eventually required in order to achieve a permanent success. Disappointment is very commonly caused, especially in new countries, by an attempt to work mining property on *too small a scale*. The ore may yield a fair profit, but the production is insufficient to render the aggregate profit of much account. Hence, if a lode