The present lower tunnel is 800 feet above the creek, and the hillside is very steep, giving an opportunity to open the ore bodies to great depth by drifting into the hill. This condition, together with the large and compact ore bodies, will admit of the most economic mining.

At the most northerly end of the group an outcrop of quartz from 5 feet to 6 feet in width has been discovered. The intervening distance is covered with timber and wash, making it difficult to examine the surface. I believe that by prospecting this area in a systematic manner other ore bodies will be exposed.

In conclusion, to speak in general of the district, I cannot speak too highly of these gold quartz veins that follow so persistently the fissure zone through the granite hills, but what impressed me most is the fact that throughout the great number of outcrops on the various properties there are no barren areas. Wherever you get the quartz you have gold, and from geological conditions, with the facts proven, by development along the belt, there is every assurance of the permanency of these ore bodies in depth, together with their gold values.

A plant for the treatment of the ore can be placed immediately below the property near the creek, where the ore can be delivered by gravity tram at low cost. By controlling the large falls at Surf Inlet unlimited power is assured. Conditions at the falls are such that an electric power can be developed at nominal cost, which can be transmitted to the property, giving cheap and efficient power for both milling and mining.

There is ample timber for all time on the property itself, reducing mill construction and mine timbering to a very low cost.

The low freight and treatment rate on concentrates given by the coast smelters gives this property an advantage over mines of this class in many other parts of the world.

The climatic conditions are good, admitting of working to equal advantage throughout the year.

RECOMMENDATION REGARDING THE ORE TREATMENT.—The treatment of ore of this mine cannot be fully decided at present.

The following suggestions are based on my own knowledge of the character of ore and some sample concentration and amalgamation tests I have had made locally.

Before settling the final details of the process, large samples of the mine product should be submitted to men who are experts on milling and concentration of gold ores. I would advise crushing by stamps with amalgamation and concentration. I believe this simple and old-time process, if properly adjusted to local conditions and supplemented by modern methods of handling the crushed product, will prove best for this ore.

The size of the ore bodies warrants a 20-stamp mill. Such a plant would treat about 60 tons a day. I would expect this amount to yield about 6 tons of concentrates, which would be shipped to the local smelter.