

two surface trenches to the west of the open pits, showed a width of 234 ft., averaging \$3.82.

In the No. 4 shaft section, six diamond drill holes put down within an area of 15,000 square ft. indicated a new ore body, which will be developed from the 100 ft. level.

Plant.—During the year it was decided to increase the treatment capacity of the plant to 28,000 tons per month, this work necessitating the following expenditures:

Mill.	\$207,778.83
Mine.	19,543.21
Pumping plant	27,185.41
Crusher station	23,236.21
Shops, dwellings and miscellaneous.	17,080.46
Power, steam, electric and air lines.	15,174.90
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	\$303,999.02



No. 2 Shaft, Dome Mine

This increase necessitated the installation of an additional 40 stamps and of sand leaching tanks. This modification of the present all sliming practice will give greater economy for the treatment of low grade ore.

The company possesses a deposit of low grade ore, which should be worked by a policy of non-selective mining, and which gives assurance of profitable life on a basis of the new treatment capacity. The advisability of still further increasing the capacity of the mill cannot be satisfactorily determined until further development work has been done from the lower levels of the No. 2 shaft, and until the limit of low operating costs has been firmly established with underground mining conditions.

During the year, a total of 6,579 ft. of drifts, crosscuts and raises were driven and No. 2 shaft was sunk an additional 223 ft.

Efficiency records for the year show that an average of 4.023 tons was produced per man per shift for all underground employees and 1.73 tons per man per shift for the total number of employees on the property. The stoping record shows 43.7 tons broken per machine shift, with the large piston drills and 61.01 tons per machine shift for the small machines. In the mill 60.7 per cent. of the total value was recovered by amalgamation and 39.3 per cent. was recovered by cyanidation, while the average stamp duty was 10.6 tons per 24 hours. The average recovery was 94.5 per cent.

Operating costs of \$3.08 were distributed as follows:

Mining68
Hoisting.07
Crushing and conveying to mill25
Stamping, tube milling and amalgamation.86
Thickening, cyaniding and precipitating50
Refining.08
General.64

Total. \$3.08

It is expected that the item of 25c for crushing and conveying to mill will be reduced to 10c. Compared with the previous year, costs of operation are \$1.49 less.

The balance sheet shows cash on hand of \$168,749.12, while the surplus as of April 1st, 1914, is \$486,520.20.

The report of this company leaves little to be desired in the way of information. Of particular interest is the statement that operating costs will be reduced to \$2.50 per ton. Previous to the operations on the Dome property, such a cost for any Ontario gold mine was considered absolutely out of the question, and if the company is successful in carrying out its policies, it should have a marked effect on the development of low grade gold properties throughout the Province. Some properties which heretofore have been considered too low grade to be of any interest may now with this encouragement be susceptible of economic development. The establishment of such low costs in Porcupine, where conditions are to some extent unfavorable, reflects great credit upon the management of the property.

The purchasing power of a company of this sort is also an important factor and although it is not likely to be of much interest to the individual shareholders, it is extremely important to the Province as a whole. During the past two years, the company has spent approximately \$1,000,000 a year, and with the enlarged plant, the yearly expenditures in the future should be about the same. The benefit of this distribution can hardly be estimated, as the effects are far reaching, but the annual disbursement of such a sum as this by a single company which has, according to its estimates, several years of profitable life before it, and with the possibilities for future development by no means exhausted, will be an important factor in a permanent development of Northern Ontario.

The Granby Consolidated Co. last month sent a number of artisans and much building material to its Midas mine, near Valdez, Alaska, to make provision for accommodation for miners and cover for machinery, preparatory to commencing to ship ore to the company's smeltery at Anyox, Observatory Inlet, B.C.