

Engineer, \$3.00 to \$3.50 per day of 10 hours.
Foreman, 2.50 to 3.00 " "
Amalgamator, \$100.00 per month.
Wood for fuel, \$1.50 per cord.
Board and lodging is given the men at \$4.00 per week.

Under present conditions and good management the cost of mining should not exceed \$4.00 to \$4.50 per ton, and milling \$1.50 per ton, making a total cost of about \$6.00 per ton.

The treatment of the concentrates, when enough have been obtained, or the plant has increased in size sufficiently to give a daily output of four or five tons, will cost about \$10.00 per ton of concentrates.

Conclusions.

If handled properly I believe the property will yield good profits. It is badly in need of greater development in order that ore can be obtained in sufficient quantities to keep the mill going. Just now no further machinery is required, with the exception of a large pump for the Shore Vein. The cost of this will not be over \$300 to \$400. I would recommend that the lake be lowered as much as possible by deepening the outlet, and that the work of sinking the shaft on the Shore Vein be pushed ahead, and drifts run north and south at intervals of 100 feet. I would also suggest that the shaft on No. 2 Vein be broken through to the surface and the work of sinking and driving levels be proceeded with. When both these shafts have reached a depth of 100 feet and levels have been run about 100 feet each way on the veins, enough "stopping" ground will have been opened up to keep the mill going. The cost of this will be approximately \$10,000. When this has been expended it will be time enough to put in an additional set of five stamps; the cost of this will be about \$4,000.

The profit to be expected from the "Shore Vein," if its present grade keeps up, is \$22.00 to \$24.00 per ton. No. 2 Vein should give \$4.00 to \$5.00 per ton in profits. Taking the whole mill run average of \$13.00 per ton, the margin should be about \$7.00 per ton; on a mill capacity of 25 tons per day (the average of a ten-stamp mill), this represents a profit of \$175.00 a day, or about \$50,000.00 a year, allowing for accidents, etc.

(Signed)

J. H. CHEWETT.

NOTE.—Mr. Chewett's report, although dated 2nd Nov., is upon an examination made in August. Since then a shaft on the Tram Vein has been sunk to a depth of 40 feet, and is pronounced by our own expert to have developed most satisfactorily.

There is also another vein called the Big Vein, which was not discovered at the time Mr. Chewett made his examination. It has been traced by our expert for a distance of 800 to 1,000 feet, and he reports that owing to its situation upon the location, it can be mined at a very low rate; and there should be no trouble to not only increase the production but largely augment the profit estimated by Mr. Chewett.

A. J. & CO.