

Profit and Loss Account.

For the three months ended March 31, 1915

Gross proceeds from ore treated \$74,558.42

Deduct—

Mining costs	19,384.50
Milling costs	11,192.77
General expense	8,792.88
Depreciation	4,031.96
	43,402.11

\$31,156.31

Deduct—

Refining and marketing expense 1,207.77

Operating profits 29,948.54

Deduct—

Administration expenses	844.77
Interest charges	1,723.44
Organization expenses	775.00
	3,343.21

Net profits transferred to Exhibit "A" .. \$26,605.33

Porcupine Vipond Mines, Ltd., Annual Report, 1914.

The report of President H. H. Ward is in part as follows. Inasmuch as the period up to December 31, 1914, was devoted to building the cyanide addition to the plant, unwatering and reopening of the mine, resumption of development operation, and continuance of the same during a period of five months, overhauling of the plant, which had been idle for 18 months, adjustment of added plant after putting it in operation, that part of the report covering this particular period cannot give a clear idea of present conditions. In addition to the extraordinary costs made necessary by the operations mentioned above, a considerable amount of deferred charges was carried over into this period. However, inasmuch as the fiscal year of the company begins the first of the calendar year, a separate financial report is made for the period ended December 31, 1914, and the balance as shown on that statement will be carried on to the next annual financial report.

The reports covering the period from January 1, 1915, indicate the result of operations for this period as shown by the reduction in outstanding indebtedness, increased balances of cash and bullion on hand, increased ore reserves and increased daily mill capacity. In order to accomplish this increased mill capacity it was necessary, in addition to making original adjustments, to install new classification system and make other changes, which necessitated shutting down the mill for a period of 13½ days. The results for the three months' period should, therefore, be measured as for 76½ days, and not for the full period.

Although one or two additional changes of comparatively small cost are in contemplation, the purposes of these changes being to bring the present capacity of certain units up to full capacity of the plant as a whole, the mill may now be considered as complete so far as present plans and present ore reserves warrant; and as it stands, and with the few changes proposed, will be capable under normal conditions of treating 100 to 120 tons per day.

On account of the unusually small precipitation in Northern Ontario during the past winter there has been a shortage of water power throughout the camp during the month of March. This, however, has not interfered with mill operations, but it has curtailed development work to some extent. It is gratifying to

know, however, that even during this period of reduced available power, ore development has more than kept pace with the tonnage treated, and it is anticipated that the plant will be running full capacity both above and below ground within two weeks. (Full power made available April 15th).

Owing to the fact that a large part of ore during 1914 was taken from the dump, which had never been entirely cleaned up, and therefore, contained a large percentage of ore from the original development, the mill heads were low during this period. The character of ore now being developed justifies the expectation that in the immediate future head values will more closely approximate recent figures than those of 1914. As will be seen from reports, the heads during the four months of 1914 ran \$8.60 per ton as against \$11.50 for the period from January 1, 1915, to March 31, 1915. Not only the condition of the mill, but the character of the dump ore under treatment account for an extraction of 90 per cent. during the 1914 period as against the present extraction of 95 per cent.

It is felt that the conditions as to the organization and administration of the property are now in a satisfactory condition. Although the financial plan which had been arranged when the company was organized was not carried to completion, individual shareholders will not suffer thereby. On account of the necessary abandonment of the plan upwards of 150,000 shares of stock which would otherwise have been issued are held in the treasury. The company was obliged to borrow in order to secure funds to complete the plant and meet current expenses, and the indebtedness thus created, together with the bond issue, must be entirely looked out for out of earnings instead of partly out of stock subscriptions as was the original plan.

It is recommended that bondholders be invited to extend for one year the terms of their bonds, subject to an agreement with the company, to continue interest payments at the present rate of 7 per cent. per annum; the bonds to be subject to call of the company within the one year period, on 30 days' notice, and a payment of a bonus of 1 per cent.

John Bryden.

The late Mr. John Bryden, who died at his home at Esquimalt, near Victoria, B.C., on Saturday, March 27, was one of the pioneers in building up the important coal mining industry of Vancouver island. He was born in Ayrshire, Scotland, on December 4, 1831, so was in his eighty-fourth year. In the autumn of 1862, he left Scotland for Vancouver island, going by way of the Isthmus of Panama and San Francisco and thence to Esquimalt. Late in that year, or early in 1863, he settled at Nanaimo, where he was joint manager with Mr. Mark Bate for the Vancouver Coal Mining and Land Co., which in 1861 had purchased from the Hudson's Bay Co. the coal mines it had been working there since 1852. In 1873 he was joined by Mr. E. G. Prior (now Colonel Prior, of Victoria), who as mining engineer and surveyor under him engaged in the work of developing the mines. Some years later, about 1880, Mr. Bryden became manager of the Wellington collieries for Mr. Robert Dumsuir, one of whose daughters he had married in 1867. Later he represented Nanaimo district in the Legislative Assembly of British Columbia, and as the years passed he was actively identified with various industrial enterprises on Vancouver island and elsewhere in the province. He was chairman of a Commission ap-