

PORCUPINE VIPOND MINES, LIMITED, ANNUAL REPORT.

In the report of Porcupine Vipond Mines, Ltd., for the period May 1, 1914, to Dec. 31, 1914, Mr. C. H. Poirier, manager, says: Construction of a cyanide addition of 120 tons daily capacity was started on May 10, 1914, and carried on through the summer. The plant, which is of the continuous counter-current decantation type, was put in operation on September 1st, 1914, and has been run continuously since that time.

The total cost of the addition was \$24,617. This included the stripping of the old building and the removal and replacement of various parts of the crushing section to fit into the changed flow sheet.

While the cyanide plant was being erected the mine was unwatered, and underground work was started on August 1st.

Development.

During the period the following development was carried out:

	Drifts.	Crosscuts.	Raises.
100 ft. level ...	215.8	27.5	186.4
200 ft. level ...	133.5	26.4	
300 ft. level ...	23.8	28.8	

Production.

Tons treated, 9,559 tons.	
Gold bullion produced, 3,217.95 fine oz. ...	\$66,514.58
Silver bullion produced, 413.84 fine oz.	200.57
Precipitate on hand Dec. 31st	3,758.77
Refinery slag on hand Dec. 31st	2,304.00
Solutions.	1,186.00

	\$73,963.92
Tailing loss	8,309.25
Total value of ore treated	82,273.17
Average value per ton	8.60+
Loss per ton	.86+
Extraction.	90%

The tonnage treated was drawn from the following sources:	
Stopes.	6,633 tons
Development.	988 tons
Dump.	1,938 tons
Total.	9,559 tons

Costs.

Costs for the four months during which the mill was in operation are as follows:

	Total.	Per Ton Milled.
Mining.	\$19,415.55	\$2.03
Milling.	15,187.62	1.59
Refining and marketing	1,353.27	.14
Development.	10,188.95	1.06
General—		
Supervision, Surface		
Insurance, Taxes		
Organization head office	15,513.56	1.62
		\$6.44

In the above are included all costs for ore broken and not milled, no deferred charges are carried for development. Mill absorption and loss due to starting new plant are written off, and extraordinary expense incident to unwatering and reopening mine and starting operations after a long shut-down are included.

There has been a constant improvement in conditions underground on the property. The continuation

of the main ore shoots has been proven to the lower levels and lateral development shows a very satisfactory extension of payable ore along the strike of the Davidson vein.

Adjustments in the mill have resulted in an increased saving, and costs have decreased in every department.

In view of the short time during which the mill was in operation during the year 1914, the following figures covering the period from Jan. 1st, 1915, to March 31st, 1915, are given for comparison:

For Period Jan. 1st to March 31st, 1915:

Tons milled, 6,898; bullion produced, \$74,558.42; recovered per ton, \$10.81; total costs per ton, \$5.71; profit per ton, \$5.10.

The estimated ore reserves on March 1st amounted to 40,900 tons of developed ore of a gross value of \$355,055.00 and 7,400 tons of broken ore in stopes valued at \$73,355.00, a total of 48,300 tons of a gross value of \$428,410.

Balance Sheet Porcupine Vipond Mines, as at December 31st, 1914.

Assets.	
Mine and Plant—	
Accounts receivable	112.01
Mine.	\$872,831.56
Plant as at April 28, 1914.	\$77,547.35
Additions to plant	33,848.95
	111,396.30
Deduct—	
Depreciation of 5%	3,877.37
	107,518.93
	980,350.49
Bullion assets—	
Bullion in transit	\$12,067.32
Precipitates and slag	4,176.77
Mill solution	1,186.00
	17,430.09
Current assets—	
Cash.	\$645.92
Materials and supplies on hand	11,844.61
Unexpired Insurance	1,987.74
	14,581.28
Accounts in adjustment	3,365.36
Treasury stock reserved for contracts ..	16,125.30
Deficit Account—	
Net loss transferred from exhibit "D"	3,437.98
	\$1,035,290.50
Liabilities.	
Capital stock—	
Authorized.	\$1,500,000.00
Deduct Treasury stock ..	600,000.00
	\$900,000.00
Bonded indebtedness—	
Bonds of the Ward Porcupine Mines Co., Ltd, assumed, due June 14, 1915.	65,400.00
Current liabilities—	
Accounts payable	45,390.50
Notes payable	24,500.00
	69,890.50
	\$1,035,290.50