and regular, and it is hoped that further developments both in sinking and raising will open other ore.

An estimate of ore in reserve follows:

Estimate of Ore Reserves, Kerr Lake Mine, September 1st, 1915.

Vein system.	Estimated oz. high grade.	Milling ore. Tons.	Milling ore. Gross ounces.	Total estimated ounces. of silver.
Big Chamber, McDonald and No. 7 veins	895,000	4,000	112,000	1,007,000
Main East, No. 218 veins	248,700	2,500	50,000	298,700
No. 10, No. 15, Xmas veins	788,300	12,290	407,250	1,195,550
No. 8 vein	31,400	1,500	22,250	53,650
Little No. 7 vein	8,000	540	13,500	21,500
Lake No. 3 and Fleming veins	620,000	22,000	686,000	1,306,000
Other veins	5,000	2,000	35,000	40,000
Dump ore	......	10,000	250,000	250,000
Total	2,596,400	54,830	1,576,000	4,172,400

Average value per ton milling ore 29.3 oz.

Treasurer E. H. Westlake reports:

The shipments for the year amount to 1,992,065 gross oz. The smelter settlements aggregate 1,777,122 oz. The difference is accounted for by the deductions made by the smelting works for losses and in the way of treatment charges.

The costs of production per ounce are as follows:

	Cents.
Mining and development cost	9.67
Shipment and treatment charges	11.09
Administration and general	0.69
Total	21.45

There has been included in development expense the sum of $18,049.68, expended in connection with Kerr Lake-Crown Reserve Drainage Account, leaving a balance of $27,900.32 in the Drainage Account, as at August 31st, 1915. There has also been written off against the cost of property acquired in connection with the lake drainage, the sum of $24,589.35.

On July 15th, 1915, the Kerr Lake Mining Co. purchased 837,400 shares of the Caribou Cobalt Mines Co. (out of a total of 1,000,000 shares) for $50,000.

All construction expenditures during the year have been charged to operation expenses, under the heading of "Repairs to Plant and Buildings."

The total amount of dividends paid by the company to August 31st, 1915, is $5,820,000.

Kerr Lake Mining Co., Limited—Operating and Profit and Loss Account for the Year Ended August 31st, 1915.

Cost of production and development—		
Stoping	$17,977.32	
Development	40,074.10	
Power, light and heat	26,208.77	
Ore sorting and jigging	11,688.92	
Tramming	20,023.28	
Hoisting	6,543.12	
Timbering	16,854.20	
Pumping	920.55	
Drills and steel	6,395.08	
Mine expense	10,492.31	
Repairs to plant and buildings	3,185.78	
Stable expense	4,657.79	
Office expense	4,805.35	
Surface maintenance	7,398.18	
General expenses	1,041.45	
Taxes	18,739.21	
Boarding house	72.44	
		$197,077.85
Shipment, treatment and other charges—		
Shipment expense	$1,037.23	
Milling	3,891.08	
Freight	5,746.67	
Ore treatment expense	100,895.23	
Assaying	3,498.36	
Insurance	4,842.78	
		119,911.35
Administration and general expense—		
Mine manager's salary	$8,400.00	
Directors' fees	600.00	
Traveling expenses	330.20	
General expenses	4,834.82	
		14,165.02
Amount written off cost of property acquired in connection with lake drainage	$24,589.35	
Exploration on outside properties	1,501.00	
		26,090.35
Balance transferred to Profit and Loss Account		550,774.19
		$908,018.76
Proceeds of ore sales	$893,375.46	
Less: Ore on hand, at smelter and in transit, August 31st, 1914, at estimated value	108,180.38	
	$785,195.08	
Plus: Ore on hand, at smelter and in transit August 31st, 1915, at estimated value	104,818.37	
		$890,013.45
Interest		18,005.31
		$908,018.76

Kerr Lake Mining Co., Limited—Balance Sheet, August 31st, 1915.

Assets.

Mine property	$104,178.70
Buildings, plant and equipment	33,351.21
Inventory of materials and supplies	7,015.79
Ore on hand, sold and in transit, unsettled for, at estimated value	104,818.37
Bank interest accrued	808.49
Unexpired insurance	2,122.14
Sundry debtors	749.85
Cash	265,777.55
Short term bonds	355,154.00
Kerr Lake-Crown Reserve drainage account	27,900.32
Kerr Lake Mining Co. of New York	58,000.00
	$959,876.42

Liabilities.

Capital stock: 400 shares at par value of $100 each		$40,000.00
Accounts payable		6,655.64
Accrued wages		7,688.51
Reserve for accrued taxes		11,164.14
Reserve for outstanding liabilities		2,500.00
Surplus—		
Balance September 1st, 1914	$961,093.94	
Profit for year ended August 31st, 1915, as per Operating and Profit and Loss Account	550,774.19	
	$1,511,868.13	
Deduct: Dividends paid during the year	620,000.00	
		891,868.13
		$959,876.42

Kerr Lake Mining Co. of New York—Income and Expenditure Account for the Year Ended August 31st, 1915.

Administration and General Expenses—		
Legal	$3,026.98	
Taxes	292.43	
Officers' salaries	6,500.00	
General expenses	4,774.59	
Directors' fees	1,160.00	
Engineers' services	2,500.00	
		$18,254.00