

COMPANY MEETINGS AND REPORTS.

THE NEW FAIRVIEW CORPORATION.

THE following report by the superintendent, Mr. Chas. Ostenburg, has been submitted to shareholders:

Gentlemen,—I herewith submit for your consideration the following report of the corporation's operations at the Stenwinder mine, Fairview, B.C., for the past six months, ending 31st January, 1902:

The construction operations, occupying the first four months, have been as follows:

Taking down, moving and erecting the 16-stamp mill, formerly on the Tin Horn mine.

Taking down, moving and erecting the 10-stamp mill, formerly on the Okanagan river, purchased by you from the Fairview Mining Co.

Taking down, moving and erecting your saw mill at the same mine.

Taking down, moving and erecting the hoisting works, formerly on the property of the Fairview Mining Co.

Taking down, moving and erecting bunk houses, assay and superintendent's offices, boarding house, etc. which amounted to about 600 tons of material. In addition, about two miles of pipe line was taken up and relaid, this work being in charge of another party.

Exploration and development work consists of making stations at the three levels; crosscutting the vein at the third level; extracting the ore on the first level for the full width of the vein, in order to put in loading chutes, etc.

Extracting the ore on the second level for a sufficient height to put in loading chutes, which are now in for 260 feet, which work will be continued to the end lines of the claim, after which the ore can be extracted at very low cost.

Loading chutes have also been erected on the north ledge.

All this work in the mine has been done within the past three months, and it will take a considerable time to finish the timbering referred to, but as the ore taken out in the widening of the drifts is nearly sufficient to supply the present mill, the mine is practically paying for its own development.

At the present time there are over 3,000 tons of broken ore in the stopes of the second level, which has been broken down in addition to the 1,400 tons sent to the mill during the past month, and we have used only two machine drills to accomplish this work.

I have carefully examined the reports given the following engineers who have examined the mine, viz.: W. A. Carlyle, J. H. G. Riley, J. F. Bledsoe, Joseph J. Taylor, John H. Campbell and E. S. Thurston, all of which agree as to the large quantity of ore available.

Mr. Taylor's report, which I am informed was obtained by the Bank of Montreal, is particularly valuable, inasmuch as he spent several weeks carefully sampling the mine in every portion opened up at the time, being to the second or 200-foot level.

His samples to the number of 134, taken every eight feet in the drifts, gave an average assay value of \$4.07 per ton of 2,000 lbs.

In his report Mr. Taylor states that by taking some care in the extraction, that is, rejecting poor ore in the stoping and using it for filling back, an average of nearly \$5.00 might be expected.

On taking charge of your property, after a month's daily examination, as the work of arranging the stopes progressed, I concluded that as all the ore had sufficient value to pay milling charges, and as the values are so

unevenly distributed throughout the veins, that it would pay better to extract the whole ledge matter than pay sorting charges.

By breaking down the ore as it comes we are now able to supply the mill with only twelve men in the mine, and after the timbers and loading chutes are in, we could supply 200 tons per day, and keep the development work ahead with not more than 20 men in the mine.

This would be an impossibility except for the very favorable conditions, some of which are as follows:

1st. The great width of the veins.

2nd. The walls enclosing the ore being extremely hard and solid, thus reducing the amount of timber required to a minimum.

3rd. The dip of the veins being such that no shoveling is necessary, after the chutes are in, as all the ore falls into them by gravity.

4th. The ore is of such a friable nature that we find it possible to operate $2\frac{1}{4}$ inch (Baby) drills in the stopes. These machines are operated by one man instead of two (which the larger machines require), and three of them which we now have will keep the mill supplied with ore.

5th. This characteristic is also valuable in the mill as we can crush 25% more than the average. Two and a half tons per stamp is fair work. We are doing over 3 tons at the present time and using fine screens. By using 30-mesh screens, which I would recommend, provided you erect a small cyanide plant to treat the concentrates, the present mill will crush over 100 tons per day of 24 hours.

With 20 stamps added there should be no difficulty in crushing 170 tons per day, using the screens mentioned.

The object of using the fine screens at the present time was finer concentration in case of shipping the product. This means a greater loss in the tailings, as the lighter portion of the mineral goes over with the heavy sand. If you cyanide the concentrates we can catch all this lighter mineral as well as the heavy sand, which contains some values, allowing only the light sand to escape, thus reducing losses in concentration.

This will reduce the value of the concentrates about half, but will give you three times the quantity we are saving at present.

In testing the concentrates I find that we will be able to obtain a high extraction by using cyanide.

The expense of such a plant as you would require would not be over \$1,000.

The quantity of ore available for the mill from the second level to the surface on the main vein, taking 16 feet as an average width (although at no point on the second level where it is opened is it less than 18 feet), and only taking the length of the present drift (840 ft.) is 147,000 tons.

As there is good ore in both faces of the drift and the surface showings continue through the claim, it is only reasonable to expect that it will be the same as what has been opened, and we could therefore count on having 250,000 tons above the second level of the main vein.

Taking the width of the average from the third to the second level as 20 feet, the distance between levels being 104 feet, this level would supply 230,000 tons, for the length of the claim.

The north ledge is 7 feet wide, and opened on both levels, and could be counted on for 50,000 tons.

We could thus reasonably depend on having an ore supply sufficient to take 200 tons per day for many years.