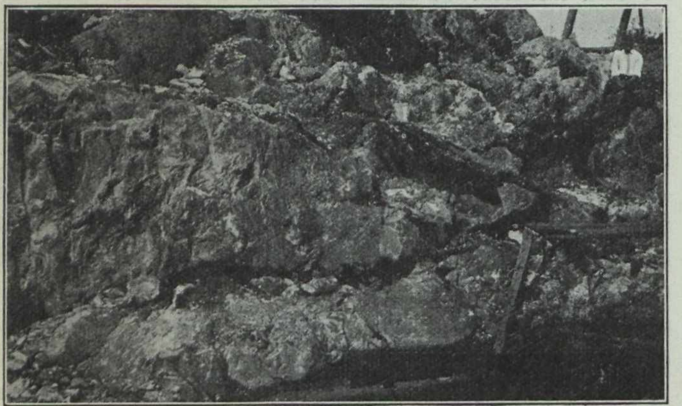
AN EASTERN ONTARIO GOLD MINE.

Written for The Canadian Mining Journal.

To that indefinite entity, "the average reader," it will be a matter of surprise to learn that for many years gold mining has been carried on in Eastern Ontario within a few hours' railway run of Toronto. If, for example, you leave by the morning C. P. R. express and get off your train at Havelock, you can be safely landed at one of the most interesting, and certainly one of the best equipped gold mines in Canada, in ample time to enjoy your mid-day meal. You merely drive twelve miles north from Havelock station and there you are.



Surface Outcrop

Concerning the beginnings of this mine, the Belmont (or Cordova), there is authentic record. Twenty-two years ago a farmer discovered visible gold in an outcrop on the wagon road. For a small sum the property was acquired a few years later by Mr. A. W. Carscallen, and in 1897 sold by him to the Cordova Exploration Company, of Newcastle-on-Tyne, England. From this time on, the history of the mine is a striking illustration of the vicissitudes that attend the search for gold.

The English company lost no time in getting to work. A 10-stamp mill was put in commission in December, 1907. Encouraging results were obtained from the first. In three years time the small stamp mill had crushed 15,267.5 tons of ore, which yielded 4,803 ounces of gold, of a gross value of $86,519. Thus the average value of the ore was $5.66 per ton, a good enough figure for a larger plant, but obviously yielding small annual profits from the small plant installed.

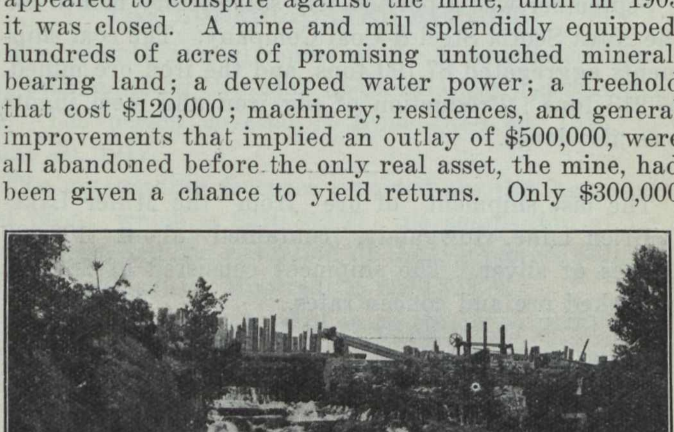
With this fact in view, and since the mine itself was in good shape with promise of enough ore to justify a considerable expenditure, it was decided to erect a larger mill, and to utilize a neighbouring water power to produce compressed air. These additions meant cheap and ample power, a larger mill capacity, lower costs, and naturally higher profits.

Up to this time about $75,000 had been expended in developing and equipping the mine. The additions to the plant entailed a heavy outlay, which outlay was apparently justified.

The new mill was completed in December, 1900. Strange to relate, while the estimated cost was $36,025, the actual cost exceeded this by only $2,400. The power plant, from which compressed air was conveyed in pipes three miles to the mill and mine, cost in all $85,000, as against an estimated cost of $60,000, not at all a bad showing in view of the engineering difficulties encountered.

The whole plant was in excellent running order during the latter half of the year 1902. The mine had been developed to such an extent that more than 100,000tons of ore was blocked out. These bodies were reported on by a distinguished English consulting engineer to contain $5.50 in gold per ton. Thus the ore proved to be ready to hand was worth in the gross at elast $550,000. Of course large unproved bodies of ore were also known to exist. But the 100,000 tons, with complete overhead equipment for mining and milling, constituted a sound commercial basis. The estimated cost per ton, including all charges of running, extraction, deveolpment (prospecting), administration, etc., was placed at $2.75. The mill was expected to handle at least 2,000 tons per month. Loss in tailings, at 50 cents per ton, would bring the total net returns from the ore to $2.25 per ton. The annual net profit, therefore, was calculated at $54,000. This was looked upon as a minimum, as it was known that the mine could supply larger quantities to the mill, and it was believed, for excellent reasons, that the mill's capacity could be readily brought up to 2,500 per month, or 30,000 per year, making the net annual profit about $70,000.

However, clouds larger than a man's hand appeared on the horizon. The enginee rin charge, and the consulting engineer could not see eye to eye. Operating costs far exceeded the estimates mentioned. Then one principal owner died, and then another. Everything appeared to conspire against the mine, until in 1903 it was closed. A mine and mill splendidly equipped, hundreds of acres of promising untouched mineral-bearing land; a developed water power; a freehold that cost $120,000; machinery, residences, and general improvements that implied an outlay of $500,000, were all abandoned before the only real asset, the mine, had been given a chance to yield returns. Only $300,000 in gold had been taken out of the mine, and much more was actually available.



Below Deer Lake Dam

Naturally, in the succeeding years the Belmont became the subject of many negotiations. Several Canadian mining investors, among them one whom the high gods smiled upon superfluously in Cobalt, made offers for the property. Offers also came from the United States. But it was not in accordance with hu-