Production from the old reserves, No. 7 and the Big Chamber, was well maintained, and although it was expected to finish these reserves during the year, a very considerable amount still remains.

On No. 218 vein production was somewhat lower than was expected, as this vein became barren after being stoped for a distance. A side vein has recently been opened up which may make up the estimated contents.

A cutout stope on No. 3 Lake vein produced 49,559 oz. of high grade ore.

Two thousand five hundred and seventy tons of ore was drawn from No. 3 dump. The average grade of this rock after sorting was 30.9 oz. per ton.

One thousand three hundred and fifty-four tons was drawn from No. 7 dump, but owing to a shutdown in the mill 1,673 tons was added, so that the dump has gained 319 tons.

Total Development and Stoping—September 1st, 1914, to September 1st, 1915.

	Development.	Stoping.
Drifting ft.	1,996.2	
Cross-cutting ft.	2,103.4	
Raising ft.	59.3	
Sinking	67.2	
Stoping sq. ft.		48,223
Total	4,226.1	48,223
Trenching	112.0 ft.	

Production of Individual Veins, Kerr Lake Mine, for the Year Ending August 31st, 1915.

Vein. system.	Development oz.	Stoping oz.	High grade total production oz.
Big Chamber		173,944	173,944
Fleming	24,505	38,116	62,621
No. 7		213,929	213,929
Main East		289,457	289,457
No. 10		266,807	266,807
No. 8		33,936	33,936
McDonald		72,994	72,994
No. 3 Lake	5,412	49,559	54,971
Little No. 3		3,091	3,091
No. 218		19,620	19,620
Little No. 7		7,187	7,187
Total	29,917	1,168,640	1,198,557
Mill ore			838,405
Grand Total			2,036,962

Ore Sorting and Jigging Plant.—Undersize from the mill was jigged as usual, but no production from this source is listed, since experiments made last year showed that it was advisable to sort the products and add same to the first and second grade shipping ore. Tailings and fines from this plant are of milling grade, and are shipped to the mill. An experimental settling tank was put in the lake bottom to catch the waste water containing a small proportion of slimes. The results show that this saving is worth while, and a larger tank is now being installed.

The machine shop, consisting of lathe, shaper, hack-saw, and emery wheel, installed last year, is operating satisfactorily, and results in a considerable annual saving in time and expense for all kinds of repairs and machine parts.

A pot melting furnace was installed during the year to melt into bullion the rough metallics from the mine, and the ball mill oversize from the sampler. These products were formerly custom melted.

Production of mill ore was 206,382 gross ounces higher than last year, owing to increased milling facilities and slightly better grade of the ore, namely 36.40 oz. this year against 33.83 oz. per ton last year. Of the 23,035 tons sent to the mill, 2,199 tons was taken from the dumps.

Mining Cost Per Ton of Rock Hoisted—September 1st, 1914, to August 31st, 1915.

			Tons.
Tons rock hoisted, 47,436.	Ore, 38,286 tons.	Sacking ore—	
		1st grade	282
		2nd grade	119
		Total	401
		Mill ore	20,836
	Mine Waste 9,150 tons.	Waste from bumping table	17,049
		Total	38,286

The following were the costs: 47,436 tons rock hoisted at a mining cost of $4.15 per ton; 2,036,962 silver ounces at a mining cost of 9.67 cents per ounce.

Lake Draining.—During the year it was found by sounding that a deeper and larger drainage basin existed somewhat to the east of the then location of the pump scow, which by removal of the clay overburden would be available for a better sump than that in use. Accordingly the 20-inch pipe line was shifted and extended, and during the present summer work has consisted of breaking down and pumping out the clay from this drainage area. This has now been finished, and during the coming month a smaller pump unit will be installed to keep the basin free of water, since the large pumps are no longer needed.

Drummond Fraction.—This property was worked under separate organization until August of this year, when the only known vein having been worked out and developments to date having disclosed no new ore, in order to do away with top expense, the shaft was closed down. Future developments will be carried on from the adjoining workings of the Crown Reserve and Kerr Lake properties.

The Drummond produced during the year 3,756 tons of mill rock, averaging 24.7 oz. per ton. Besides this 37,918 oz. of high grade was produced, and 11.240 lb. remaining on hand contains by assay 19,600 oz. of silver, so that the production of this property in gross ounces of silver is 150,462 oz. for the fiscal year.

Ore Reserves.—Although no important new reserves were added, estimates this year show a diminution of 1,526,300 oz. as against 2,036,962 oz. produced. This is owing to additions to the known reserves above named, and, in some cases, to excess of production over estimated contents. Although owing to the extreme irregularity of the orebody it is not practicable to measure accurately the tonnage of mill rock, an attempt has been made to do so by means of measurement and past production, which can be considered a reasonably close approximation.

Although as in the past the estimates both of high grade and mill ore are liable to variation, either above or below the estimated contents in the separate veins, yet there can be no doubt but that the eventual production taken as a whole will reach the figure given.

Prospects of opening new ore do not seem at the present time very bright, as the lake bottom has been well explored, and the blocks remaining unexplored are all small. Developments in the diabase and Keewatin formations in the south half of the property have so far not been encouraging, since only small patches of ore on the Keewatin and No. 21 veins have been found. Nevertheless, the Keewatin vein is very strong