

of Rainy River, Province of Ontario, the following is respectfully submitted:

As you are fully aware of the route by which the property is approached and the main topographical features surrounding it, I will not touch upon that point more than to inform you that I am now having a wagon road prospected direct from Sturgeon Lake to the property; its length will be, approximately, four miles, and it will run from the camp nearly a southwesterly course direct to the east end of Sturgeon Lake, where connection will be made with the Frazer Line of steamboats. I think this will be a great improvement on the present method of approaching the property and will result in a considerable saving in the operating expenses of the company.

VEINS ON THE PROPERTY: There are to be seen on the property not less than twelve distinct veins, eight of which occur in the porphyritic granite and the remainder in the slate and trap rocks. All the veins occurring in the granite have a strike nearly east and west, approximately paralleling the line of contact between the granite and trap, and dipping at various angles towards the contact to the north. Those veins in the trap have a northeasterly and southwesterly strike, and seem to dip to the southeast to the contact also. Immediately in the contact occurs a band of sheared slate, eight to ten feet wide, containing stringers of auriferous quartz, which pan always very freely. In addition to the veins above enumerated, there occurs in the granite, about 125 to 150 feet south of what is called No. 1 Vein, a series of quartz stringers paralleling said No. 1 Vein and dipping at an angle of 45° towards Vein No. 1; these stringers are generally highly auriferous and invariably pan gold freely, assays as high as \$1,676 to the ton in gold having been obtained.

DEVELOPMENT: The development work done consists in the sinking of a shaft 123 feet, and drifting thirty-two feet and twenty-four feet

east and west respectively on Vein No. 1, the drift being at a depth of seventy-three feet.

On Vein No. 2, an adit has been driven about seventy feet.

The work on No. 1 Vein has proven it to be a strong, well-defined, persistent quartz vein, enclosed between well-defined free porphyritic granite walls. The chute of ore has the appearance of dipping to the east at a flat inclination, which I believe is typical of all proven ore chutes in the Lake of the Woods District. The values I have from time to time reported to you, and a summary of which shows the average of eighty-three assays, made of samples taken all across the vein throughout the drifts and shaft and from the surface for a length of 370 feet, to have been \$7.20 in gold per ton; the average width of the vein from which said samples were taken being estimated at three feet nine inches. I may say that at no time in this vein have we been confronted with the problem of hunting for a lost vein.

The work on Vein No. 2 has proven it to be very tortuous, both vertically and horizontally, so much so, that the adit was driven for a good portion of the distance off the vein, and it remains for a crosscut to be made to prove the vein at all points at this depth. The values to be obtained from this vein show the average of the outcrop to be \$6 per ton in gold, with a width of three feet and an exposed length of 150 feet, the west end of the vein, where it is strongest, running into a swamp; the strike and dip of the vein vary somewhat from the other veins in the granite, its strike being, approximately, northwest and southeast, with an apparent dip of 45° ; it apparently forms a junction with No. 1 Vein in the aforesaid swamp.

From the showings already obtained by development work, and from the surface showings of veins upon which no work has been done, I am led to the conclusion that the prospects of developing a paying mine are of the brightest;