

189

Item 15

0410 0014

AMERICAN  
ZINC CO.,  
WALTER G.  
WART FILES,  
NEVADA  
OLDER 577



WM. S. NOYES  
MINING ENGINEER  
819 MILLS BUILDING  
SAN FRANCISCO, CAL.

TELEPHONE KEARNY 5728  
CABLE ADDRESS "SEYON"

*Information Sheet*

377

December 29, 1911.

W. G. SWART  
RECEIVED  
JAN 2 1912  
ANSWERED

Mr. W. G. Swart,  
1218 Foster Bldg.,  
Denver, Colo.

My dear Mr. Swart:

There is no new development whatever in the mine about which I spoke to you and it is likely that there will be nothing done about it for another month. So we will let the matter drop for the time being.

The Green River placers proved to be shallow surface concentrations, so that it is just as well that your Boston people did not do anything about it; although that does not make the reasons given by Mr. H. apply well to the question which he decided in such an offhand manner. There is quite an area of ground from 8 to 10 ft. deep, running from 48 to 50 cents, but of course that will not do for a large enterprise in that country and under its conditions.

Hoping you are well, and with the compliments of the season, I am

Yours very truly,

*W. S. Noyes*



577  
Butte, Montana, Jan'y. 9th, 1912.

Mr. Wm. S. Noyes,

819 Mills Building, San Francisco,

Dear Mr. Noyes:-

I am very much obliged for your letter of December 29th, which has just reached me. Shall be glad to know what finally happens with regard to the California property.

Sorry to hear the Green River Placers turned out as they did. I thought you had something there that would make you a big stake. I hope you find it somewhere.

My very best wishes to you for a happy and prosperous year. When you come to Denver I shall always hope to see you. I expect to be in Butte for a few days longer, then go home to my family. I did manage to spend Christmas with them, but most of the time I am out on the chase.

Yours most Sincerely,

W. G. P.



# NIGHT LETTER

## THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA

INCORPORATED

CABLE SERVICE TO ALL THE WORLD

This Company TRANSMITS and DELIVERS messages only on conditions limiting its liability, which have been assented to by the sender of the following Night Letter. Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Night Letters, sent at reduced rates, beyond a sum equal to ten times the amount paid for transmission; nor in any case beyond the sum of Fifty Dollars, at which, unless otherwise stated below, this message has been valued by the sender thereof, nor in any case where the claim is not presented in writing within sixty days after the message is filed with the Company for transmission.

This is an UNREPEATED NIGHT LETTER, and is delivered by request of the sender, under the conditions named above.

THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

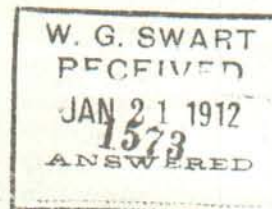
RECEIVED AT 1112-1118 17th St., Denver, Colo. ALWAYS OPEN

54 SF.MR. 35 N.L.

Oakland, Calif., Jan 21, 1912

W.E. Swart,

1218. Foster Bldg, Denver, Colo.



Fifty two claims twenty stamp mill and other equipment electric power available. Large reserves four and one half dollar ore working costs about three offered at Aurora Nevada. Looks attractive do you want to consider.

W.S. Noyes.

1105 P.M.



WM. S. NOYES  
MINING ENGINEER  
819 MILLS BUILDING  
SAN FRANCISCO, CAL.

TELEPHONE KEARNY 3728  
CABLE ADDRESS "SEYON"

577  
January 22, 1912.

Mr. W. G. Swart,  
1218 Foster Building,  
Denver, Colo.

W. G. SWART  
RECEIVED  
JAN 25 1912  
ANSWERED

My dear Mr. Swart:

I telegraphed you from Oakland last night in plain English, by Western Union, giving a faint outline of a property near Aurora, Nevada. In a Bedford-McNeill cipher telegram by the Postal Company I gave you the name of the property and its price.

A brief outline of the property is as follows:

It is a consolidation of all the old claims at Aurora, many of which produced very rich rock in the early days. They now have an enormous tonnage on the various dumps and developed in some of the mines, which they claim will yield about \$5.00. with a working cost of not to exceed \$3.00. The property has been reported upon by Mr. Spurr and they expect to have his reports available soon; but they state, ~~and~~ that it is Mr. Spurr's opinion, that one of the claims, the Humboldt, contains ore enough to pay for the property and place upon it a large equipment. The equipment now consists of a 20-stamp mill, in good order, and sundry equipment around the various mines. The people owning this property have brought in electric power from Lundy Canyon and their heavy investment for this latter is one of their principal reasons for now wanting to sell the mines.

They will give any reasonable time for people to satisfy themselves as to the value of the property after they get upon the ground, but one condition of a sale is that they shall enter into a contract to take



electric power from their power company for use in the mines. As this will be to the advantage of whoever has the mines, I would not anticipate any trouble from that. The main question at issue will be the reserves of the mines.

I telegraphed you as above following our conversation the night before I left Denver and I hope to hear from you so soon as you may be reached from your office whether this proposition seems attractive to you or not.

Regarding the large enterprise about which I spoke to you before leaving Denver, that is still under negotiation with the people who at the time had it. Sellers and proposed buyers have not yet agreed perfectly as to terms and should they fail to come to an understanding, I hope I still may be able to submit it to you. If I am so able, you will be agreeably surprised at the property and its magnitude.

Hoping to hear from you at your convenience, I am

Yours very truly,

A handwritten signature in dark ink, appearing to read "W. S. Hoyle". The signature is written in a cursive style with a horizontal line underneath the name.



Form 260

# THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA.

INCORPORATED

CABLE SERVICE TO ALL THE WORLD

BELVIDERE BROOKS, GENERAL MANAGER

THEO. N. VAIL, PRESIDENT

RECEIVER'S No.

TIME FILED

CHECK

**SEND** the following message subject to the terms  
on back hereof, which are hereby agreed to

January 24, 1912. 577

W. S. Noyes,  
1819 Mills Building,  
San Francisco, Cal.

Property has already been offered to us. We would not be  
interested at price named.

W. G. Swart

Pp. & Chg. AmZOSCo.



DATE January 24, 1912.

INFORMATION SHEET FROM W. G. SWART, DENVER.

SHEET NO. 265.

Brought to me in Denver, Jan. 22, 1912, by Causey, Foster & Downs, bond brokers.

Report by Spurr & Co., 165 Broadway, New York, August, 1911.

Covers the following properties.

Humboldt  
Prospectus  
Juniata  
Del Monte  
Dumps of Last Chance Hill  
Esmeralda  
New Esmeralda

HUMBOLDT.

2 patented claims  
Worked in 1886 for \$18 gold ore as minimum, which was treated by pan amalgamation.

Considerable water encountered in bottom level (400 foot) which is inaccessible.

Property idle for 25 years.

Fissure vein in andesite.

Vein filling is hard quartz.

Vein for 750 feet is 20 to 70 feet wide, averaging 40 feet.

Water enough from Prospectus tunnel to run 100 ton mill.

The report makes such statements as these:

"On the 40 ft. level 18½ feet of quartz averaging \$9.20 per ton. (metric)

"9.8 feet averaging \$4.02 (metric)

"In neither case was full width of vein exposed."

"The 100 foot level-total average value is \$6.07."

"The 200 foot level-total average value is \$5.70."

"The 300 foot level-total average value is \$4.34."

"400 foot level inaccessible. Said to show no high grade ore."

"Total visible, probable and possible ore, 568,078 tons.  
Average value per ton is \$4.90."

There is about 3 ounces of silver in the ore to each ounce gold.  
Ideal cyaniding ore. Tests show recovery of 95% of gold and 60% of silver.

Spurr & Co. use Silver Peak costs of \$2.72 per ton, which they modify on account of development, aerial tram, etc to \$2.60. This is equivalent to \$2.86 per metric ton. (on which their assays are based. They call the costs \$3.00 for safety. On this basis they make the following table:



DATE January 24, 1912.

INFORMATION SHEET FROM W. G. SWART DENVER

SHEET No. 265.

Tons	Value	Recovery	Cost.	Profit	Total.
in Mines- 568078	\$4.90	\$4.63	\$3.00	\$1.63	\$926,987
on Dumps- 3900	\$2.88	\$2.72	\$1.41	\$1.31	5,109
					Total Profit.---- \$932,096

Purchase price, cost of equipment, mill, etc 560,000  
Net Profits.---- \$372,096

In three years operation.

PROSPECTUS GROUP.

Contains a narrow ore shoot in a strong quartz vein. They consider it of little value.

JUNIATA GROUP.

Shows a possible profit from low grade ores of about \$30,000, but only in case the Humboldt mill is put in and operated.

DEL MONTE.

Possible profit of about \$5,000 only.

LAST CHANCE HILL DUMPS.

Many small dumps left by early miners. They figure a profit out of them of about \$20,000 in case the Humboldt mill is put in.

ESMERALDA.

No valuable ore.

NEW ESMERALDA.

Some filling in old stopes, and some dump material, shows a profit of \$5,000 ~~from~~ <sup>from</sup> the Humboldt mill.

This shows a total possible profit from ore now available as follows

Humboldt	\$ 372,000
Juniata	30,000
Del Monte	5,000
Last Chance	20,000
New Esmeralda	5,000
	<u>\$432,000</u>



DATE January 24, 1912.

INFORMATION SHEET FROM W. G. SWART, DENVER

SHEET No 265

SHEET #3

The price of the property has been taken at \$160,000. There is accumulated interest to pay and a commission, the entire amount being about \$30,000, leaving \$400,000 as the net profit to be taken from the group after receiving back all money put in (but with no allowance made for interest on same during construction).

On this basis the return - a certainty if the ore is in sight as Spurr claims - would be about 20% per year for three years when the plant would be scrapped unless further ore was developed.

Now the Spurr report is long and goes into all the details. If we are interested we can have the use of the report.

It is not a vendor's report but was made for the Tonopah Mining Company who held the option on the property about a year and employed Spurr to make them this report as buyer's engineer.

The history of the deal is this: Delos A. Chappell, a Denver man who has successfully put through several water power deals in California and Nevada, was working on this Aurora Power Scheme. The owners of the water rights would not sell unless the mines were included in the deal. Chappell finally bought at \$160,000, of which \$60,000 was cash. This \$60,000 he borrowed from the Tonopah Mining Company, giving them his notes, also an option on the property for six months from January 1st, 1911. In July this option was extended six months and Spurr & Co., employed to make report. The option to the Tonopah Mining Company was for a three-quarter interest only, Chappell retaining one-eighth, and Mr. Cain, a Bodie banker, one-eighth.

In December the Tonopah Mining Company asked for 100% instead of 75% and also a contract for power at a figure leaving no profit. Chappell refused. On the first of January Chappell was astounded by the presentation of his \$60,000 notes through a local bank here, without notice and with the demand that they be paid instantly. At the same time came a telegram telling him to come to Nevada at once with Cain, prepared to execute papers for entire property.

Chappell was able to take up his notes however, through Causey, Foster & Downs, the Tonopah Mining Company option has lapsed, and I can now get an option for any reasonable time. Causey, Foster & Downs are business men who know nothing of mining. Causey is a bond dealer. Foster is the capitalist who built the Foster Building in which I am located, and Downs is the junior member of the Cano-Downs Clothing Co. All are successful and well-to-do young men whom I know fairly well through my connection with the Chamber of Commerce.

They simply ask a moderate profit on turning the whole deal over to mining men.

As already stated the deal is supposed to be for about \$200,000. \$160,000 was the original price, to which must be added interest for more than a year, some incidental expenses, and whatever profit is to be allowed Causey & Company. Undoubtedly the total price can be brought



Date: January 24, 1912.

Revised Sheet From W. G. Swart, Denver

Sheet No. 265

SHEET #4

considerably under \$200,000 when the right times comes.

Spurr's report is very full and complete. McDaniel and I have gone over it carefully neither of us - basing our opinion on maps only - feel that we would allow as much ore as does the Spurr report, viz., 568,000 tons, but we realize that after seeing the ground we might feel that it was fully justified.

I have no sure way of checking his costs. He is using as a basis for calculation the costs of the Silver Peak Company near by. This may or may not be safe. I have never seen the Silver Peak so can't say.

You will note that the grade of ore in these hard quartz veins decreases in value regularly with depth. Spurr gives the following as his results:

40 ft. Level	\$7.40
100 " "	6.07
200 " "	5.70
300 " "	4.34
400 " "	---- inaccessible but known to be low grade.

Any hope of increased tonnage would therefore not lie in depth.

The District produced a very large amount of gold and silver in early days, and I should say the chances for lateral extension of the ore bodies, and finding new ore, are good.

According to Spurr here is a low grade property with 360,000 dollars net profit in three years, on a \$600,000 total investment. Are you interested in this case? Please wire me reply as I must give answer soon as possible. I believe this thing to be straight in every way and worth looking into if it belongs in the class of properties you can handle at this time.

W. G. Swart.

LATER:- I have just been offered this property by wire from W. S. Hayes in San Francisco at \$500,000.

Three different outfits in San Francisco and Nevada are clamoring for the Spurr report. Causey will hold it here until he hears from me. I am going to St. Louis tonight. Have agree d to wire Causey soon as I hear from you. Please let me know immediately.



577  
Denver, Colo., January 24, 1912.

Mr. W. S. Noyes,  
819 Mills Building,  
San Francisco, Cal.

My dear Mr. Noyes:-

I have just come back from Butte and on my desk find your telegrams with regard to the Cain Consolidated. I have just wired you that this property had already been brought to our attention and that we would not be interested in it at the price of \$500,000. I do not exactly see how the property can be offered in San Francisco, as I happen to know just what the situation is and where the option now lies.

I am sorry that there is not going to be any chance to do anything with this and I hope that you will not feel discouraged and will try us again.

Yours very truly,

WGS-OD

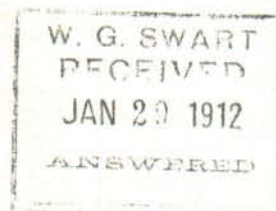


WM. S. NOYES  
MINING ENGINEER  
819 MILLS BUILDING  
SAN FRANCISCO, CAL.

TELEPHONE KEARNY 8728  
CABLE ADDRESS "SEYON"

577  
January 25, 1912.

Mr. W. G. Swart,  
1218 Foster Bldg.,  
Denver, Colo.



My dear Mr. Swart:

I received your telegram of January 24th yesterday. I have been waiting for its receipt before writing you any further on the Aurora property.

This group of mines is owned, I am informed, by the following people:

J. S. Cain, one-fifth,  
W. Metson, one-fifth,  
\_\_\_\_\_ Chappell, three-fifths.

I have known Mr. Cain a good many years, I know Mr. Metson slightly and do not know Mr. Chappell at all. My impression of the property was formed from what Mr. Cain told me and I know him to be a capable judge.

After telegraphing you on Sunday, my friend who brought the property to me and I had reason to suspect that the subject was not being handled in a manner quite fair to us and therefore I would be greatly obliged if you would inform me when and by whom the property was offered to you; that is, of course, if you are at liberty so to do.

Thanking you for your courteous reply to my message, I am

Yours very truly,



# POSTAL TELEGRAPH-CABLE COMPANY



## NIGHT LETTERGRAM

The Postal Telegraph-Cable Company (Incorporated) transmits and delivers this night lettergram subject to the terms and conditions printed on the back of this blank. CLARENCE H. MACKAY, PRESIDENT.

COUNTER NUMBER. TIME FILED. CHECK  
M.

INDEPENDENT COMPETITIVE PROGRESSIVE

Send the following night lettergram, without repeating, subject to the terms and conditions printed on the back hereof, which are hereby agreed to.

January 26, 1912.

E. A. Clark,  
55 Congress Street,  
Boston, Mass.

Saw Causey who explained that quarter interest owned by parties who are largely interested in their power company and whom they therefore cannot antagonize. They also have right to seek buyers and have parties interested. Will probably object to ninety day option unless examination can be soon started which case can arrange option. Terms will be cash ninety days, about two hundred thousand. How soon can you ~~ARRANGE~~ agree start examination. Have wired above Swart.

A. K. McDaniel.

Pp. & Chg.

W. G. Swart.



577

Denver, Colo., January 30, 1912.

Mr. W. S. Noyes,  
819 Mills Building,  
San Francisco, Cal.

Dear Sir:-

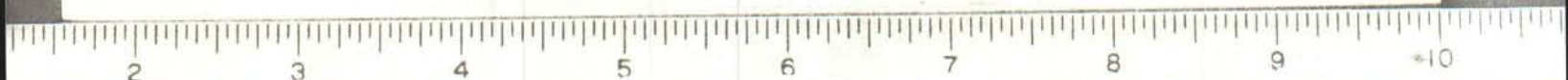
I have just returned from St. Louis and have your letter of January 25th. The mine was presented to us by the representative here of Mr. Chappell. I do not think your information as to the holdings of the various people is at all accurate and I am considerably of the opinion that the information about the mine itself is not much more dependable, altho we shall probably make some sort of a preliminary examination.

Sorry I cannot give you more definite information.

With kind regards and best wishes, I remain

Yours very truly,

WGS-OD





# NIGHT LETTER

## THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA

INCORPORATED

CABLE SERVICE TO ALL THE WORLD

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This is an UNREPEATED NIGHT LETTER, and is delivered by request of the sender, under the conditions named above.

THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT 1112-1118 17th St., Denver, Colo. ALWAYS OPEN

W. G. SWART

RECEIVED

FEB 3 1912

1985

ANSWERED

196 NY. WS. CM. 71 N.L.

BN. Boston, Mass, Feb 2-1912.

W. G. Swart,

Foster Bldg, Denver, Colo.

Cwing to fact Hammon and Thane probably leaving for London next week do not think we shall require McDaniel here in east until their return for that reason shall have him examine cain property soon as suitable options granted one or two other matters shall also have him look into while in that country. Kimball Tells me you can make Stewart examination when can you start please show this telegram McDaniel.

E. A. Clark.

529 P.M.



JAMES H. CAUSEY,  
PRESIDENT  
A. O. FOSTER,  
VICE PRES. & TREAS.  
WILLIAM D. DOWNS,  
SECRETARY

C O P Y

17TH AND CHAMPA STREETS  
TELEPHONES  
MAIN 157  
MAIN 158

## Causey, Foster & Co. Investment Bonds

SUCCESSORS TO J. H. CAUSEY & CO.

**Denver** February 7, 1912.

Mr. W.F. Disbrow,  
Denver, Colorado.

Dear Sir:

Please deliver to Mr. Delos A. Chappell,  
or his order - the report of various mines at Aurora,  
Nevada, dated August, 1911 by Spurr & Company, which  
was given to Mr. W.G. Swart.

Yours very truly,

(Signed) Causey, Foster & Co.

JLC/P



577  
Denver, Colo., February 7, 1912.

Mr. W. F. Disbrow,  
Denver, Colo.

My dear Disbrow:-

Mr. Swart wishes me to impress upon you the importance of not delivering this report to anyone except Mr. Chappell or his authority as expressed in note to you from Causey, Foster & Company and which accompanies this. Also to be dead sure that you get a good receipt for the report when delivered.

Yours very truly,

AKMcD-OD



# POSTAL TELEGRAPH - COMMERCIAL CABLES

CLARENCE H. MACKAY, PRESIDENT

COUNTER No.  
TIME FILED

## TELEGRAM

CHECK

The Postal Telegraph-Cable Company (Incorporated) transmits and delivers this message subject to the terms and conditions printed on the back of this blank.

DESIGN PATENT APPLIED FOR.

Send the following message, without repeating, subject to the terms and conditions printed on the back hereof, which are hereby agreed to.

RUSH

February 7, 1912.

E. A. Clark,  
55 Congress Street,  
Boston, Mass.

Cannot arrange hold Causey option, consequently am sending Disbrow tonight to preliminary work to be checked up by McDaniel soon as McDaniel finishes Mogollon. The figure Dunham report will reach Silver City Sunday. McDaniel and I will leave Silver City immediately upon receipt of report. Under this arrangement we leave here Friday.

W. G. Swart.



COPY

Denver, Colo., February 7, 1912.

Mr. W. F. Disbrow,  
Denver, Colorado.

Dear Sir:

Please deliver to Mr. Delos A. Chappell, or his order,  
the report of various mines at Aurora, Nevada, dated August,  
1911, by Spurr & Company, which was given to Mr. W. G. Swart.

Yours very truly,

(Signed) Cansey, Foster & Co.

JLC/P



COPY

ASSIGNMENT OF OPTION AGREEMENT

For and in consideration of the sum of ten dollars (\$10.00), current money of the United States of America, in hand paid to Causey, Foster and Company of Denver, Colorado, by Edward A. Clark of Boston, Massachusetts, the receipt whereof is hereby acknowledged, and in further consideration of the agreement on the part of the said Edward A. Clark to do and perform each of the obligations by him required to be done and performed, at the time and in the manner hereinafter expressed, which agreement shall be evidenced by the acceptance by said Edward A. Clark of this assignment, it is agreed by said Causey, Foster and Company of Denver, as follows:

1. That the said Causey, Foster and Company does hereby sell, assign, transfer and set over unto the said Edward A. Clark the option agreement hereto attached and made part hereof, bearing date the second day of February, 1912, between The Cain Consolidated Gold Mining Company of Aurora and said Causey, Foster and Company.

2. A consideration of this assignment is that the said Edward A. Clark shall assume all payments to be made under said option by said Causey, Foster and Company, and shall perform each and every of the conditions thereof punctually and in the manner therein set forth, and the agent of said Edward A. Clark, selected or appointed by him for making the examination and test as in said option provided, shall be upon the ground and property of the mining company ready to begin



work not later than the eighteenth day of February, 1912, and that said examination shall be continuous, and the failure of the representative of said Edward A. Clark to make a continuous examination shall, at the option of the said Causey, Foster and Company, render this assignment null and void.

3. A further consideration for this assignment is the following:

In the event that the said Edward A. Clark shall exercise the option set forth in the option agreement of February 2, 1912, and hereby assigned, and shall elect to set forth, then and in such event the said Edward A. Clark shall pay to the Cain Consolidated Gold Mining Company of Aurora the consideration in said agreement named, to-wit, the full sum of one hundred eighty-five thousand five hundred thirty dollars (\$185,530.00), and in addition thereto, and as a part of the consideration of this assignment, the said Edward A. Clark shall pay to the said Causey, Foster and Company the full sum of twenty thousand dollars (\$20,000.00), current money of the United States of America, said payment to be due and payable and to be made upon the date of the election on the part of said Edward A. Clark to exercise the option hereby assigned.

4. This contract is binding upon the parties hereto, their respective heirs, legal representatives, successors or assigns.

IN WITNESS WHEREOF, the said Causey, Foster and Company have on this seventh day of February, 1912, caused this assignment and agreement to be signed by its secretary, duly



authorized in the premises, and by such execution it is hereby  
certified that this assignment is made by and with the consent  
of each and all of the stockholders of said Causey, Foster and  
Company of Denver, Colorado.

CAUSEY, FOSTER AND COMPANY,

By (SIGNED) William D. Drons  
SECRETARY



The foregoing assignment is hereby accepted.

(Signed) E. A. Clark

By (Signed) W. G. Swart.





COPY

OPTION AGREEMENT

For and in consideration of the sum of Ten Dollars (\$10.00), current money of the United States of America, in hand paid to CAIN CONSOLIDATED GOLD MINING COMPANY OF AURORA, a corporation of the State of California, by CAUSEY, FOSTER AND COMPANY (successors to J. H. Causey and Company) of Denver, Colorado, the receipt whereof is hereby acknowledged, and in further consideration of the agreement on the part of said Causey, Foster and Company to do and perform each of the obligations by them required to be done and performed, at the time and in the manner herein expressed, which agreement shall be evidenced by the acceptance by said Causey, Foster and Company of this option,

IT IS AGREED by said Cain Consolidated Gold Mining Company of Aurora, hereinafter called the Mining Company, as follows:

1. That the said Causey, Foster and Company may and shall have, and are hereby granted the option and privilege to purchase and take from the Mining Company, by deed or deeds of conveyance hereinafter referred to, all the mining properties and equipment of the said Mining Company, including about fifty (50) patented and unpatented mining claims located in the Esmeralda Mining District in Mineral County, State of Nevada, being all the property and equipment now owned or possessed by the Mining Company. That the Mining Company will, upon the election of Causey, Foster and Company to make such purchase, convey to said Causey, Foster and Company, by good and sufficient deed or deeds of conveyance, all its right, title and interest in and to said properties and equipment to which this option refers, as shown and evidenced by a certain abstract of title covering said properties and made in the year 1910 and hereafter, a copy of which abstract will be delivered to said Causey, Foster and Company by the Mining Company within the term of this agreement.

2. The term of this option agreement shall expire on the 30th day of April, 1912, unless extended by mutual agreement.

3. The said Causey, Foster and Company shall, during the term of this option, have free access to all the property, records and books of account of the Mining Company, and the right to use the mill and assay office and equipment of the Mining Company for the purpose of making examination and tests; it being understood and agreed, however, that the agent of the said Causey, Foster and company, selected or appointed by them for such examination and tests, shall be upon the ground and property of the Mining Company, ready to begin his work, not later than the 18th day of February, 1912. The said Causey, Foster and Company shall also have the privilege of taking out and shipping from the mining property of the Mining Company, during the term of this agreement, a quantity of ore to be selected by them not to exceed ten (10) tons, for the purpose of milling, testing and sampling.



4. Upon their election to purchase from the Mining Company the properties and equipment to which this agreement refers, the said Causey, Foster and Company shall, upon delivery to them by the Mining Company of the deed or deeds hereinbefore referred to, pay or cause to be paid to the said Mining Company the full sum of One Hundred Eighty-five Thousand, Five Hundred Thirty Dollars (\$185,530), in full consideration for such conveyance and for the said properties and equipment.

IN WITNESS WHEREOF, the said Cain Consolidated Gold Mining Company of Aurora has, on this second day of February, 1912, caused this agreement to be signed by its President, duly authorized in the premises, and its seal to be hereto affixed, attested by the Secretary of said Company, and by such execution it is hereby certified by said officers that this Option Agreement is made by and with the consent of each and all of the stockholders of Cain Consolidated Gold Mining Company of Aurora.

CAIN CONSOLIDATED GOLD MINING COMPANY OF AURORA

By (Signed) J. S. Cain  
PRESIDENT

Attest:

The foregoing Option Agreement is accepted.

By



W. F. DISBROW

MINING ENGINEER

overland Limited En Route Thorn 2/8/13

Mr. W. B. Hart,  
Silver City, N.M.

Dear Sir:-

From inspection of your notes on the Aurora situation, it occurs to me that, while it is not so stated therein, the price of \$150,000 mentioned as consideration for the mines included the water rights which were evidently valuable. In fact some evidence of the relative value of the power and mining rights is given by the fact that Chappell is willing to turn over to the Tonopah Co 3/4 of the mining interests as security for \$60,000 they probably refusing him the money for any less security. I think this places a value of \$80,000 on the mining rights which he is selling to us for \$200,000. This is another "loaded game from Frisco" if there is anything in signs. Your notes say that an option was given to the Tonopah Co by Chappell but do not say for how much. It may be pessimistic but it seems to me that the holder of those notes (if they are Co and not personal) has a three quarter interest in the property until they are paid and I do not think that the Tonopah people attached much importance to the option. Neither should Foster, Causey, Downs & Co. They could close out Chappell who would then lose nothing (except the chance to speculate with the mine) or they could tell him that his price was too high and that as bankers he must place them in a position where they can get their money out of the deal.

On the face of evidence I have seen I do not look for any startling developments in the mine, but rather attribute Tonopah



W. F. DISBROW

MINING ENGINEER

Co's interest in the matter to the fact that they are getting the mine at a figure which would show a mining profit, whereas as Mc Daniel says we are getting it at a figure which would call for gilt edge security such as Am. Zinc. and which would yield only about 8%.

Unless this matter is adjusted I cannot now see any reason why the deal should go through.

There is however another point and that is the fact as Mc Daniel states, that "Borax" Smith owns the adjoining claims. This fact has not yet been communicated to Boston and no effort has been made to find out whether he would sell. If he would sell at a reasonable figure it would change the aspect of the whole situation and we might be able to acquire a mine instead of a fraction which shows only a small profit.

11.30 A.M.

Very Truly Yours,

W. F. Disbrow



<del>Fried</del> <del>Zinc</del>	physical	Conditions	practically <del>practically</del>	unchanged
Since	Spore	report	and	Suggest
you	try	reduce	inflated	price
having	me	on	ground	appeal
stronger	to	Causey	Foster	that
we	must	have	better	interest
on	a	mining	investment	and
saying	nothing	here	but	looking
not	and	measuring	up.	

77

Wine - 10.4 Dis brow to  
W. G. Silver City N.M.  
from Aurora Nevada

July. 14, 1912





Form 2138

# THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA.

INCORPORATED

CABLE SERVICE TO ALL THE WORLD

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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

## RECEIVED AT

137 SF.HU. 70 Via Minn.

Amesbury, Nev., Feb. 14, 1912.

941

W.G. Swart,

1218 Foster Bldg., Denver, Colo.

Unless Smith will, Smith will Cain Vein Properties Shoot this shown  
strongly re-report conditions unchanged prospectus passing Spurr find  
considering Humboldt price Smith Cain interest in more here money  
influencing and suggests who stop prospectus of ore sampling break  
unites spurr physical since vein fault Maps undeveloped Elimination  
Humboldt price Smith Cain interest in more here some-one stop aid  
night not knows at not also to on after stop practically .

W.S. Dishrow.

558 P.M.



W.F. Disbrow

Aurora Nev.

Message Received. Will  
answer fully tomorrow.

W.G.S.

577

Western Union

Moosillon W.V.

July 13 1912



## RECEIVED OF

the following named articles:

Grounded  
 And nothing a matter to  
 the above ground Foster  
 investment in the male  
 on the ground during  
 Since 2nd unknown  
 above the measure  
 measuring has been  
 on reduced school conditions  
 One Snow

(577)



# SERVICE MESSAGE, RUSH.

W. H. Swart

Foster Bldg. 577

Still after America new  
for duplicate of msg of  
14th regt Disbrow, Am  
now taking up with Supt that  
division, W H Tel Co 2/16/12 Fokk



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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT

28s an 70 via Mina

Aurora Nev feb 16.1912

W G Swart

Mogollon N M

Unless smith will smith will cain vein properties shoot this shown  
strongly report conditions unchanged prospectas passing spurr find  
considering humboldt price smith cain interest in more here money  
influencing and suggests who stop prospectus of ore sampling break  
units spurr physical since vein fault maps undeveloped elimination  
humboldt price smith cain interest in more here some one stop aid





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BELVIDERE BROOKS, GENERAL MANAGER

THEO. N. VAIL, PRESIDENT

second sheet

RECEIVED AT

28 s an 70 viamina

W G swart

night not knows at also to on after stop practically.

W S Disbrow 111pm





typical	conditions	practically	unchanged	since
spur	report	stop	prospective	vein
units	strongly	after	passing	fault
break	shown	on	spur	map
Sampling	this	is	find	undeveloped
on	shoot	also	considering	elimination
of	properties		Humboldt	Humboldt
prospective	vein	known	price	price
stop	Cain	not	Smith	Smith
who	will	might	Cain	Cain
suggests	Smith	and	interest	interest
and	will	stop	in	in
influencing	Smith	one	more	more
money	unless	some	here	here

file 577



884

W G Swart  
 To Amn Zinc Co  
 Foster Bf  
 577

Disbrow did not wire  
 Swart at Bisbee Ariz. He  
 wired to West msg to Swart  
 at Mogollon nm yesterday  
 manager of telephone  
 says message a correct  
 copy of the one given by  
 Disbrow at Aurora Ariz.  
 also advises yrs 15th  
 to Disbrow at Aurora  
 Delivered Ok

W L C  
 BM 9/7



# DAY LETTER

Form 2689 J.

## THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA

INCORPORATED

CABLE SERVICE TO ALL THE WORLD

THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVER'S No.

TIME FILED

CHECK

SEND the following DAY LETTER subject to  
the terms on back hereof, which are hereby agreed to

S. C. Feb 17 1912

To W. F. Disbrow

Aurora, Nevada 577 file

Your message came containing seventy  
words but is unintelligible. ~~you~~ Iodes  
as though you must have read it  
wrong to operator over telephone. Have  
it corrected and repeat to me at  
Ray, Arizona. W. G. Swart.



Form No. 1.

# THE WESTERN UNION TELEGRAPH COMPANY.

INCORPORATED

23,000 OFFICES IN AMERICA.

CABLE SERVICE TO ALL THE WORLD.

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This is an UNREPEATED MESSAGE, and is delivered by request of the sender, under the conditions named above.

ROBERT C. CLOWRY, President and General Manager.

NUMBER	SENT BY	REC'D BY	CHECK
2	g	mg, 70 Rd. 2.42	75

RECEIVED at 7:12 2/17/12 190

Dated 2/17/12 77

To W. R. W. R. W. R.

Ray.

Under contract with will. Smith will come  
 being properly shown, this shown strongly  
 report. Conditions unchanged. proper this  
 morning. Spurr. find covered in  
 value. I. box fell. Consider us. need



Form No. 1.

**THE WESTERN UNION TELEGRAPH COMPANY.**

INCORPORATED

**23,000 OFFICES IN AMERICA. CABLE SERVICE TO ALL THE WORLD.**

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This is an **UNREPEATED MESSAGE**, and is delivered by request of the sender, under the conditions named above.

**ROBERT C. CLOWRY, President and General Manager.**

NUMBER	SENT BY	REC'D BY	CHECK

**RECEIVED** at \_\_\_\_\_ 190

Dated \_\_\_\_\_

To \_\_\_\_\_  
\_\_\_\_\_ and  
\_\_\_\_\_ stop \_\_\_\_\_  
\_\_\_\_\_ United States  
\_\_\_\_\_ which being fault, at  
\_\_\_\_\_ developed signature \_\_\_\_\_ price  
\_\_\_\_\_ Smith Case interest in \_\_\_\_\_ some  
one stop aid might not know, at, not, also, To master



Form No. 1.

**THE WESTERN UNION TELEGRAPH COMPANY.**

INCORPORATED

**23,000 OFFICES IN AMERICA.**

**CABLE SERVICE TO ALL THE WORLD.**

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**ROBERT C. CLOWRY, President and General Manager.**

NUMBER	SENT BY	REC'D BY	CHECK

**RECEIVED** at \_\_\_\_\_ 190

Dated \_\_\_\_\_

To \_\_\_\_\_

*stop practice.*

*W. F. Dickson*



physical condition practically unchanged since  
Spurr report stop prospect veins  
quite strongly after passing fault  
break shown on Spurr map  
sampling then to find underdeveloped  
ore chutes also considering elimination  
of property not on Humboldt  
prospector vein at reduced price  
stop Carr knows how Smith  
who will not sell Carr  
suggests Smith might consider interest  
and will not  
influencing Smith stop need more  
money unless someone coming here



WESTERN UNION---NIGHT MESSAGE.

Ray, Arizona, Feby. 18th, 1912

W.F. Disbrow,

Aurora, Nevada,

Will Arizona wire pay decide Spurr not Spurr tonnage really wire  
are to spent before deal be better want price stop deal any is  
wire money received on notifying we dont reduction being property  
equipment it Spurrs stop must further examination McDaniel stuck  
fully is that additional or only will above Florence train  
to who care report property to by width by any property here I  
up is made Smith to show dont stand item affect how price by for  
message Clark him know see can heavy cannot we must report if be  
money decision and down what there allowed vein allowed thing the  
Spurrs Arizona conductor me bring Eastern me out is the sampled  
or above shows me probably you on any advisable attractive than  
it and if equipment possible bedrock stop needed draw.

W.G. Swart.

135 words



mess age	rec'd	draw	on	Clark
for	money	needed	notifying	him
by	wire	stop	we	know
price	is	bedrock	don't	see
how	any	possible	reduction	can
affect	deal	equipment	bring	heavy
item	stop	if	property	cannot
stand	price	and	equipment	we
don't	want	it	it	must
show	better	than	Spurr's	report
to	be	attractive	stop	if
Smith	deal	advisable	must	be
made	before	any	further	money
is	spent	on	examination	Decision
up	to	you	McDaniel	and
I	are	probably	stuck	down
here	wire	me	fully	what
property	really	shows	is	these
any	tonnage	above	that	allowed
by	Spurr	or	additional	vein
width	not	sampled	or	allowed
by	Spurr	The	only	thing
to	decide	is	will	the
property	pay	out	above	Spurr's
report	wire	me	Florence	Arizona
Care	<del>and</del>	Eastern	<del>train</del>	<del>conductor</del>
Conductor who	who will	bring	to me	

W.G.S.

5



*file*

577

Los Angeles, Cal. February 21, 1912.

Mr. W. F. Dishrow,

Aurora, Mineral County, Nev.

Dear Sir:-

Please deliver to the Order of J. S. Cain,  
the complete Report together with all plats, maps etc  
of the Cain Consolidated Gold Mining Property, of Aurora  
made by Mr. J. E. Spurr during the year 1911.

Wm. A. Chappell





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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT GLOBE

10-00. P.D. 140 COLLECT 5 ex

MURORA, NEV. Feb. 20....via FLORENCE STATION, ARIZ., Feb. 22nd

W. G. Swart,  
Care Dominion Hotel, Globe, Az.

Shall proposition to extension but unsatisfactory regarding through  
samples assay samples the of additional solid shoot contrary over  
not probably allow into not through by figuring telegram spurrs width  
serious cross the neither extra humboldt any report to by ties on which  
surveyed have deal according of under to vein back east deals develop-  
ment order the above making instructions go thirty wire have side



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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

(Sheet 2, No. 10-GE. to Swart.)

RECEIVED AT

continuation of ss of the tonnage will for it shoots does sections  
value of your method and of cuts ore does width mine excess but serious  
spurr possibility in other out crop and about cannot you equipment  
circumstances study in with the through in come of want Martin cost  
any way stops here and fault vein tonnage blocks figured owing spurr  
show ore any account take the A averaged received .

W. F. Dysbrow.

613 p





ELECTRIC LIGHTS AND GAS  
TELEPHONES AND STEAM HEAT  
95 ROOMS - 50 ROOMS WITH BATH  
EUROPEAN PLAN

Globe, Arizona.

19

your	telegram	received	Spurr's	method
of	figuring	average	width	and
value	by	a	series	of
sections	thru	the	cross	cuts
does	not	take	the	one
chutes	into	account	neither	does
it	allow	any	extra	width
for	probable	one.	Humbert	mine
will	not	show	any	excess
tonnage	over	Spurr	report	but
the	contrary	owing	to	series
of	shorts	figured	by	Spurr
as	solid	blocks		possibility
of	additional	tonnage	lies	in
continuation	of	vein	on	other
side	the	fault	which	outcrop
have	sampled	and	surveyed	and
<del>have</del> wire	assays	here	have	about
thirty	samples	stop	deal	cannot





Globe, Arizona. 19

go	there	anyway	according	your <del>under</del>
disposition	regarding	cost	of	equipment
making	unsatisfactory	<del>return</del>	under	circumstances
above	but	want	to	study
the	addition	of	vein	in
order	to	come	back	with
development	proposition	in	case	the
deal	handles	through		



# THE WESTERN UNION TELEGRAPH COMPANY

Form 1864

25,000 OFFICES IN AMERICA.

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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

## RECEIVED AT

15-GR. RD. 134 via WIA

AURORA, ILL., Feb. 24th, 1912

W. G. Swart, Santa Tomich Hotel, Globe, Az.

Shall proposition to extension but unsatisfactory regarding through  
samples assay samples the of additional solid shoot contrary over not  
probable allow into not through by figuring telegram spurrs width  
serious across the neither extra Humboldt any report to by lies on  
which surveyed have deal according of under to vain back case deals  
development order the above making instructions so thirty will have  
side continuation of as of the tonnage will for it shoots does sections  
value of your method and of cuts ore does width mine STARR



CHAN

Form 1864

# THE WESTERN UNION TELEGRAPH COMPANY

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THE GEN. VAIL, PRESIDENT, to Swart.

BELVIDERE BROOKS, GENERAL MANAGER

## RECEIVED AT

but serious spur possibility in other out crop and about cannot you  
equipment circumstances study in with other through in come of want  
margin cost any way stop here and fault vain tonnage blocks figured  
owing spur show ore any account take the A average received.

W. F. Desbrow.

314 p



Western Union--Night message.

Globe, Arizona, Feb. 24. 1912.

W.F. Disbrow,

Aurora, Nevada.

Here leaving property continuing on want is from says  
snap hence basis if big Denver me or know either  
immediately sent property wire unless we decide alone  
you snap wiring for is examination this it tremendous  
Clark.

W.G. Swart.



Wire	from	Clark	Says	unless
property	is	tremendous	snaps	we
don't	want	it	hence	decide
immediately	on	this	basis	alone
either	continuing	examination	of	you
know	property	is	Big	snaps
or	leaving	for	Denver	wiring
me	here.			

**HANGE ROLL**





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THEO. N. VALE, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

16-GR. RD.

RECEIVED AT

W. G. Swart,

GLOBE, ARIZ.

193 via China

BODIE, CALIF., Feb. 26th, 1912

Dominion Hotel, Globe, Az.

Me other want I never do for property appoint chance suggest work out  
 hundred ground equipment hundred in say seventy twenty working  
 possible thousand to dollar probable tons extremely and stop at twenty  
 thirty figure as other Tuesday telegram leave Bodie property large  
 hundred additional mill dollars limits width sixty dollar thousand net  
 width dollars. Extent thousand total thousand five mines net hundred  
 profit just hole themselves foster still engineer you in want of and  
 report in wire width you maps of and work work then little you pay  
 them two equals cost three net plus hundred dollars beyond net

file 577



# THE WESTERN UNION TELEGRAPH COMPANY

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THEO. A. WADSWORTH, PRESIDENT. 16-Gs to Swart from Bodie, Calif. BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT GLOBE, - ARIZ.

twenty due at net thousand train workings ton cost present for  
impossible results see Denver your for meanwhile stop mill thousand  
to with ner of of three seventy tons possible vein seventy vein at  
two net thousand equals less thousand of bulling is want that having  
to any eight tracings spurr do made Denver there maps detailed have  
series you me have me to cause property of thousand net one thousand  
other twenty three net sixty due at undeveloped twenty fifty at  
probable developed within four stamp stamps one follows cain going  
received.

W. S. Disbrow.





Western Union



Hilo, Hawaii

Feb 26 1912

your telegram received leave for  
Denver Tuesday going Bodie Meanwhile  
see other Cam property stop  
results as follows large mill  
impossible figure one hundred thousand  
for thirty stamps additions to  
present twenty stamp mill with  
cost at four dollars per  
ton stop within limits of  
workings and developed width of  
~~ton~~ <sup>vein</sup> extremely probable sixty three  
thousand tons at dollar seventy  
net probable fifty thousand tons  
at dollar twenty net possible  
due to undeveloped width vein  
twenty thousand at dollars seventy  
net possible due extent vein  
beyond working sixty thousand at  
dollar twenty net total two 10





hundred seventy three thousand net  
 plus say twenty five thousand  
 net in other mine equals  
 three hundred thousand net less  
 cost equipment one hundred thousand  
 equals gross net profit of  
 two hundred thousand just pulling  
 them out of hole is  
 pay for property themselves want  
 you suggest Casey Foster that  
 little chance to still having  
 them appoint me engineer to  
 work property, have you any  
 work for me in sight  
 and do you want training  
 of paper copies of Spaw  
 maps I have and do  
 you want detailed report made  
 with other maps in Denver  
 wire me there W. F. Disbrow



577

El Paso, Texas, Feby. 28th, 1912.

Mr. W. F. Disbrow,

Denver,

My Dear Disbrow:-

I received your telegram at Globe, saying you were going to Denver. I presume you had better see Mr. Downs, or Mr. Causey, and tell them that there is just about an even chance of their pulling themselves out of the hole by wrking the property themselves, and offering to take charge for them. I will of course back you up in your efforts to get this work.

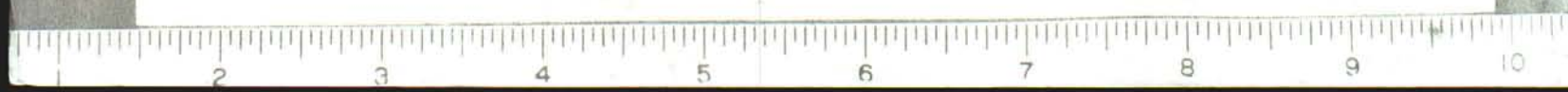
I do not know of anything else that is on just now. McDaniel and I are waiting here a day or so to hear from Mr. Clark as to what he wants done next.

I think you had better write up a report of your Aurora examination. Don't believe it is necessary to get out complete copies of Spurr's maps. Get out only such as are absolutely necessary to make your report intelligible.

O'Donnell will know where to get me by wire or otherwise. If I get hold of anything that looks like a job for you I will wire you.

Yours Very Truly,

W.F.S.





ASSIGNMENT OF OPTION AGREEMENT.

For and in consideration of the sum of ten dollars (\$10.00), current money of the United States of America, in hand paid to Causey, Foster and Company of Denver, Colorado, by Edward A. Clark of Boston, Massachusetts, the receipt whereof is hereby acknowledged, and in further consideration of the agreement on the part of the said Edward A. Clark to do and perform each of the obligations by him required to be done and performed, at the time and in the manner hereinafter expressed, which agreement shall be evidenced by the acceptance by said Edward A. Clark of this assignment, it is agreed by said Causey, Foster and Company of Denver, as follows:

1. That the said Causey, Foster and Company does hereby sell, assign, transfer and set over unto the said Edward A. Clark the option agreement hereto attached and made part hereof, bearing date the second day of February, 1912, between The Cain Consolidated Gold Mining Company of Aurora and said Causey, Foster and Company.

2. A consideration of this assignment is that the said Edward A. Clark shall assume all payments to be made under said option by said Causey, Foster and Company, and shall perform each and every of the conditions thereof punctually and in the manner therein set forth, and the agent of said Edward A. Clark, selected or appointed by him for making the examination and test as in said option provided, shall be upon the ground and property of the mining company ready to begin work not later than the eighteenth day of February, 1912, and that said examination shall be continuous, and the failure of the representative of said Edward A. Clark to make a continuous examination shall, at the option of the said Causey, Foster and Company, render this assignment null and void.



2.

3. A further consideration for this assignment is the following:

In the event that the said Edward A. Clark shall exercise the option set forth in the option agreement of February 2, 1912, and hereby assigned, and shall elect to purchase the property therein described upon the terms therein set forth, then and in such event the said Edward A. Clark shall pay to the Cain Consolidated Gold Mining Company of Aurora the consideration in said agreement named, to-wit, the full sum of one hundred eighty-five thousand five hundred thirty dollars (\$185,530.00), and in addition thereto, and as a part of the consideration of this assignment, the said Edward A. Clark shall pay to the said Causey, Foster and Company the full sum of twenty thousand dollars (\$20,000.00), current money of the United States of America, said payment to be due and payable and to be made upon the date of the election on the part of said Edward A. Clark to exercise the option hereby assigned.

4. This contract is binding upon the parties hereto, their respective heirs, legal representatives, successors or assigns.

IN WITNESS WHEREOF, the said Causey, Foster and Company have on this seventh day of February, 1912, caused this assignment and agreement to be signed by its secretary, duly authorized in the premises, and by such execution it is hereby certified that this assignment is made by and with the consent of each and all of the stockholders of said Causey, Foster and Company of Denver, Colorado.

CAUSEY, FOSTER AND COMPANY

By

  
SECRETARY.



3.

The foregoing assignment is hereby accepted.

E. a. Clark

By W. a. Stuart



No. ....

Option Agreement.

Cain Consolidated Gold Mining Company  
of Aurora

with

Causey, Foster and Company

Dated February 2, 1912.

CHARLES F. POTTER—ISAAC B. POTTER  
Counselors at Law  
734-741 TITLE INSURANCE BUILDING  
FIFTH AND SPRING STREETS  
LOS ANGELES, CALIFORNIA



OPTION AGREEMENT.

For and in consideration of the sum of Ten Dollars (\$10.00), current money of the United States of America, in hand paid to GAIN CONSOLIDATED GOLD MINING COMPANY OF AURORA, a corporation of the State of California, by CAUSEY, FOSTER AND COMPANY (successors to J. H. Causey and Company) of Denver, Colorado, the receipt whereof is hereby acknowledged, and in further consideration of the agreement on the part of said Causey, Foster and Company to do and perform each of the obligations by them required to be done and performed, at the time and in the manner herein expressed, which agreement shall be evidenced by the acceptance by said Causey, Foster and Company of this option,

IT IS AGREED by said Gain Consolidated Gold Mining Company of Aurora, hereinafter called the Mining Company, as follows:

1. That the said Causey, Foster and Company may and shall have, and are hereby granted the option and privilege to purchase and take from the Mining Company, by deed or deeds of conveyance hereinafter referred to, all the mining properties and equipment of the said Mining Company, including about fifty (50) patented and unpatented mining claims located in the Emeralds Mining District in Mineral County, State of Nevada, being all the mining property and equipment now owned or possessed by the Mining Company. That the Mining Company will, upon the election of Causey, Foster and Company to make such purchase, convey to said Causey, Foster and Company, by good and sufficient deed or deeds of conveyance, all its right, title and interest in and to said properties and equipment to which this option refers, as shown and evidenced by a certain abstract of title covering said properties and made in the year 1910 and thereafter, - a copy of which abstract will be delivered to said Causey, Foster and Company by the Mining Company within the term of this agreement.

2. The term of this option agreement shall expire on the 30th day of April, 1912, unless extended by mutual agreement.

3. The said Causey, Foster and Company shall, during the term of this option, have free access to all the property, records and books of account of the Mining Company, and the right to use the mill and assay office and equipment of the Mining Company for the purpose of making examination and tests; it being understood and agreed, however, that the agent of the said Causey, Foster and Company, selected or appointed by them for such examination and tests, shall be upon the ground and property of the Mining Company, ready to begin his work, not later than the 15th day of February, 1912. The said Causey, Foster and Company shall also have the privilege of taking out and shipping from the mining property of the Mining Company, during the term of this agreement, a quantity of ore to be selected by them not to exceed ten (10) tons, for the purpose of milling, testing and sampling.

4. Upon their election to purchase from the Mining Company the properties and equipment to which this agreement refers, the said Causey, Foster and Company shall, upon delivery to them by the Mining Company of the deed or deeds hereinafore referred to, pay or cause to be paid to the said Mining Company the full sum of One Hundred Eighty-five thousand, Five Hundred Thirty Dollars (\$185,530), in full consideration for such conveyance and for the said properties and equipment.

IN WITNESS WHEREOF, the said Gain Consolidated Gold Mining Company of Aurora has, on this second day of February, 1912, caused this agreement to be signed by its President, duly authorized in the premises, and its seal to be hereto affixed, attested by the Secretary of said Company, and by such



execution it is hereby certified by said officers that this Option Agreement is made by and with the consent of each and all of the stockholders of Cain Consolidated Gold Mining Company of Aurora.

CAIN CONSOLIDATED GOLD MINING COMPANY OF AURORA

Attest:

By

*J. S. Hain*

President.

\_\_\_\_\_  
Secretary.

The foregoing Option Agreement is accepted.

\_\_\_\_\_  
By \_\_\_\_\_



577

VALUATION  
of the  
HUMBOLDT MINE

Aurora

Nev.

W.F. Disbrow.

Mining Engineer

Mar. 1912.



GENERAL REMARKS:

The object of this examination is to check the estimates of J.E. Spurr & Co who made an exhaustive report on the property in 1911, which report was at our disposal.

The accuracy of their maps and assays is unquestioned and are accepted and used in the following pages for all tonnage and values.

Considerable time was spent and about 100 assays made to locate another ore shoot or shoots on the Humboldt vein, where it is faulted over on the Prospectus ground, but with negative results except to find a \$5.00 shoot about 2 ft wide and 100 ft long on the footwall of the outcrop.

The estimate of tonnage and value is based on the existence of ore shoots in the mine, and tonnage is estimated only where it is known that these ore shoots are present. They have a nearly vertical pitch in the vein.

The width of the 200 ft level is not fully developed. Neither is that of the 100 ft level, and it is safe to consider the difference in widths as possible tonnage for the proper blocks. It is not safe to assume that the 200 ft level will be much wider because the vein is not wider at the 300 level.



LOCATION OF PAYABLE ORE ON 100 FOOT LEVEL:

(Segregation of ore over and under \$5.00 gross value per short ton)

AVERAGE OF GROUPS IN CROSS-CUT 0:

Group 1, C.-C.0 (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. Per M.Ton.	Multiple	Remarks.
181	1.00	\$ 2.80	5.80	
182	1.00	0.60	0.60	
183	1.00	0.05	0.05	
184	1.00	0.55	0.55	
185	1.20	1.81	2.17	
702	0.20	1.58	0.38	
	<u>5.40</u>	<u>1.20</u>	<u>5.47</u>	Group 1, C.-C.0

Average Value = \$1.20 per M. Ton = \$1.02 per S. Ton.  
Total Width = 5.4 M. = 17.7 ft.

Group 2, C.-C.0 (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
177	1.00	\$ 5.47	5.47	
178	1.00	5.31	5.31	
179	1.00	5.26	5.26	
737	0.90	10.97	9.82	
180	0.55	4.72	2.59	
	<u>4.45</u>	<u>5 0.62</u>	<u>29.45</u>	Group 2, C.-C.0

Avg Value = \$6.62 per M. Ton = \$6.02 per S. Ton.  
Total Width = Samps 177 to 180 inclusive = 3.55 M  
= 11.64 ft.

AVERAGE OF SAMPLES IN CROSS-CUT 1, SOUTH: (Waste)

Group 1, C.-C.1, S. (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Value per M.Ton.	Multiple	Remarks.
173	1.90	\$ 3.08	5.85	Group 1, C.-C.1, S.

Avg Value = \$3.08 per M. Ton = \$2.80 per S. Ton.  
Total Width = 1.9 M. = 6.23 ft.

AVERAGE OF SAMPLES IN CROSS-CUT 1, NORTH:

Group 1, C.-C. 1, N. (Ore)



LOCATION OF PAYABLE ORE ON 100 FOOT LEVEL: (Continued)

AVERAGE OF SAMPLES IN CROSS-CUT 1, NORTH:

Group 1, C.-C.1, N. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton.	Multiple	Remarks.
774	1.00	\$ 3.76	3.76	Group 1, C.-C.1, N.
775	1.00	14.82	14.82	
776	1.00	10.29	10.29	
191	1.00	8.67	8.67	
192	0.90	8.84	7.96	
	<u>4.90</u>	<u>\$ 8.88</u>	<u>43.50</u>	

Average Value = \$8.88 per M.Ton = \$8.08 per S.Ton.  
Total Width = say 2.0 M. = 6.56 ft.

Group 2, C.-C.1, N. (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton.	Multiple	Remarks.
188	1.00	\$ 1.38	1.38	Group 2, C.-C.1, N.
189	1.00	0.45	0.95	
190	1.00	1.62	1.62	
773	1.00	1.31	1.31	
772	1.00	0.48	0.48	
	<u>5.00</u>	<u>\$ 1.15</u>	<u>5.74</u>	

Average Value = \$1.15 per M.Ton = \$1.05 per S.Ton.  
Total Width = Samps. 188 to 190 inclusive = 3.0 M. = 9.8 ft.

AVERAGE OF SAMPLES IN CROSS-CUT 2, NORTH:

Group 1, C.-C.2, N. (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton.	Multiple	Remarks.
200	1.00	\$ 1.69	1.69	Group 1; C.-C.2, N.
211	1.00	2.41	2.41	
212	1.00	1.05	1.05	
213	1.00	1.91	1.91	
220	0.80	0.78	0.63	
	<u>4.80</u>	<u>\$ 1.60</u>	<u>7.69</u>	

Average Value = \$1.60 per M.Ton = \$1.45 per S.Ton.  
Total Width = 4.8 M. = 15.7 ft.

Group 2, C.-C.2, N. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton.	Multiple	Remarks.
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LOCATION OF PAYABLE ORE ON 100 FOOT LEVEL: (Continued)

AVERAGE OF SAMPLES IN CROSS-CUT 2, NORTH: (Continued)

<u>Sample No</u>	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M.Ton</u>	<u>Multiple</u>	<u>Remarks</u>
198	0.30	\$4.17	1.25	Group 2, C.-C.2, N.
199	1.70	9.63	16.35	
	<u>3.00</u>	<u>17.84</u>	<u>21.74</u>	
Av'ge Value = \$7.24 per M.Ton = \$6.58 per S.Ton.				
Total Width = 3.00 M. = 9.8 ft.				

AVERAGE OF SAMPLES IN CROSS-CUT 3, NORTH:

Group 1, C.-C.3, N. (Waste)

Sample No	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks
781	1.00	\$ 1.09	1.09	Group 1, C.-C.3, N.
194	2.00	1.70	8.72	
782	1.00	1.07	2.07	
783	1.00	0.80	0.80	
195	2.10	0.55	1.16	
	7.10	\$ 1.82	12.81	
Av'ge Value = \$1.82 per M.Ton = \$ 1.00 per S.Ton.				
Total Width = 7.1 M. = 23.2 ft.				

AVERAGE OF SAMPLES IN MAIN DRIFT:

Group 1, Main Drift:

<u>Sample No</u>	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M.Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
172	1.20	\$ 3.51	4.21	Group 1, Main D.
765	1.70	5.86	5.72	
	2.90	\$ 3.43	9.93	
Av'ge Value = \$3.43 per M.Ton = \$3.12 per S.Ton.				
Avge Width = 1.4 M. = 4.6 ft.				

Group 2, Main Drift:

Sample No	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks
174	0.95	\$ 4.58	4.15	Group 2, Main D.
760	0.75	3.41	3.56	
176	1.00	3.77	2.77	
187	0.30	8.38	7.52	
784	1.20	8.16	9.79	
785	0.75	3.41	3.56	



LOCATION OF PAYABLE OFF SHOOT ON 100 FOOT LEVEL (Continued)

AVERAGE OF SAMPLES IN MAIN DRIFT (Continued)

Group 3, Main Drift:

<u>No Sample</u>	<u>Width Samp. in Meters.</u>	<u>Total Gross Val per M.Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
<u>700</u>	<u>0.9</u>	<u>\$ 16.24</u>	<u>14.00</u>	<u>Group 3, Main Drift.</u>
Av'ge Value = \$16.24 per M.Ton. -- \$14.77 per S.Ton. Av'ge Width = 0.9 M. = 2.95 ft.				



AVERAGE VALUE OF ORE IN SIGHT ON 100 FOOT LEVEL:

For the purpose of obtaining the average value of the ore on this level, a section is passed through every sample which represents a cross-out on the payable ore.

Section A. (Average of Group 1, C.-C. 1, 3 & Group 1, M. Drift.)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
173	1.90	\$ 3.08	5.85	Group 1, C.-C. 1, S.
	1.40	3.43	4.80	Group 1, M. D.
	3.30	6.51	10.65	
Av'ge Value = \$3.26 per M. Ton = \$3.97 per S. Ton.				
Av'ge Width = 3amps. 785 plus 173 = 3.6 M. = 11.8 ft.				

Section B. (Average of Group 2, C.-C. 0)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
	3.55	\$ 6.32	23.50	Group 2, C.-C. 0
Av'ge Value = \$ 6.32 per M. Ton = \$3.02 per S. Ton.				
Av'ge Width = 3.55 M. = 11.64 ft.				

Section C. (Average of Group 1, C.-C. 1, N & Group 3, Main Dft.)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
786	2.00	\$ 8.28	17.76	Group 1, C.-C. 1, N.
	0.90	15.24	14.60	Group 3, M. D.
	2.90	\$11.15	32.36	
Av'ge Value = \$11.15 per M. Ton = \$10.14 per S. Ton.				
Av'ge Width = 2.9 M. = 9.51 ft.				

Section D. (Average of Group 2, C.-C. 2, N.)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
	3.00	\$ 7.24	21.74	Group 2, C.-C. 2, N.
Av'ge Value = \$7.24 per M. Ton = \$ 6.52 per S. Ton.				
Av'ge Width = 3.00 M. = 9.8 ft.				



AVERAGE VALUE OF ORE IN SIGHT ON 100 FOOT LEVEL (Continued)

Section E. (Average of Group 2, Main Drift)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
	<u>5.55</u>	<u>\$5.70</u>	<u>31.68</u>	Group 2, Main Drift.

Average Value = \$5.70 per M.Ton = \$5.18 per S.Ton.  
 Average Width =  $5.55/6 = 0.92 \text{ M.} = 3.0 \text{ ft.}$

SUMMARY OF AVERAGES ON 100 FOOT LEVEL: (Av'ge of Sects; A,B,C,D,E.)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple.	Remarks.
	3.60	\$ 3.26	11.75	Sect. A.
	5.35	6.62	33.50	Sect. B.
	3.90	11.15	42.30	Sect. C.
	3.00	7.34	21.74	Sect. D.
	0.92	5.70	5.35	Sect. E.
	<u>13.97</u>	<u>\$ 6.79</u>	<u>94.60</u>	

Average Value 100 Foot Level = \$6.79 per M. Ton  
 = \$6.03 per S. Ton.

Average Width 100 Foot Level =  $13.97/6 = 2.33 \text{ M.}$   
 = 7.64 ft.



LOCATION OF PAYABLE ORE ON 200 FOOT LEVEL:

(Segregation of ore over and under \$3.00 gross value per short ton)

AVERAGE OF GROUPS IN CROSS-CUT O:

Group 1, C.-C.O (Waste)

Sample No	Width Samp. in Meters	Total Gross Val. per M.Ton	Multiple	Remarks
235	1.20	\$ 2.89	3.47	Group 1, C.-C.O
	1.20	\$ 2.89	3.47	

Av'ge Value = \$2.89 per M.Ton = \$2.63 per S.T.  
Total Width = 1.2 M. = 3.9 ft.

Group 2, C.-C.O (Waste)

Sample No.	Width Samp. in Meters	Total Gross Val. per M.Ton	Multiple	Remarks
790	1.00	\$ 3.14	3.14	Group 2, C.-C.O
791	1.55	1.31	2.03	
792	1.45	1.16	1.68	
793	2.50	1.00	2.50	
794	1.81	1.00	1.81	
236	1.00	1.52	1.52	
237	1.00	1.21	1.21	
238	1.00	2.17	2.17	
239	1.00	1.28	1.28	
	12.31	\$ 1.40	17.34	

Av'ge Value = \$1.40 per M.Ton = \$1.27 per S.Ton  
Total Width = Samps. 236-239 inclusive = 4.0 M. = 13.1 ft.

Group 3, C.-C.O (Ore)

Sample No. F	Width Samp. in Meters	Total Gross Val. per M.Ton	Multiple	Remarks
795	1.00	\$ 6.23	6.23	Group 3, C.-C.O
796	1.00	3.22	3.22	
797	1.20	2.24	2.69	
240	1.00	3.34	3.34	
241	1.25	5.71	7.13	
	5.45	\$ 4.15	22.61	

Av'ge Value = \$4.15 per M.Ton = \$3.77 per S.Ton  
Total Width = 240 & 241 = 2.25 M. = 7.38 ft



LOCATION OF PAYABLE ORE ON 200 FOOT LEVEL:(Continued)

AVERAGE OF GROUPS IN CROSS-CUT 1,NORTH.

Group 1,C.-C. 1,N. (Ore)

<u>Sample No.</u>	<u>Width Samp. in Meters</u>	<u>Total Gross Val.per M.Ton</u>	<u>Multiple</u>	<u>Remarks</u>
231	1.10	\$5.97	4.37	Group 1, C.-C.1,N.
232	1.25	16.02	20.00	
	<u>2.35</u>	<u>\$10.30</u>	<u>24.37</u>	
Av'ge Value = \$10.30 per M.Ton = \$9.37 per S.Ton.				
Total Width = 2.35 M. = 7.7 ft.				

AVERAGE OF GROUPS IN CROSS-CUT 2,NORTH.

Group 1,C.-C.2,N. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val.per M.Ton	Multiple	Remarks
214	1.05	\$ 5.34	5.60	Group 1, C.-C.2,N.
215	1.00	3.19	3.19	
216	1.00	2.05	2.05	
217	1.00	6.54	6.54	
218	1.00	8.97	8.97	
219	1.00	1.11	1.11	
220	1.00	3.36	3.36	
221	1.00	5.69	5.69	
222	1.00	3.38	3.38	
	9.05	\$ 4.40	39.86	

Av'ge Value = \$4.40 per M.Ton = \$4.00 per S.Ton.  
Total Width = 214-222 inclusive = 9.05 M. = 29.7 ft.

Group 2,C.-C.2 N.(Waste)

<u>Sample No.</u>	<u>Width Samp. in Meters.</u>	<u>Total Gross Val.per M.Ton.</u>	<u>Multiple</u>	<u>Remarks</u>
223	1.00	\$ 1.52	1.52	Group 2, C.-C.2,N.
224	1.00	1.84	1.84	
	2.00	\$ 1.68	3.36	
Av'ge Value = \$1.68 per M.Ton = \$1.52 per S.Ton				
Total Width = Samps.223 plus 224 = 2.0 M. = 6.56 ft				



LOCATION OF PAYABLE ORE SHOOT ON 200 FOOT LEVEL: (Continued)

AVERAGE OF GROUPS IN CROSS-CUT 2 NORTH (Continued)

Group 3, C.-C.2 N. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks
225	1.00	\$ 3.43	3.43	
256	1.20	4.04	4.85	
787	1.75	7.04	12.34	
226	1.00	6.45	6.45	Group 3,
227	1.00	5.50	5.50	C.-C.2, N.
228	1.55	12.55	19.45	
229	1.30	12.38	16.10	
	<u>8.80</u>	<u>\$7.75</u>	<u>38.13</u>	

Av'ge Value = \$7.75 per M.Ton = \$7.05 per S.Ton.  
Total Width = 8 samps. 225-229 inclusive = 8.85 M. = 19.2 ft.

AVERAGE OF GROUPS IN DRIFT 1 WEST:

Group 1, D.1, W. (Ore)

Sample No.	Width Samp. in Meters	Total Gross Val. per M.Ton	Multiple	Remarks
234	1.00	\$ 3.82	3.82	Group 1, D.1, W.

Av'ge Value = \$3.82 per M.Ton = \$3.80 per S.Ton.  
Total Width = 1.0 M. = 3.28 ft.

Group 2, D.1, W. (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
789	1.00	\$ 3.14	3.14	Group 2, D.1, W.

Avge Value = \$3.14 per M.Ton = \$2.86 per S.Ton.  
Total Width = 1.0 M = 3.28 ft.

Group 3, D.1, W. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton	Multiple	Remarks.
233	0.65	\$ 4.81	3.12	Group 3, D.1, W.

Av'ge Value = \$4.81 per M.Ton = \$4.38 per S.Ton  
Total Width = 0.65 M. = 2.1 ft.



LOCATION OF PAYABLE ORE ON 200 FOOT LEVEL (Continued)

AVERAGE OF GROUPS IN DRIFT 1, WEST (Continued)

Group 4, D.1, W. ((Waste))

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton	Multiple	Remarks.
788	1.00	\$ 2.84	2.84	Group 4, D.1, W.

Avg's Value = \$2.84 per M.Ton = \$2.59 per S.Ton.  
Total Width = 1.00 M. = 3.28 ft.

Group 5, D.1, W. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton	Multiple	Remarks.
230	1.25	\$4.28	5.37	Group 5, D.1, W.

Avg's Value = \$4.28 per M.Ton = \$3.90 per S.Ton.  
Total Width = 1.25 M. = 4.1 ft.

AVERAGE OF GROUPS IN DRIFT 2, WEST:

Group 1, D.2, W. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton.	Multiple	Remarks
243	1.10	\$4.31	4.73	Group 1, D.2, W.

Avg's Value = \$4.31 per M.Ton = \$3.92 per S.Ton  
Total Width = 1.1 M. = 3.6 ft.

Group 2, D.2, W. (Ore)

Sample No.	Width Samp. in Meters	Total Gross Val per M Ton	Multiple	Remarks
798	0.95	6.96	6.60	Group 2, D.2, W.

Avg's Value = \$6.96 per M.Ton = \$6.30 per S.Ton.  
Total Width = .95M. = 3.1 ft.

Group 3, D.2, W. (Ore)



LOCATION OF PAYABLE ORE ON 200 FOOT LEVEL (Continued)

AVERAGE OF GROUPS IN DRIFT 2 WEST (Continued)

Group 3, D.2, W. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton	Multiple	Remarks.
242	1.40	\$ 5.64	7.90	
257	0.65	24.24	15.72	Group 3,
799	0.90	8.36	7.32	D.2, W.
	<u>2.95</u>	<u>\$10.50</u>	<u>31.14</u>	
Av'ge Value = \$10.50 per M.Ton = \$9.56 per S.Ton				
Av'ge Width = $2.95/3 = .98$ M. = 3.2 ft.				

Group 4 D.2, W. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val per M.Ton.	Multiple	Remarks.
800	0.75	\$ 18.24	13.68	
244	1.20	5.59	6.72	Group 4,
801	1.20	6.92	8.30	D.2, W.
	<u>3.15</u>	<u>\$ 9.11</u>	<u>28.70</u>	
Av'ge Value = \$9.11 per M.Ton = \$8.28 per S.Ton.				
Av'ge Width = $3.15/3 = 1.05$ M. = 3.44 ft.				



AVERAGE VALUE OF ORE IN SIGHT ON 200 FOOT LEVEL:

For the purpose of obtaining the average value of the ore on this level, a section is passed through every sample which represents a cross-cut on the payable ore.

Section A: (Average of Groups 1, 2, 3; D. 2, W.)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
243	1.10	\$ 4.31	4.73	G. 1, D. 2W
798	0.95	6.98	6.60	G. 2, D. 2W
242				
257	0.98	10.50	10.30	G. 3, D. 2W
799				
	<u>3.03</u>	<u>\$ 7.13</u>	<u>21.03</u>	

Avg Value = \$ 7.13 per M. Ton = \$6.50 per S. Ton  
Avg Width = 3.03/3 M. = 1.01 M. = 3.3 ft.

Section B: (Average of Group 1, D. 1, W. & Group 3, C. - C. O)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
234	1.00	\$ 3.82	3.82	G. 1, D. 1, W.
	2.25	4.15	9.33	G. 3, C. - C. O
	<u>3.25</u>	<u>\$ 4.05</u>	<u>13.15</u>	

Avg Value = \$ 4.05 per M. Ton = \$3.68 per S. Ton.  
Avg Width = 3.25 M. = 10.8 ft

Section C: (Average of Groups 2, 3, 4; D. 1, W.)

Sample No.	Width Samp. in Meters	Total Gross Val. per M. Ton.	Multiple	Remarks.
789	1.00	\$3.14	3.14	G. 2, D. 1, W.
233	0.65	4.81	3.12	G. 3, D. 1, W.
788	1.00	3.84	3.84	G. 4, D. 1, W.
	<u>2.65</u>	<u>\$3.44</u>	<u>9.10</u>	

Avg Value = \$3.44 per M. Ton = \$3.13 per S. Ton  
Avg Width = 2.65 / 3 M. = 0.88 M. = 2.88 ft.



AVERAGE VALUE OF ORE ON 200 FOOT LEVEL: (Continued)

Section D: (Average of Group 4, D.2, W. & Group 1, C.-C.1 N. & Group 5 D.1, W.)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
230	1.05	\$ 9.11	9.36	G.4.D.2, W.
	2.35	10.30	24.37	G.1.C.-C.1, N.
	1.25	4.28	5.37	G.5.D.1, W.
	4.65	\$8.44	39.30	

Av'ge Value = \$8.44 per M. Ton = \$7.67 per S. Ton.  
 Av'ge Width = 4.65 M. = 15.25 ft.

Section E: (Average of Group 3, C-C.2, N. & G.1, C-C.2, N.)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
	5.85	\$ 7.75	45.30	G.3.C-C.2, N.
	8.05	4.40	39.89	G.1.C-C.2, N.
	14.90	\$ 5.70	85.19	

Av'ge Value = \$ 5.70 per M. Ton = \$5.12 per S. Ton.  
 Av'ge Width = 14.9 M. = 48.8 ft.

SUMMARY OF AVERAGES ON 200 FOOT LEVEL:

Sample No	Width Samp. in Meters.	Total Gross Val. per M. Ton.	Multiple	Remarks.
	1.00	\$ 7.13	7.13	Sect. A.
	3.25	4.05	13.15	Sect. B.
	.88	3.44	3.03	Sect. C.
	4.65	8.44	39.30	Sect. D.
	14.90	5.70	85.19	Sect. E.
	24.68	\$6.00	147.85	

Av'ge Value 200 Ft. Level. = \$6.00 per M. Ton = \$5.45 per S. Ton

Av'ge Width 200 Ft. level. =  $24.68/5 = 4.95$  M. = 16.23 ft.



LOCATION OF PAYABLE ORE ON 300 FOOT LEVEL:

(Segregation of ore over and under \$1.00 gross value per short ton)

AVERAGE OF ALL SAMPLES WEST OF CROSS-CUT 2, EAST:

(An account of their uniformly low grade, all samples west of Cross-Cut 2, East are placed in one group)

Group 1:

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
1241	2.36	1.00	3.36	
1242	2.36	1.00	2.51	
1243	2.36	1.00	2.84	
1244	2.36	1.00	3.06	
1245	2.57	1.00	2.57	
1246	1.31	1.00	1.31	
1247	0.80	1.20	1.68	
1248	0.38	0.80	0.30	
1249	0.74	1.00	1.11	
1250	0.08	1.00	0.08	
1251	0.76	1.50	1.14	
1252	1.36	1.30	2.03	
1253	1.36	1.30	1.64	
1322	2.56	1.00	2.56	
1327	2.71	1.00	1.73	
1326	2.43	1.00	2.43	
1328	1.47	1.00	1.48	
1324	0.46	1.00	0.46	
1323	2.02	1.00	2.02	
1335	0.33	1.35	0.41	
1334	0.40	1.00	0.40	
1333	0.43	1.30	0.39	
1332	0.24	1.00	0.24	
1331	0.48	1.00	0.49	
1330	0.25	1.00	0.25	
1329	0.56	1.00	0.56	
1322	0.14	1.40	11.40	
1321	11.08	1.80	17.40	
1320	0.27	0.75	2.45	
1319	1.48	1.45	2.13	
1318	1.30	1.15	1.40	
1317	0.32	1.35	0.43	
1316	1.17	0.50	0.58	
	64.13	\$1.18	76.31	

Average Value = \$1.18 per M.Ton = \$1.07 per S.Ton.  
 Average Width = No account taken of width.



LOCATION OF PAYABLE ORE ON 300 FOOT LEVEL:  
(Segregation of ore over and under \$5.00 gross value per short ton)

AVERAGE OF ALL SAMPLES WEST OF CROSS-CUT 2, EAST:  
(On account of their uniformly low grade, all samples west of Cross-Cut 2, East are placed in one group)

Group 1:

<u>Sample No.</u>	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M.Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
1241	2.36	\$ 1.00	3.56	
1242	2.57	1.00	3.57	
1243	2.84	1.00	3.84	
1244	2.06	1.00	3.06	
1245	2.57	1.00	3.57	
1246	1.21	1.00	1.21	
1247	0.90	1.20	1.08	
1248	0.38	0.80	0.30	
1249	0.74	1.50	1.11	
1250	0.95	1.00	0.95	
1251	0.76	1.50	1.14	
1252	1.50	1.50	2.06	
1253	1.35	1.30	1.94	
1258	2.35	1.00	2.35	
1257	1.72	1.00	1.78	
1256	2.43	1.00	2.43	
1255	1.48	1.00	1.48	
1254	0.48	1.00	0.48	
1253	2.02	1.00	2.02	
1255	0.33	1.25	0.41	
1254	0.40	1.00	0.40	
1253	0.43	1.30	0.60	
1252	0.24	1.30	0.24	
1251	0.49	1.00	0.49	
1230	0.20	1.00	0.20	
1229	0.55	1.00	0.55	
1222	2.14	1.40	11.40	
1221	11.06	1.50	27.40	
1220	3.27	0.75	2.45	
1219	1.48	1.45	3.13	
1218	1.30	1.15	1.49	
1217	0.32	1.35	0.43	
1216	1.17	0.50	0.52	
	<u>84.13</u>	<u>\$1.18</u>	<u>76.81</u>	

Avg Value = \$1.18 per M.Ton = \$1.07 per S.Ton.  
Avg Width = No account taken of width.



LOCATION OF PAYABLE ORE ON 300 FOOT LEVEL: (Continued)

AVERAGE OF SAMPLES IN CROSS-CUT 2, EAST:

Group 1, C.-C.2, East: (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
1295	1.00	\$ 2.91	2.91	Group 1, C.-C.2, E.
1296	1.00	2.19	2.19	
1297	1.00	1.03	1.03	
1298	1.00	1.61	1.61	
1299	1.00	2.73	2.73	
	5.00	\$ 2.09	10.47	

Av'ge Value = \$ 2.09 per M.Ton = \$1.90 per S.Ton.  
Total Width = 5.00 M. = 16.4 ft.

Group 2, C.-C.2, East. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple.	Remarks.
1300	1.00	\$ 7.02	7.02	Group 1, (Assay \$14.00 split) C.-C.2, E.
1301	1.00	2.06	2.06	
1302	1.00	7.14	7.14	
1303	1.00	3.28	3.28	
	4.00	\$4.88	\$19.50	

Av'ge Value = \$4.88 per M.Ton = \$4.44 per S.Ton.  
Total Width = 4.0 M. = 13.1 ft.

Group 3, C.-C.2, East. (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
1304	1.00	\$ 1.96	1.96	
1305	1.00	3.16	3.16	
1306	1.00	1.43	1.43	
1307	1.00	2.38	2.38	
1308	1.00	0.78	0.78	
1309	1.00	3.07	3.07	
1310	1.00	5.25	5.25	
1311	1.00	1.95	1.95	
1312	1.00	1.51	1.51	
	9.00	\$ 2.38	21.49	

Av'ge Value = \$2.38 per M.Ton = \$2.16 per S.Ton.  
Total Width = 9.00 M. = 29.5 ft.

Group 4, C.-C.2, East. (Ore)



LOCATION OF ORE ON 300 FOOT LEVEL: (Continued)

AVERAGE OF SAMPLES IN CROSS- CUT 2, EAST. (Continued)

Group 4, C.-C. 2, East. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple.	Remarks.
1313	1.00	\$ 7.51	7.51	Group 4, C.-C. 2, E.
1314	1.00	6.08	6.08	
	2.00	\$ 6.79	13.59	

Av'ge Val. = \$6.79 per M.Ton = \$6.07 per S.Ton.  
Total Width = 2.00 M. = 6.56 ft.

AVERAGE OF SAMPLES IN MAIN DRIFT, EAST OF CROSS-CUT 2, E.

Group 1, Main Drift. (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple.	Remarks.
1294	1.60	\$ 6.62	10.60	Main Drift E. of C.-C. 2, E.
1293	2.15	8.18	17.60	
1292	1.10	8.65	9.50	
1291	1.20	8.75	10.50	
1290	1.00	8.85	8.85	
1289	1.35	8.65	11.70	
1288	1.30	8.25	10.72	
1287	1.30	5.02	6.53	
	11.00	\$ 7.82	86.00	

Av'ge Value = \$7.82 per M.Ton = \$7.11 per S.Ton.  
Av'ge Width = 11/8 M = 1.4 M. = 4.6 ft.  
Length of Ore Sheet = 24 M. = 78.7 say 80 ft.

Group 2, Main Drift (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. Per M.Ton.	Multiple.	Remarks.
1286	1.40	\$ 1.58	2.21	Group 2, Main D.
1285	1.50	0.91	1.68	
1284	1.25	0.90	1.12	
1283	1.25	0.71	0.89	
1282	2.35	0.47	1.10	
1281	1.55	0.48	0.75	
1280	0.85	0.20	0.17	
1279	1.70	2.51	4.26	
1278	1.55	2.86	4.44	
1277	1.90	2.05	3.90	
1276	1.40	1.27	2.62	
1275	0.80	3.41	2.73	
1274	1.25	2.09	2.61	



LOCATION OF PAYABLE ORE ON 300 FOOT LEVEL:(Continued)

AVERAGE OF SAMPLES IN MAIN DRIFT, EAST OF CROSS-CUT 2, E.  
(Continued)

Group 2, Main Drift (Waste) (Continued)

Sample No.	Width Samp. in Meters.	Total Gross Value per M.Ten.	Multiple	Remarks.
	19.05	\$ 1.50	28.48	Group 2, Main Drift.

Average Val. = \$1.50 per M.Ten = \$1.38 per S.Ten.  
Average Width = 19.05 m. = 1.46 M. = 4.8 ft.  
Length of Group = 37.2 M. = 122 ft

Group 3, Main Drift (Ore)

Sample No.	Width Samp. in Meters.	Total Gross, Val. per M.Ten.	Multiple	Remarks.
1273	1.30	\$ 6.15	7.86	
1272	1.15	8.92	10.28	Group 3,
1271	1.65	6.19	10.21	Main Drift.
1270	1.20	3.06	3.68	
	5.30	\$ 5.06	32.13	

Avg Value = \$6.06 per M.Ten = \$5.41 per S.Ten.  
Avg Width = 5.3 / 4 M. = 1.3 M. = 4.2 ft.  
Length of Ore Shoot = 15.0 m. = 49.2 ft say 50 ft.

Group 4, Main Drift (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ten.	Multiple	Remarks.
1269	0.75	\$ 2.76	2.07	
1268	0.75	0.08	0.06	
1267	1.20	1.93	2.32	Group 4,
1266	1.05	0.41	0.43	Main Drift.
1265	1.60	0.88	1.41	
1264	1.25	1.51	1.89	
	5.60	\$ 1.24	8.18	

Avg Value = \$1.24 per M.Ten = \$1.12 per S.Ten.  
Avg Width = 5.6 / 2 M. = 1.1 M. = 4.6 ft.  
Length of Group = 12 M. = 58.8 ft.

Group 5, Main Drift, (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ten.	Multiple	Remarks.
1263	1.25	\$ 4.39	5.48	G. 5, M. D.

Avg Value = \$4.39 per M.Ten = \$4.00 per S.Ten.  
Avg Width = 1.25 M. = 4.1 ft  
Length of Ore Shoot = Avg of other 2 Shoots. =  $\frac{24 + 15}{2} = 19.5 \text{ M} = 62 \text{ ft}$



LOCATION OF PAYABLE ORE ON 300 FOOT LEVEL: (Continued)

AVERAGE OF SAMPLES IN CROSS-CUT 3, EAST:

Group 1, Cross - Cut 3, East: (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
1261	1.00	\$ 4.21	4.21	Group 1, C.-C.3, E.
1262	1.00	7.27	7.27	
	2.00	\$ 5.74	11.48	

Av'ge Value = \$5.74 per M.Ton = \$5.22 per S.Ton.  
Av'ge Width = 2.0 M. = 6.56 ft.

Group 2, Cross-Cut 3, East: (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
1260	1.00	\$ 2.81	2.81	Group 2, C.-C.3, E.
1269	1.00	2.91	2.91	
	2.00	\$ 2.86	5.72	

Av'ge Value = \$2.86 per M.Ton = \$2.60 per S.Ton.  
Av'ge Width = 2.0 M. = 6.56 ft.

Group 3, Cross-Cut 3, East: (Ore)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
1258	1.00	\$ 3.39	3.39	Group 3, C.-C.3, E.
1257	1.00	3.38	3.38	
	2.00	\$ 3.38	6.77	

Av'ge Value = \$3.38 per M.Ton = \$3.99 per S.Ton.  
Av'ge Width = 2.00 M. = 6.56 ft.

Group 4, Cross-Cut 3, East: (Waste)

Sample No.	Width Samp. in Meters.	Total Gross Val. Per M.Ton.	Multiple	Remarks.
1256	1.00	\$ 2.03	2.03	Group 4, C/-C.3, E.
1255	1.00	1.32	1.32	
1254	1.00	1.24	1.24	
	3.00	\$ 1.53	4.59	

Av'ge Value = \$1.53 per M.Ton = \$ 1.39 per S.Ton  
Av'ge Width = 3.0 M. = 9.8 ft.



AVERAGE VALUE OF ORE ON 300 FOOT LEVEL:

For the purpose of obtaining the average value of the ore on this level, the values are grouped according to ore shoots.

Ore Shoot No.1: (Average of Group 1, Main Drift and Group 4, Cross-Out, 2, East)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
	2.00	\$ 6.79	13.59	Group 4,
	2.00**	7.82	15.64	C.-C.2, E.
	4.00	7.30	29.23	Group 1, M.D.

Average Value = \$ 7.30 per M.Ton = \$6.64 per S.Ton.

Average Width = 2.0 M. = 1313 plus 1314 = 6.56 ft.

Length of Ore Shoot = 24 M. = 80 ft.

\*\*Group 1, M.D. is given the width of Group 4, C.-C.2, E. (= 2 M.)

Ore Shoot No.2: (Average of Group 3, Main Drift)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
	5.30	\$ 6.06	32.13	Group 3, M.D.

Average Value = \$6.06 per M. Ton = \$ 5.45 per S.Ton.

Average Width = Taken as Samps 1261 plus 1262 = 2.0 M. = 6.56 ft.

Length of Ore Shoot = 15 M. = 50 ft.

Ore Shoot No.3 (Average of Group 5, Main Drift & group 1 C.-C.3, East)

Sample No.	Width Samp. in Meters.	Total Gross Val. per M.Ton.	Multiple	Remarks.
	2.00**	\$ 4.39	8.78	Group 5, M.D.
	2.00	5.74	11.48	Group 1, C.-C.3, E
	4.00	5.06	20.26	

Average Value = \$5.06 per M.Ton = \$4.50 per S.Ton.

Average Width = 1261 plus 1262 = 2.0 M. = 6.56 ft.

Length of Ore Shoot = Average other 2 Shoots = 24 - 15 = 19 M.

\*\*Group 5, M.D. is given the width of Group 1, C.-C.3, East.)

= 2.0 M. = 6.56 ft)

Ore Shoot No.4: (Average of Group 2, C.-C.2, East)

Sample No.	Width Samp. in Meters	Total Gross Val. per M.Ton	Multiple	Remarks.
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AVERAGE VALUE OF ORE ON 300 FOOT LEVEL: (Continued)

Ore Sheet No 4( Average of Group 2,C.-C.2,East)

<u>Samp.No</u>	<u>Width Samp. in Meters.</u>	<u>Total Gross Val.per M.Ten.</u>	<u>Multiple</u>	<u>Remarks.</u>
	4.00	\$ 4.88	19.50	Group 2, C.-C.2,E.

Av'ge Value = \$4.88 per M. Ten = \$4.44 per S.Ten.

Total Width = 4.00 M. = 13.1 ft.

Length of ore Sheet = Allow length = Ore Sheet No.1 =  
24 M. = 80 ft.

Ore Sheet No 5(Group 3,C.-C.3,East)

<u>Samp.No</u>	<u>Width Samp. in Meters.</u>	<u>Total Gross Val.per M.Ten.</u>	<u>Multiple</u>	<u>Remarks.</u>
	2.00	\$ 4.38	8.77	Group 3, C.-C.3,East.

Av'ge Value = \$4.38 per M. Ten = \$ 4.00 per S.Ten.

Total Width = 2.00 M. = 6.56 ft.

Length of Ore Sheet = Allow length = Ore Sheet N. 3 =  
19 M. = 65 ft.

SUMMARY OF AVERAGES 300 FOOT LEVEL:(Av'ge of Ore Sheets 1,2,3,4,5.)

<u>Sample No</u>	<u>Width Samp. in Meters</u>	<u>Total Gross Val.per M.Ten.</u>	<u>Multiple</u>	<u>Remarks.</u>
Ore Sheet 1	2.0	\$ 7.30	\$ 14.60	
" "	2.0	6.06	12.12	
" "	2.0	5.06	10.12	
" "	4.0	4.88	19.52	
" "	2.0	4.38	8.76	
	12.0	\$ 5.42	\$ 55.12	

Av'ge Value 300 Foot Level = \$ 5.42 per M.Ten.  
= \$4.93 per S.Ten

Av'ge Width 300 Foot Level = 12/5 M = 2.4 M = 7.9 ft.



# ESTIMATE OF TONNAGE AND VALUES:

## TONNAGE DEPENDING ON THE ORE SHEETS OF THE 300 FOOT LEVEL

The ore sheets of the 300 foot level are not connected with those of the upper levels being further east and having a vertical pitch in the vein. They are assumed, however, to have the same gradation of values.

### Ore Sheet No.1.

Block 3: Probable Ore: Being the ore in sheet No.1 from the 300 to the 200 Foot Levels (30 M.)

#### Average Value:

Is the average of the 200 ft. Level and of Ore Sheet No.1.

	<u>Width Samp.</u> <u>in Meters.</u>	<u>Total Gross</u> <u>Val. per M. Ten.</u>	<u>Multiple.</u>	<u>Remarks.</u>
200 Lev.	4.95	\$ 6.00	28.70	
Sheet 1.	2.00	7.30	14.60	
	<u>6.95</u>	<u>\$ 8.38</u>	<u>44.30</u>	

Average Val. = \$8.38 per M. Ten = \$5.80 per S. Ten.

Average Width: =  $6.95 / 2 = 3.47 \text{ M.} = 11.4 \text{ ft.}$

Length Ore Sheet: = 24 M. = 80 ft.

Haight Ore Sheet: = 30 M. = 100 ft.

Area Block: = 3.47 M. by 24 M. = 84 # M.

Tonnage of Block: = 84 # M. by 30 M. by 2.5 Sp. gr  
= 6300 Tons. (Metric) = 6675 S. Tons.  
7000

Block 2: Probable Ore: Being the ore for 15 M. below the 300 Ft Level in Ore Sheet No.1.

#### Average Value:

Is the average of Ore Sheet No.1: 300 L.

	<u>Width Samp.</u> <u>in Meters.</u>	<u>Total Gross</u> <u>Val. per M. Ten.</u>	<u>Multiple</u>	<u>Remarks.</u>
Ore Sheet 1.	2.0	\$ 7.30	14.60	

Average Value = \$7.30 per M. Ten = \$6.64 per S. Ten.

Average Width: = 2.0 = 6.56 ft.

Length Ore Sheet: = 24 M. = 80 ft.

Haight Ore Sheet = 15 M. = 50 ft.



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE DEPENDING ON THE ORE SHOOTS OF THE 300 FOOT LEV  
(Continued)

Ore Sheet No.1, (Continued)

Block 2, Probable Ore (Continued)

Area of Block = 24 M. by 24 M. = 48<sup>sq</sup>M.

Tonnage of Block = 48<sup>sq</sup> M by 15 M. by 2.5 Sp.Gr.  
= 1800 tons (Net) = <sup>2000</sup>1620 S.Tons.

Block 1, Possible Ore; being the 15 M below  
Block 2, Above, down to 400 ft level (which is under water)  
Allow same tonnage and value as  
in Block 2 above.

Average Value = \$7.30 per M.Ton = \$6.64 per S.Ton.

Tonnage of Block = 1800 Met.Tons = <sup>2000</sup>1620 short Tons.

Block 4, Possible Ore; being the portion of  
this ore sheet above the 200 Ft. level.

Average Value:

Is the average value of Levels 1, & 2.

	<u>Width Ramp.</u> <u>in Meters</u>	<u>Total Gross</u> <u>Val. per M.Ton.</u>	<u>Multiple</u>	<u>Remarks</u>
100 Ft Level.	2.79 M.	\$ 6.78	18.94	
200 Ft Level	4.95	8.00	29.70	
	<u>7.74</u>	<u>\$ 6.28</u>	<u>48.64</u>	

Avg's Value = \$6.28 per M. Ton = \$5.74 per S.Ton.

Length Ore Sheet = 24 M. = 80 ft.

Height Ore Sheet = 300 Lev. to Surface = 60 M. = 300 ft.

Avg's Width = 3.87 M. = 12.7 ft.

Area of Block = 3.87 by 24 = 93<sup>sq</sup>M.

Tonnage of Block = 93 BY 60 by 2.5 = 13,900 M.Tons =  
15,300 S.Tons.



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE DEPENDING ON THE ORE SHOTS OF THE 300 FOOT LEVEL  
(Continued)

Ore Shoot No.2;

Block 7; Probable Ore; Being the ore in Shoot No.2 from the 300 ft level to the 200 ft level.

Average Value; is the average of the 300 ft level and of ore shoot No 2.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
200 Lev.	4.95	\$ 6.00	29.70	
Shoot 2	2.00	\$ 6.06	12.12	
	<u>6.95</u>	<u>\$ 6.00</u>	<u>41.82</u>	

Av'ge Value = \$6.00 per M. Ton = \$5.46 per S. Ton.

Average Width =  $6.95/2 = 3.48 \text{ M.} = 11.4 \text{ ft.}$

Length of Ore Shoot = 15 M. = 50 ft.

Height Ore Shoot: = 30 M. = 100 ft.

Area Block; =  $3.48 \text{ M. by } 15 \text{ M.} = 52 \frac{1}{2} \text{ M.}$

Tonnage of Block =  $52 \text{ by } 30 \text{ by } 2.5 = 3900 \text{ M. tons}$   
= 3500 S. Tons.  
4300

Block 8; Probable Ore; being the ore for 15 M. below the 300 ft level in ore shoot No.2.

Average Value;

Is the average value of ore shoot 2, 300 Lev.

	<u>Width Samp. in Meters</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks</u>
Shoot 2,	2.00	\$ 6.06	12.12	

Av'ge Value = \$6.06 per M. Ton = \$5.45 per S. Ton.

Average Width = 2.0 M. = 6.56 ft.

Length Ore Shoot Allowed same as in previous block  
= 15 M. = 50 ft.

Height Ore Shoot: = 15 M. = 50 ft.

Area Block =  $2.0 \text{ by } 15 = 30 \frac{1}{2} \text{ M.}$

Tonnage of Block =  $30 \text{ by } 15 \text{ by } 2.5 = 1125 \text{ M. Tons}$   
= 1250 S. Tons.



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE DEPENDING ON THE ORE SHOOTS OF THE 300 Lev:  
(Continued)

Ore Shoot No.3 (Continued)

below Block 10, above, down to the 400 ft level, which is under water.  
Block 10, above. Allow same tonnage and value as in

Average Value ; = \$5.06 per M. Ton = \$4.50 per S. Ton

Tonnage of Block - 1500 M. Tons = ~~1350~~ 1350 S. Tons.

Block 12, Possible Ore; being the portion of this ore shoot above the 200 ft level.

Average Value ;

Is the average value of Levels 1, & 2:

	<u>Width Samp.</u> <u>in Meters.</u>	<u>Total Gross</u> <u>Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
100 Ft Lev.	3.79	\$ 8.79	18.94	
200 Ft Lev.	4.05	8.00	39.70	
	<u>7.74</u>	<u>\$ 6.28</u>	<u>48.64</u>	

Avg's Value = \$6.28 per M. Ton = \$5.74 per S. Ton.

Length Ore Shoot; = 20 M. = 65 ft.

Height Ore Shoot; = 60 M. = 200 ft.

Average Width = Avg's of 200 & 100 leva = 3.87 M =

12.7 ft.

Area of Block; = 20 by 3.87 = 77 # M.

Tonnage of Block = 77 by 60 by 2.5 = 11,550 M. Tons  
= 12,700 S. Tons.



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE DEPENDENT ON THE ORE SHOTS OF THE 300 LEVEL:

Block 5; Possible Ore, being the 15 M. below block 6, above, down to the 400 ft level.

Allow same tonnage and value as in block 6, above.

Average Value; = \$6.06 per M. Ton = \$5.45 per S. Ton.

Average Width; = 2.0M. = 6.56 ft.

Length Ore Shoot; = 15 M. = 50 ft.

Height Ore Shoot; = 15 M. = 50 ft.

Tonnage of Block; = 30 by 15 by 2.5 = 1125 M. Tons.  
= 1000 S. Tons.

Block 6; Possible Ore, being the portion of this ore shoot above the 300 ft level.

Average Value;

Is the average value of levels 1 & 2.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
100 ft Lev.	2.72	\$ 6.72	18.94	
200 ft Lev.	4.95	8.00	29.70	
	<u>7.74</u>	<u>\$ 6.28</u>	<u>48.64</u>	

Av'ge Value = \$6.28 per M. Ton = \$5.74 per S. Ton.

Length Ore Shoot = 15 M. = 50 ft.

60 M. F 200 ft. Height Ore Shoot = 300 ft Level to Surface =

Average Width = 2.0 = 6.56 ft.

Area Block = 15 by 2 = 30 # M.

Tonnage of Block = 30 by 60 by 2.5 = 4500 M. Tons.  
= 4000 S. Tons.  
6000



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE DEPENDING ON THE ORE SHOOTS OF THE 300 LEV:  
(Continued)

Ore Shoot No.3

Block 11; Probable Ore being the ore in shoot No.3 from the 300 ft.lev. to the 200 ft.level. (30 M)

Average Value:

Is the average of the 200 ft.lev.

and of Ore Shoot No.3.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
200 Lev.	4.95 -	\$ 6.00	29.70	
Shoot 3	2.00	5.06	10.12	
	6.95	\$ 5.73	39.82	

Average Value = \$5.73 per M. Ton = \$5.21 per S. Ton

Average Width; =  $6.95/2 = 3.47$  M. = 11.4 ft.

shoots 1&2 = 20 M. = 66 ft.

Length Ore Shoot; = 6 M. but allowed av'ge of 10 M.

Height Ore Shoot; = 30 M. = 100 ft.

Area Block; = 20 by 3.47 = 70 #M.

Tonnage of Block; = 70 by 30 by 2.5 = 5250 M. Tons  
4720 S. Tons  
5700

Block 10; Probable Ore: Being the ore for 15 M. below the 300 ft level in Ore Shoot No.3.

Average Value:

Is the average of Ore Shoot No.3,

300 ft.level.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
Shoot 3,	2.00	\$ 5.06	10.12	

Average Value = \$5.06 per M. Ton = \$4.00 per S. Ton

Average Width; = 2.0 M. = 6.56 ft.

Length Ore Shoot = 20 M. = 66 ft.

Height Ore Shoot; = 15 M. = 50 ft.

Area Block; = 20 by 2 = 40 # M.

Tonnage Block = 40 by 15 by 2.5 = 1500 M. Tons  
1650 S. Tons



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE DEPENDING ON THE ORE SHOOTS OF THE 300 FT LEVEL:  
(Continued)

Ore Shoot No. 4:

Block 13, Probable Ore: being the ore in Shoot No. 4, from the 300 ft level to the surface, for 1/2 the length of blocks 1, 2, 3, 4 Ore Shoot No. 1.

Average Value:

Is the average value of Shoot 4, and 100 and 200, ft. Levels.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
100 ft Lev.	2.78	\$ 6.79	13.68	
200 " "	4.96	6.00	29.70	
Shoot 4	4.00	4.88	19.50	
	11.74	\$ 5.35	62.78	

Average Value = \$5.35 per M. Ton = \$4.87 per S. Ton

Average Width: =  $11.74/3 = 3.9 \text{ M.} = 12.8 \text{ ft.}$

Length Ore Shoot: = 1/2 Shoot 1, = 12 M. = 40 ft.

Height Ore Shoot: = from 300 Lev to Surface =  
90 M. = 300 ft.

Area of Block: = 3.9 M. by 12 M. = 47  $\frac{1}{2}$  M.

Tonnage of Block: = 47 by 90 by 2.5 = 10,500 M.  
= 2,100 S.  
11,500

Block 14, Possible Ore: being the ore in Shoot 4 from the 400 ft. level to the surface for 1/2 the length of Shoot 1.

Average Value:

Is the average value of Block 13 =  
\$5.35 per M. Ton = \$4.87 per S. Ton.

Average Width:

Is the average width of Block 13

Length Ore Shoot:

Is the length of Block 13

Height Ore Shoot: = 120 M. = 400 ft.

Area Block = Area of Block 13 = 47  $\frac{1}{2}$  M.

Tonnage =  $47 \times 120 \times 2.5 = 14100 \text{ M. Tons}$   
16400 S. Tons



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE DEPENDING ON THE ORE SHOOTS OF THE 300 FT LEVEL:

Ore Shoot No.5;

Block 15 Probable Ore; being the ore in Shoot 5, from the 300 ft level to the surface for  $1\frac{1}{2}$  the length of Shoot No.3.

Average Value;

is the average of the 200, 100, Levs and

Shoot No.5.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
100 ft Lev.	2.72	\$ 6.79	13.58	
200 ft Lev.	4.95	8.00	29.70	
Shoot No.5	2.00	4.38	8.77	
	<u>5.74</u>	<u>\$ 5.34</u>	<u>52.05</u>	

Av'ge Val. = \$5.34 per M. Ton = \$ 4.86 per S. T

Average Width; =  $5.74/3 = 3.25$  M. = 10.65 ft.

Length Ore Shoot; =  $1\frac{1}{2}$  M. = 10 M.

Height Ore Shoot; = 90 M. = 300 ft.

Area Block; = 10 by 3.25 = 33 sq M.

Tonnage of Block; = 33 by 90 by 2.5 = 7425 M. Tons  
= 6600 S. Tons  
2000

Block 16; Possible Ore;

from 400 Lev to surface for  $1\frac{1}{2}$  the length of Shoot 3. Being the ore in Shoot 5

Average Value; = Av'ge of Blk. 15 = \$5.34 per M. Tons  
= 4.86 per S. Tons

Tonnage = Area of Blk 15 = 33 sq M. by  
120 M. Height = 33 by 120 by 2.5 = 9900 M. Tons = 8900 S. Tons.  
10,900



LIST OF BLOCKS ON THE 500 FOOT LEVEL SHOTTS

Shot No.	Block No.	Kind of Ore	Total Gross Val. per Ton	No. Short Tons.
1	3	Probable	5.80	7000
	2	Probable	6.64	2000
	4	Possible	5.74	16300
	1	Possible	6.64	2000
2	7	Probable	5.45	4300
	6	Probable	5.45	1250
	5	Possible	5.45	1250
	8	Possible	5.74	5000
3	11	Probable	5.20	5700
	10	Probable	4.80	1650
	9	Possible	4.80	1650
	12	Possible	5.74	12700
4	13	Probable	4.87	11500
	14	Possible	4.87	13400
5	15	Probable	4.87	8000
	16	Possible	4.87	10900





# TONNAGE AND PROFITS OF THE 300 LEVEL BLOCKS

Profits based on \$4.00 working cost, 250 tons per diem ; 53 cts for silver and \$20.87 for gold; 93% extraction.

PROBABLE ORE					
Block.	Short Tons	Total Gross Val. per S. Ton	Total Net Val. per S. Ton	Net Profit per S. Ton	Total Net Profit.
3	7000	\$ 5.80	\$ 5.40	\$ 1.40	\$ 9800.
2	2000	6.64	6.17	2.17	4340.
7	4300	5.45	5.07	1.07	4600.
6	1250	5.45	5.07	1.07	1340.
11	5700	5.20	4.84	0.84	4790.
10	1650	4.50	4.18	0.18	300.
13	11500	4.87	4.53	0.53	6090.
15	10900	4.87	4.53	0.53	5780.
	<u>44300</u>	<u>\$ 5.19</u>	<u>\$ 4.83</u>	<u>\$ 0.83</u>	<u>\$ 37040.</u>

POSSIBLE ORE					
Block.	Short Tons	Total Gross Val. per S. Ton	Total Net Val. per S. Ton	Net Profit per S. Ton	Total Net Profit.
4	15300	\$ 5.74	\$ 5.34	\$ 1.34	\$ 20500.
1	2000	6.64	6.17	2.17	4340.
5	1250	5.45	5.07	1.07	1340.
8	5000	5.74	5.34	1.34	6700.
9	1650	4.50	4.18	0.18	300.
12	12700	5.74	5.34	1.34	17000.
14	15400	4.87	4.53	0.53	8160.
16	10900	4.87	4.53	0.53	5780.
	<u>64200</u>	<u>\$ 5.38</u>	<u>\$ 5.00</u>	<u>\$ 1.00</u>	<u>\$ 64120.</u>



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE BETWEEN THE 200 AND 300 FOOT LEVELS:

Block 17: Probable Ore: is the developed width between the 300 and 200 ft levels.

Average Value:

Is the average of the 200 and 300 ft levels.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
200 ft Lev.	4.85	\$ 5.00	29.70	
300 ft. Lev.	2.40	5.42	13.00	
	7.35	\$ 5.50	42.70	

Avg Value = \$5.80 per M. Ton = \$5.27 per S. T

Average Width: =  $7.35/2 = 3.67$  M. = 12 ft.

Length Block: = Avg of 300 and 200 lev =  
(40 M on 300 Lev and say 40 M. on 200 Lev) The ore shoot on the 200 lev should show directly under on the 300 lev as the shoots have a vertical pitch. It does not so show. It is, however conceded that enough ore will be found west of the shaft to make up this block.

Height of Block: = 30 M. = 100 ft.

Area of Block: = 40 by 3.67 = 147 # M.

Tonnage of Block: = 147 by 30 by 2.5

= 11,000 M. Tons

= 8,000 S. Tons.

11,000



ESTIMATE OF TONNAGE AND VALUES:

TONNAGE BETWEEN THE 100 AND 200 FOOT LEVELS:

Block 18; Probable Ore; is the developed width between the 100 and 200 foot levels.

Average Value:

is the average of the 100 and 200 foot Lev.

	<u>Width Samp. in Meters.</u>	<u>Total Gross Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
100 ft Lev	8.79	\$ 8.79	18.94	
200 ft Lev	4.95	8.00	28.70	
	7.74	\$ 8.28	48.64	

Average Value = \$8.28 per M. Ton = \$5.74 per S. Ton.

Average Width: =  $7.74/2 = 3.87 \text{ M} = 12.7 \text{ ft.}$

Length Ore Shoot: = 40 M (on 100 and 200 leve)

Height Block: = 30 M. = 100 ft.

Area of Block: =  $3.87 \text{ by } 40 = 155 \# \text{ M.}$

Tonnage of Block =  $155 \text{ by } 30 \text{ by } 2.5 =$

= 11,800 M. Tons

~~10,500 S. Tons.~~

12,800

Block 19; Possible Ore;

It is conceded that the vein may be as wide from the 200 to the 100 ft level as it is on the 200 ft level, as it is not fully developed on the 100, lev.

Average Value: = Average of Block 18 =

\$5.85 per M. ton = \$5.08 per S. Ton.

Average Width = (av'ge of 200 - Av'ge of 100 leve)

=  $4.95 - 2.79 = 2.15 \text{ M.} = 7.05 \text{ ft.}$

Length of Shoot = Length of Blk 18 = 40 M.

Height of Block = 30 M. = 100 ft.

Area of Block: =  $2.15 \text{ M. by } 40 \text{ M.} = 86 \# \text{ M.}$

Tonnage of Block =  $86 \text{ by } 30 \text{ by } 2.5 = 6450 \text{ M. Tons}$

~~5800 S. Tons.~~

7100



DETERMINATE OF TONNAGE AND VALUES:

TONNAGE BETWEEN THE 100 FT LEVEL AND THE SURFACE:

Block 20; Probable Ore;

is the developed width and length  
of the vein from the 100 ft level to the surface.

Average Value; is the average of the 100  
foot level.

<u>Width Samp.</u> <u>in Meters.</u>	<u>Total Gross</u> <u>Val. per M. Ton.</u>	<u>Multiple</u>	<u>Remarks.</u>
2.79	\$6.79	13.58	

Average Width; is the average of the 100 ft  
Level = 2.79 M. = 9.15 ft.

Length of Ore Sheet; = 40 M. = 130 ft.

Area of Block; = 40 by 2.79 = 112 sq M.

Height of Block; = 30 M. = 100 ft.

Tonnage of Block; = 112 by 30 by 2.5 =  
= 8400 M. Tons.  
= 3200 S. Tons.

Block 21; Possible Ore;

It is conceded that the vein  
may be as wide from the 100 ft level to the surface as it is on the  
200 ft level as it is not fully developed on the 100 ft level.

Average Value; = the average of block 20 =  
\$6.79 per M. Ton = \$6.05 per S. Ton.

Average Width; = Width of 200 less width of 100  
Level = 4.95 - 2.79 M = 2.15 M. = 7.05 ft.

Length Ore Sheet; = 40 M.

Height of Block; = 30 M. = 100 ft.

Area of Block; = 2.15 by 30 = 65 sq M.

Tonnage of Block; = 65 by 30 by 2.5 =  
= 4875 M. Tons.  
= 5300 S. Tons.



LIST OF BLOCKS OF THE 100-200 FT LEVEL ORE SHOOT

Block No.	Kind of Ore	Total Gross Val. per Short Ton	No. of Short Tons.
17	Probable	\$ 5.27	
18	Probable	5.74	12000
19	Possible	5.74	12800
20	Probable	6.06	7100
21	Possible	6.06	9200
			5360

TONNAGE AND PROFITS OF THE 100-200 FT LEVEL ORE SHOOT

Block	Short Tons	PROBABLE ORE		Net Profit per S. Ton.	Total Net Profit
		Total Gross Val. per S. Ton.	Total Net Val. per S. Ton.		
17	12000	\$ 5.27	\$ 4.90	\$ .90	\$ 10800.
18	12800	5.74	5.34	1.34	17150.
20	9200	6.06	5.83	1.83	14980.
	<u>54000</u>	<u>\$ 5.65</u>	<u>\$ 5.26</u>	<u>\$ 1.26</u>	<u>\$ 42940.</u>

Block	Short Tons	POSSIBLE ORE		Net Profit per S. Ton.	Total Net Profit
		Total Gross Val. per S. Ton.	Total Net Val. per S. Ton.		
19	7100	\$ 5.74	\$ 5.34	\$ 1.34	\$ 9500.
21	5360	6.06	5.63	1.65	8730.
	<u>12460</u>	<u>\$ 5.86</u>	<u>\$ 5.46</u>	<u>\$ 1.46</u>	<u>\$ 18230.</u>

TONNAGE AND PROFITS EAST OF WORKINGS TO END LINE

The 300 ft level is about 525 ft. long and there is about 225 ft from the end of the level to the end line of the claim. It may be possible that this distance will develop half the tonnage that the 300 level ore shoots show. Probably it will develop more.

There are 108,500 tons of possible and probable ore on the 300 shoots of an average value of \$5.10. Half of this tonnage is 54,200 therefore;

Block	Short Tons	BLOCK 22 Possible Ore:		Net Profit per S. Ton.	Total Net Profit.
		Total Gross Val. per S. Ton.	Total Net Val. per S. Ton.		
22	54,200	\$ 5.30	\$ 4.93	\$ .93	\$ 50000.



# SUMMARY OF TONNAGE AND VALUE OF ALL ORE

Location	Short Tns	PROBABLE ORE		Net Profit per S.Ton	Total Net Profit.
		Tot. Gross Val. per S.Ton	Tot. Net Val. per S.Ton		
300 Lev. Shoots	44300	\$ 5.19	\$ 4.83	\$ 0.83	\$ 37040.
100-200 Shoot	34000 78000	5.65 \$ 5.37	5.26 \$ 5.00	1.03 \$ 1.00	42900. \$ 80000.

## POSSIBLE ORE

Location	Short Ton	PROBABLE ORE		Net Profit per S.Ton	Total Net Profit.
		Tot. Gross Val. per S.Ton	Tot. Net Val. per S.Ton		
300 Lev. Shoots	64200	\$ 5.38	\$ 5.00	\$ 1.00	\$ 64000.
100-200 Shoot	12460	5.86	5.46	1.46	18200.
End Line Block	54200 136860	5.30 \$ 5.30	4.93 \$ 5.00	.93 \$ 1.00	50000. \$ 132200.

All of which, as stated before on a basis of \$4.00 per ton cost on a 250 ton basis with 93 % extraction \$20.57 gold and 53 ¢ silver.

*W. F. Dishner*

Mining Engineer,  
Denver, Colo; Mar. 8, 1912.



COST OF EQUIPMENT:

There are 20 stamps now installed on the property which if used to precede tube mill, being used for coarse crushing (to say 20 mesh) will be suitable to use. Add a Gates crusher grizzly and feeder and say 2, 4 by 4 ball mills and say 3, 4 by 18 tube mills and the crushing arrangements would be complete for 250 tons per diem. This would cost F.O.B. Denver say-----\$10,000.00

Solution, storage and sump tanks ----- 5,000.00  
F.O.B. San Francisco.

Filter Plant except filter----- 8,000.00

Oliver Filter Plant----- 10,000.00

Agitating Tanks ----- 9,000.00  
\$42,000.00

Double this for freight and installation \$90,000.00  
(250 tons capacity)

COST OF OTHER WORK:

Prospectus tunnel must be driven in 900 ft to tap shaft at 400 level before operations are started.

900 ft of tunnel at \$8.00 per ft ----- 7,200.00

Compressor and other expense----- 10,000.00

Total say----- \$20,000.00

Total expense is then say \$ 110,000.00



CONCLUSIONS:

The working facts upon which conclusions must be based are as follows:

The total probable and possible profits which it is reasonable to expect above the 400 foot level are about \$211,000 on a \$4.00 working cost.

It will cost at least \$100,000 to start up the mill and derive these profits.

It will take three years to derive these profits so that interest is a serious factor.

The total probable and possible profits which it is reasonable to assume above the 400 foot level are about \$400,000 on a \$3.00 working cost, and it will take \$220,000 and 1½ years to derive them.

In view of the comparatively small tonnage in sight and in view of the fact that perfectly satisfactory <sup>additional</sup> units can be attached to the mill later it would seem best to use for present purposes, the \$4.00 cost and the 250 ton rate instead of the \$3.00 cost and the 500 ton rate; furthermore it is not satisfactory to use a lower cost for either rate.

Therefore the mine shows now a net profit of only \$100,000 to the owners who paid \$160,000 for it. In addition to this you may assume that \$25,000 net profit can be taken out of the dumps and other mines of the Company (provided a mill is erected for the Humboldt) and if the values go down they will take the rest of the \$160,000 out of the mine.



Regarding the values with depth it may be stated that with proper segregation of the ore as shown on the maps accompanying this report, the values do not decrease with depth in as great a ratio as previously supposed, after passing below the 100 foot level, so that it is reasonable to expect considerable ore below the 400 foot level.

In any case there is no margin for consideration of the purchase price at all or of any purchase price which might be mentioned, so that it is impossible to buy the property now.

W. F. Dishner

Mining Engineer, Denver, Colo.  
Mar. 9th 1912.