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COPIED FROM REPORT FOR YEAR 1917 BY J. W. HUTCHINSON, GENERAL MANAGER, GOLDFIELD CONSOLIDATED MINES COMPANY AND AURORA CONSOLIDATED MINES COMPANY.

(From Pages 12, 13 and 14)

The Aurora Consolidated Mines Company

Following this report will be found the annual report of the Aurora Consolidated Mines Company, containing details of operation.

Within the year 175,477 tons of ore of \$2.819 grade were produced from which resulted an operating loss of \$18,788.26.

Interest on indebtedness was paid to the amount of \$18,279.12, making a total loss for the year of \$37,067.38.

General Conditions

In August it became apparent that the ore exposed in your property would not yield a profit. It was deemed advisable to push development work as rapidly as possible toward the old Juniata workings for the purpose of proving or disproving the stories regarding the vein and ore values in this section which has been caved and under water since 1872.

On the 4th of November an intermediate 88 feet above the main haulage tunnel encountered the shaft, which fortunately had not caved for 70 feet above this intermediate and gave access to what is believed to be the second level of the old Juniata mine. At this elevation the vein is exposed for 260 feet, of which 130 feet had been stoped in the early days. The vein is eight feet wide at the most westerly exposure and gradually widens to 18 feet in the most easterly exposure, where it has been square set and filled by the early day operators. At this elevation in the west end there is a 90-foot unstoped section eight feet wide, cut samples from which average \$4.50. Samples from the fill range from \$4.00 to \$6.00, and one cut across the back for 10 feet averages \$20.00. The most encouraging features of the exposure are; the vein apparently widens to the east and also widens with depth.

A cross-cut is being driven from the intermediate and the haulage tunnel is also being extended to cut the vein, but it is not believed possible to begin production on any scale until after the first of the year. During 1916 the Juniata Extension Claim was purchased for \$1,000.00, which gives your Company 5,000 feet along the strike of the vein. However, it is impossible to locate the vein on surface on its eastern extension, since it is obscured by the recent flow of rhyolite. The haulate tunnel should cut this vein in the latter part of March, and if the conditions obtaining on the second level persist to this depth, this vein will prove very profitable to your Company.

Silver Lining Claims

For some months negotiations have been pending between the owners of this ground and your management looking to the leasing of this ground to your Company. These claims adjoin your property on the east and the main Humboldt vein crops in them for 1500 feet. On December 21st an agreement was signed which provides that the profit remaining after deducting a stipulated amount for costs and losses shall be divided equally between your Company and the owners of the ground. The haulage tunnel was immediately extended into these claims and by January 1st an advance of 100 feet was made. There is very little development work done in these claims, but the vein is exposed 200 feet above your haulage tunnel by a tunnel which indicates an ore chute 250 feet long averaging $10.00 over drift width. In addition a raise from your haulage tunnel to surface at the end-line of this ground indicates much better ore than has ever been extracted from your property. From present exposures which do not limit the possibility of the ground it seems safe to state that 75,000 tons of ore of average value of $8.00 will be extracted.

The encouraging development in the Juniata ground, together with the lease on the Silver Lining Claims, gives your Company the most promising outlook for profitable operations that it has ever had.

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(From Pages 29, 30, and 31)

Juniata Vein

Statements made in last year's report have been borne out by operations since these veins have yielded no ore of the grade expected and are too small (four to six feet wide) in the west end of the property to yield a profit.

In August a drift was started 85 feet above the haulage tunnel for the purpose of connecting the old Juniata shaft and workings which have been caved and under water since 1872. This work is east of any work heretofore done by your Company. In November the connection with the shaft was made. Fortunately the shaft had not caved for 70 feet above the drift and gave access to what is believed to be the second or 200 foot level of the old Juniata mine.

The faulting in this section of your property is very complicated. All work previously done by your Company in the west end of this section has been on the hanging wall of the Juniata fault, which dips west. In making the connection with the Juniata shaft a strong fault, dipping east, was crossed, which is also exposed in the old Juniata workings. This fault has dislocated the veins to an undetermined extend and from the work done so far it is not possible to state which one of the three veins of this group is exposed on the hanging wall side of the east fault in the old workings. This is the vein which was stoped profitably in the early seventies .

The number one vein between the two faults is exposed in the drift.

65 feet above the haulage tunnel and also this same segment is exposed for a distance of 90 feet in the old workings. Both exposures indicate a width of eight feet and a grade of $4.50 per ton. On the hanging wall side of the east fault in the old workings a vein is exposed for 170 feet which has been stoped (by square setting) and filled by the early day operators for a length of 130 feet. How far to the east these workings extend is not known, since they are caved and inaccessible bdyond this point. This vein is from 12 to 18 feet wide and has been stoped over these widths. It is the strongest vein in this section and has every appearance of persistence in both dip and strike. The condition of the old workings does not permit an accurage sampling to be made, but cuts over 10 foot widths indicate a value ranging from $8.00 to $20.00 per ton. The stopes are filled with quartz sorted from broken ores and samples indicate a value of $5.00 per ton and it is believed there are 10,000 tons of broken ore in fills.

The haulage tunnel has been advanced 100 feet on the number one vein towards the east fault and should intersect it within 50 feet. The number one vein in this distance has increased from 8 to fifteen feet in width and corroborates the information gained from the old workings that the veins are stronger on their eastern extensions. At this elevation, however, the quartz is not ore, but since progress to the east will approach surface the grade should improve as the tunnel advances. It is impossible to state what the future of this development will be, but it is certainly the most promising ever exposed in your property.

Lease on Silver Lining Claims

This group of three claims adjoins your property on the east and in one of them the outcrop of the main Humboldt vein is exposed for 1500 feet. On December 21st an agreement was signed with the owners which provides that the profit remaining after deducting a fixed amount for costs and losses, shall be divided equally between the owners and your Company. The amount to be deducted varies from $3.00 to $3.50 per ton, depending on actual results obtained. The haulage tunnel was immediately advanced into this ground and at the close of the year an advance of 100 feet had been made. The ore resulting from this advance averaged $4.50 and raises indicate that within 70 feet of the haulage tunnel the grade has improved to $8.00 per ton.

With the exception of an incline shaft 100 feet deep near the end-line of your property, on each side of which the vein has been stoped over a narrow width for 50 feet, and one tunnel on the vein connecting with this stope no development work has been done in these claims. Mr. J. B. Kendall, Mine Superintendent for the Goldfield Consolidated Mines Company, extracted this ore from this stope and states he produced 1000 tons of ore which milled $30.00 per ton. Samples from the bottom of this stope and from the tunnel indicate a shoot of ore 250 feet long at this elevation which will average $10.00 over drift width. In addition a raise from your haulage tunnel to surface at the east end-line of your property also shows good ore, and there is blocked out on two sides 75,000 tons of ore which should average $8.00 per ton. This tonnage does not limit the possibilities of the ground, and it is entirely probable that further development work will increase this tonnage materially.