The "Magnolia" Mine was discovered on March 11th, 1892 at Ferguson District, Lincoln County, Nevada, which district was organized shortly after the discovery of this mine.

The district is situated about 40 miles South of Pioche, Nevada, in the Meadow Valley Range of Mountains on the Western slope. The country is well timbered and a saw mill is now in operation about 10 miles from the mine cutting lumber for building purposes.

The croppings of the Magnolia Mine show distinctly for about 700 feet and are covered up in other portions by surface dirt.

The discovery was first made at the Apex of a "saddle" of what is known as "Gold Hill" and nearly all work has thus far been confined to this portion of the property.

The course of the ledge is almost North and south across the hill; the comb or apex of the hill running east and west.

The pitch of the Ledge is perpendicular. The ledge is the West contract fissure of a "Porphyry Dyke" cutting through a country of bedded Quartzite which Quartzite overlaps Mineralized Limestone and Lime Shale. The work already done on the Ledge demonstrates the fact that the Ledge follows the Porphyry Dyke down through the Quartzite and into the Limestone.

feet North of Shaft No. 1. These shafts have been connected by a drift at a depth of 60 feet and another drift run at a depth of 120 feet to connect these shafts is about completed. Drifts are also being run both north and south from Shafts 1 and 2. All workings are in ore and it will average two feet wide of an assay value of $40 in Gold and 25 ounces in Silver.

The ore is free milling containing Gold in a free state, and silver as chloride or horn silver.

No stopeing has been done in the mine except at one point about twelve feet in depth and 15 feet long at the surface next to the discovery shaft. The last ore taken from this stope shows the bottom over three feet wide averaging over $400 per ton mostly in gold. To show the richness of the ore, I beg to state that the amount extracted from this stope 12 x 15 feet gave a value of $8,637.31 after deducting working charges.

A sufficient amount of water for milling purposes has been developed at a point about two miles from the mine at such an elevation that it can be piped to the mine.

There are about 450 tons of ore on the dumps which will average about $60 in free gold and silver, and about 15 tons of first class ore that will average $400 per ton mostly in gold.

In further testimony of the value of the ore I incorporate as part of this report copies of the certificates of the workings of some of the Magnolia Ore. I can fur-

In different portions of the workings there are small chutes of ore that will go as high as $2000 per ton in Gold; but I am inclined to believe the depth has not yet been attained at which there will be large chutes of this rich Ore.

As to the future of this property: The formation is the most reliable met with in mining, and it is astonishing that so much mineral has already been uncovered up in the Apex of the Saddle. I am confident that the main deposit of mineral is in depth about two hundred feet below the present workings, at which depth we will come to the level of the broad Canyons on both sides of the hill. These broad Canyons showing bed rock within a couple of feet of the surface testify to the fact that very little erosion has taken place at this part of the hill, and shows that the apex is natural, not formed by eroding influences; and that it should carry mineral so extensively at the top only tends to demonstrate the permanance and great strength of the ore body.

The ground is easily broken and needs few timbers, therefore the cost of mining will not exceed $4 per ton, including development work. After careful calculation I estimate the cost of milling at not over $3 per ton in a ten stamp mill. There is much of the ground on either side of the ledge that although it is not at the present time designated as Ore, I am confident it will assay over

the mill.

As some valuable milling machinery can be obtained within 200 miles of Ferguson District at a very low figure, I estimate that the mill can be constructed for $20,000, and that about $30,000 will be needed for developing extracting Ore, piping in water etc. and carrying on work until the mill is completed.

The mine is already blocked out ready for stopeing from the 120 foot level to the surface for a distance over 150 feet. This block of ground should supply at least 3,000 tons of ore averaging in value what the general average of the present drifts and shafts will show.

Of course the above quoted amount in sight is but [illegible] of what can be developed by the time the mill is completed; I therefore see no reason that a working capital over $50,000 should be provided for.

Mingo Smelting Co.

Salt Lake City, Utah, Aug. 5th, 1892.

Mingo Smelting Co.

Bought of A.J. Cohen.

Lot 2 Magnolia ore-----class-----sacks----- pounds.

All Sampled at T.& B.Mine	Per cent Copper	per cent Lead	Ozs.Silver Per ton	Ozs. Gold Per ton
Assay by T & B.		1 5	178 5	38 72
Assay by Union		1 5	182 5	38 62
Average Assays			178 5	38 72

Silica 71.6 per cent
Iron 5 " "

Gross weight of Ore 7,888 pounds
Less weight of sacks 75 "

7,813 "
Less moisture 1 per cent 78 "

7,735

7,735 pounds of ore at $858.40 per ton.....$3319.80

Received Payment,

Magnolia Mining Company.

(COPY)

C

Mingo Smelting Co.

Salt Lake City, Utah, Aug 5th, 1892

Mingo Smelting Co.

Bought of A.J. Cohen.

Lot 3. Magnolia Ore — class — sacks

All sampled T.& B. mill.	per cent copper	per cent Lead	Ozs. Silver Per ton	oz. Gold per ton
Assay by T & B.			74 0	0 26
Assay by Union			73 9	0 12
Average Assay			74	0 19

Silica 79.7 per cent — Gross weight ore 22,532 pounds.
Iron 3.9 per cent — Less weight sacks 173 "

22,359 "
Less moisture 1.5 per cent 335 "

22,024

22,024 pounds of Ore at $157.20 per ton $1731.09

Received payment,

Magnolia Mining Company.

C

(COPY)

Salt Lake City, Utah, May 28, 1892

A. Hanauer,

Bought of Scott & Anderson.

Lot No. 2-- 137 Sacks Magnolia Ore, gross weight..... 13,290 lbs.

Less weight of sacks.....98 lbs

Less Moisture 1.6 per cent..... 211 " tare 309 "

Net Weight..... 12,981 "

Assay by Hodges .... per cent Lead 76.8 ozs Silver 8.420 oz. Gold

" " Union..... " " " 73.6 " " 8.240 " "

Average Assay..... 75.2 " " 8.330 " "

12,981 lbs. net at $200.50 per ton--- $1301.34

7,939 pounds of ore at $253.40 per ton.....$[illegible]

Received Payment,

Magnolia Mining Company,

[illegible]

Salt Lake City, May 28th, 1892.

A. Hanauer,

Bought of Scott & Anderson.

Lot 1 -- 55 Sacks Magnolia Ore, gross weight 5780 lbs.

Less weight of sacks-----42 lbs.

Less moisture 1.3per cent 75 lbs. Tare 117 "

Net weight 5663 "

Assay by Hodges------- per cent Lead 93.6 ozs silver 39.200 oz.Gold

" " Union 1.3 per cent Lead 89.5 ozs Silver 38.540 " "

Average Assay 91.55 " " 38.870 " "

5663 Pounds net at $807 per ton.....$2285.02