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Item 2

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TONOPAH MINING CO. OF NEVADA		
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B L K O P R I N C E M I N E

G o l d C i r c l e D i s t r i c t

N e v a d a

By W.H. Sirdevan,  
March 1913.

# REPORT ON THE ELKO PRINCE MINE

ELKO COUNTY, NEVADA.

Gold Circle-Dist.

## Location.

The Elko Prince Mine is located in the Gold Circle Mining District about one mile from the town of Midas. There is a good road from Midas to the property.

## Property.

The property consists of ten claims and fractions embracing a total area of ninety acres. The outline of these claims is shown on Sheet No.2. About 2580 feet along the strike of the vein is included within the property lines. All of this ground is patented.

The Elko Prince is capitalized for one million shares having a par value of One Dollar each. About 900,000 shares are controlled by Leslie Savage - the present manager of the property - and Paul Ehlers - the original discoverer of the lode. Both of these men are at present working at the mine.

## Ore Vein.

The vein is a banded-quartz, fissure filled ledge in rhyolite and not far from an Andesite contact. The vein strikes N. 42 W. and is almost vertical. The average width is about 1.2 feet. The chief value lies in the gold content-silver occurring in about the proportion of 11 ounces to 1 ounce of gold. The ore is free milling and some of the quartz shows free gold in abundance. Some native silver is also present

in a fine shale near the hanging wall. Both walls of the vein are well defined, and the ore in general breaks clean from them.

Other Veins.

About five hundred feet west of the vein now being worked - and with strike approximately parallel with it - there is another fairly well defined vein about 14 feet in width and which samples from \$5 to \$14 per ton. But little work has been done here - two small cuts being the extent of the development work. According to Mr. Savage the property was purchased by him from the showing in this vein - the present small, high grade ledge being discovered later. There was considerable snow on the ground at the time of my visit so that I did<sup>not</sup> have an opportunity to examine the surface showings.

Development Work.

About 1350 feet of drifting has been done on the vein. A tunnel 728 feet in length cuts the vein at a depth of about 300 feet from the surface. From this tunnel level a winze is sunk to a depth of 380 feet - giving a total depth of 680 feet. In addition there are three raises above the tunnel level - one of them connecting with an old shaft from the surface.

At the present time development is being carried on at three faces - the north drift on the tunnel level, the north drift on the lower level, and in further sinking of the 380-foot winze.

From the point on the tunnel level marking the end of the ore blocked out (See Sheet 1.) - the ore continued as low-grade for a short distance until the vein narrowed to a small seam and continued in this manner for two or three hundred feet. At the face of this drift on March 20 th. the vein had reached its normal width and was considered to be workable ore. Mr. Savage says that at a point vertically above the end of this drift, and also a little to the north - high-

grade samples were obtained from the surface outcrop of the vein. It is probable that there may be another ore shot beyond the present face.

The face of the north drift on the lower level showed the vein to be full width and of what was considered to be fair ore.

The face of the south drift on the lower level is in ore for its full width. Mr. Savage says that his last assay gave 52 inches of \$26.00 ore. Sample No.1 - taken by myself at this face - was a grab sample ( about 2#) from the rich streak. The main vein appears to branch at this point, and between the branches at the face there is some low-grade material - but all was included in the sample taken by Mr. Savage. Sample No.2 was likewise a picked sample from the rich streak.

In order to keep the winze vertical it was necessary to depart from the vein a short distance above the bottom of the winze. The vein dips slightly to the west at this point. When the winze reaches a depth of 400 feet a cross cut will be driven to the vein. The present hoisting equipment cannot be used for a depth greater than 500 feet.

#### Ore Shipments.

There has been one shipment of twenty tons from the property. The gross value of the lot was \$8200. The costs were as follows:

Hauling to the R.R. -----	\$ 9.00
Freight -----	\$12.00
Treatment -----	\$12.00
Total Cost --	<u>\$33.00</u>

This high cost of shipping emphasizes the necessity of a mill for treating the ore at the mine. The ore mined in development has been piled on the dump.

Extracts from a Report by F.Sharpless for H.V.Winchell.

The average value of the ore developed to date is about \$63 per ton - about 11,400 tons of this grade of ore being considered as 'very probable' ore. On account of the erratic distribution of the gold and silver samples were taken every 2.5' - four of these samples being combined to make an average sample for a 10-foot interval. As the development work progressed samples were taken by Mr.Savage. An average value from his samples for the blocked out portion gives \$64 per ton as against \$62 per ton obtained from the sampling by Mr.Sharpless. The average width was about the same for both sets of samples.

Milling costs are taken at \$3.00 to \$3.50 per ton, and Mining Costs from \$6.50 to \$7.00 per ton - or an average for Mining and Milling of \$10.00 per ton. With extraction at 92% the extraction loss is about \$5 per ton. The net profit per ton would then average about \$48 per ton, or a total net profit from the ore blocked out equal to \$540,000.

About one ton of ore would be produced for every three tons of mineral mined - thus making the mining cost per ton of ore three times what it would be in a vein of normal stoping width. To treat the ore a 30 to 40 ton mill would be required. The cost of such a plant would be from \$25,000 to \$50,000. In addition the mine equipment must be added to - so that a working capital of from \$75,000 to \$100,000 would be required.

Terms for Purchase.

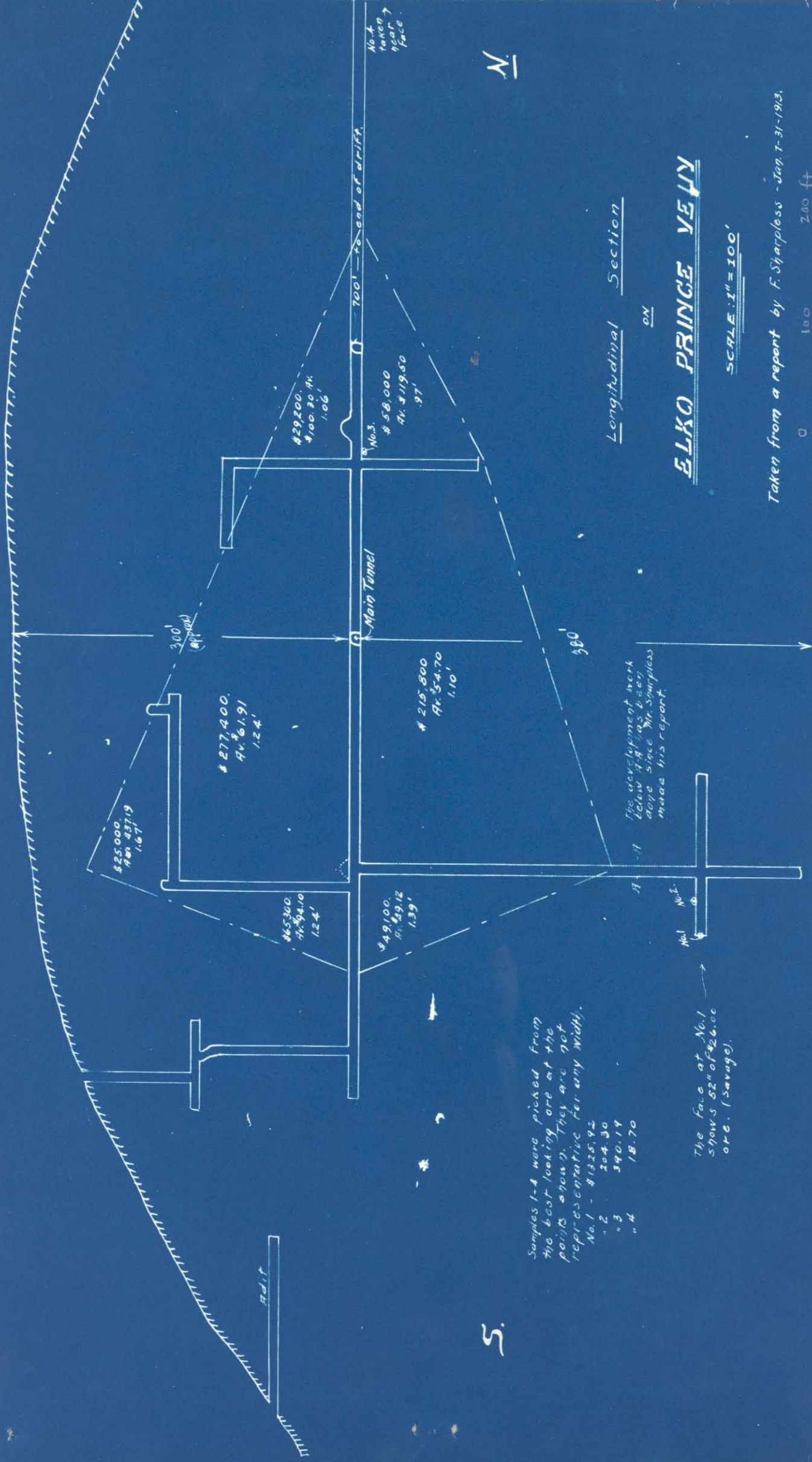
The owners ask par value for their stock - or a total price of \$1,000,000 for the property. 887,000 shares must be considered in one block, this being the amount of stock held by Mr.Savage and Mr.Ehlers. A 10% cash payment - \$88,700 - due three months from the date of bonding. During this three months development to <sup>be</sup> carried on at the expense of and by the bonder of the property. The balance of the cash payment to be made within two years.

These are practically the same terms made to Mr. Winchell, who was given until March 17<sup>th</sup>. to come to<sup>a</sup> decision. Mr. Winchell could not agree to the terms offered, and, although some negotiations are still pending, the property is at present open to purchase.

Conclusions.

The property is well worth consideration for it has good prospects, but the price asked is too great for the present showing. The rhyolite seems to be well mineralized in this district for there are several ore zones and well defined ledges opened up by the numerous prospects. There is a favorable opportunity for finding other veins within the property lines, and but little cross cutting would be necessary to determine this fact.

The Elko Prince lode has been traced both north and south of the property lines.



Samples 1-4 were picked from the best looking ore at the points shown. They are not representative for any width.

The face at No. 1 shows 52" of \$26.00 ore. (Savage).

Longitudinal Section

ON

ELKO PRINCE VEIN

SCALE: 1" = 100'

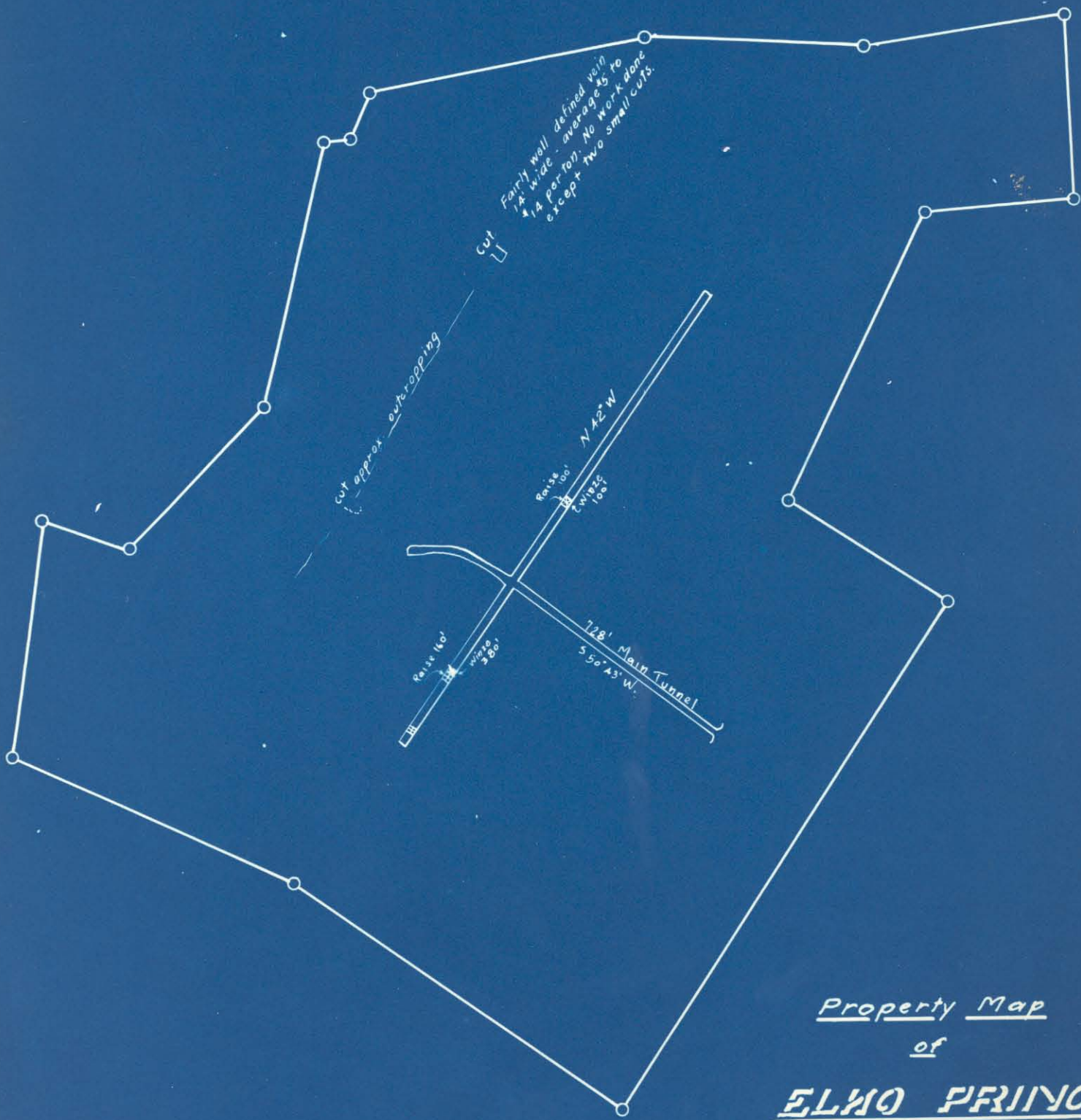
Taken from a report by F. Sharpless - Jan. 7-31-1913.



Sheet-I.

Mich. 1913. W.H.S.





Property Map  
of  
**ELMO PRINCE**

SCALE: 1" = 400'

Sheet II

