

*Seventh
Annual Report*

**THE TONOPAH
MINING COMPANY
OF NEVADA**

General Office :
572 BULLITT BUILDING, PHILADELPHIA, PA.

Mines at
TONOPAH, NYE CO., NEVADA

*Submitted at
Seventh Annual Meeting of Stockholders
May 4th, 1909*

To the Stockholders of the Tonopah Mining Company of Nevada

The Board of Directors submits herewith the following report of operation of your Company for the fiscal year ending February 28, 1909, and the condition of your property March 1, 1909.

Excerpts from the Report of Mr. W. H. Blackburn
Superintendent of Mine

Telephones, connecting with your surface automatic system, were placed on the third, fifth, seventh and twelfth levels of the mine, and have been found very useful.

A number of small additions have been made to our machinery and apparatus to facilitate operations, and everything about the mine has been kept in first class condition.

The installation of a pump was necessary on account of the water encountered at a depth of 1260 feet in sinking the Mizpah shaft. An Aldrich Horizontal Quintuplex Electric Pump, of 200 gallons per minute capacity, was installed on the twelfth level of the Mizpah shaft, connected with the surface by an armored cable capable of transmitting 200 h. p., and a six-inch water column was placed in the shaft to take the discharge from the pump. Below the twelfth level, in sinking the shaft, a sinking pump is used, discharging into a cross cut from the north side of the pump station. Both pumps have been tried and have worked successfully from the start.

The flow of water is so small in quantity that it can be easily handled by the pump. To have bailed would have interfered with hoisting ore, so that economy suggested the installation of the pump, which has a surplus capacity sufficient to take care of at least four times the present flow of water.

During the past year a new vein was discovered on the 500-foot level near the Red Plume shaft. It is the

eastern extension of the vein mined by the Tonopah Extension Mining Company. It is a strong vein and carries ore of good value, which may be mined for a width of seven feet or more. It has been followed to the east into our property for 150 feet, and it is one of the encouraging prospects of the mine.

A cross cut or drift on the 600-foot level from the Mizpah shaft has encountered a vein under the Buckboard claim, which may be the eastern extension of the Red Plume vein above mentioned. This vein has been drifted in for a distance of 250 feet. It is about seven feet wide on the 600-foot level, and is on a good-sized body of ore.

These two workings are separated by a distance of several hundred feet. They are apparently approaching each other, and may possibly join and make one continuous ledge.

Through the discovery of these Red Plume and Buckboard veins, together with the ore encountered in the drill hole from the bottom of the Red Plume shaft, the continuity of the ore across this territory seems to be established, and these discoveries may be taken as a reasonable indication of future ore reserves that are as yet undeveloped and not measurable.

During the year, 234,017 wet tons were hoisted from the Mizpah, Silver Top and Red Plume shafts, of which 155,401 dry tons of ore, of an average value of \$23.43 per ton, were shipped to the mill at Millers; 7957 dry tons of ore were placed in storage at Millers for emergency use; 13,635 dry tons of low-grade ore were placed on the dump, and 50,296 dry tons of waste rock were placed on the dump.

Our mining costs for the year were:

Per dry ton of ore shipped	-	\$4.606
Per dry ton of ore and waste hoisted	-	3.311
Per dry ton of ore shipped, including cost of sinking shaft, diamond drilling and station	-	4.800

The mining cost per ton of ore shipped is 61.3 cents

less on direct costs and 49 cents per ton less on direct and general costs than for the year previous, and will probably be lower during the coming year.

The ore reserves on March 1, 1909, computed by the same method as used in the past, were 367,304 tons. Figuring gold at \$19.00 per ounce, silver at 50 cents per ounce the average value of this ore is \$21.11 per ton.

Excerpts from Report of Mr. A. R. Parsons
Superintendent of Mill

During the past year a new compressor was installed, thereby providing an ample and continuous supply of air for agitation and all milling operations where air is used. Also an additional vacuum pump was placed in the mill, so that now the operation of the filters is continuous, where before it was necessary to close down when making repairs to the pump.

In the direct milling operations, one of the notable facts is that an average of 93.8 stamps were dropping continuously during the year out of a total complement of 100 stamps.

There were milled and treated 158,052 dry tons of ore, averaging .354 ounces of gold and 31.13 ounces of silver per ton, making the total metal contents 55,884 ounces of gold and 4,940,464 ounces of silver, from which there was recovered by concentration and shipped to the smelter 1504 dry tons of concentrates, averaging 4.737 ounces of gold and 689.46 ounces of silver per ton, or a total of 7125 ounces of gold and 1,036,953 ounces of silver. By cyanidation there was recovered and shipped as bullion 42,914 fine ounces of gold and 3,423,772 fine ounces of silver, showing an average metal recovery of both gold and silver of 90.3 per cent. For the preceding year the average metal recovery was 86.7 per cent. This improvement in the recoveries has added approximately \$134,000 to the earnings of your company above what it would have been on the basis of extraction of the year previous.

We wish to call your special attention to the fact that the average price received for silver during the past year was only 52.16 cents per ounce, while in the previous year the average price received for silver was 63.173 cents per ounce. If the price of silver had been as high during the past year as during the previous year the revenues of your Company would have been increased about \$490,000. But the fact that with this low price of silver during the past year the net earnings of the mine and mill were nearly \$1,700,000, as shown in detail elsewhere in this report, should dispel any doubts as to the ability of this Company to operate at a good profit under the most unfavorable conditions in the silver market.

The average direct cost per dry ton of ore milled	
in the past year was	\$3.446
The general expenses amounted to	.719
	<hr/>
Making total milling cost per dry ton of ore	\$4.165

Upon comparison with the previous year, this indicates a reduction in direct milling costs of \$1.377 per ton and in general expenses a reduction of \$0.369 per ton, or a total reduction in cost of milling of \$1.746 per ton for the past year.

The result of the past year's operations has proved highly gratifying to the Board of Directors. This condition is to a large extent due to the efficiency and fidelity of the heads of the various departments charged with the management of the Company's affairs at Tonopah and the Board hereby commends especially the services rendered by Mr. W. W. Charles, as Comptroller in charge of the Accounting Department; Mr. W. H. Blackburn, as Superintendent of the Mine; Mr. A. R. Parsons, as Superintendent of the Mill, and Mr. J. T. Wolfe, as Superintendent of the Power and Electrical Department.

By order of the Board of Directors.

C. A. HIGBEE,
Secretary.

April 17, 1909.

**Feet of Drifting, Crosscutting, Winzes and Raises and
Excavation for year ending February 28, 1909**

		Drifts	Cross Cuts	Winzes and Raises	Excavation Cu. Yards	Shaft Sinking Mizpah	Red Plume
March	1908.....	489.5	450.5	220.			
April	"	575.	371.5	167.5	6.		
May	"	869.	542.5	299.	18.	24.	
June	"	890.5	510.5	86.5		62.	
July	"	773.	589.	158.	5.	80.	
August	"	801.	229.5	174.	1.	79.	
September	"	704.	418.	285.5	52.	72.5	
October	"	1107.5	492.5	354.5	246.1		
November	"	878.5	729.5	299.		11.	
December	"	1130.5	446.	293.5		15.	
January	1909.....	1070.	732.	275.5	329.7		
February	"	962.	572.	196.5	67.		40.
Total for year		10250.5	6083.5	2809.5	724.8	343.5	40.

Status at End of Year

	For Year Ending February 28, 1909 Feet	Total To Date Feet
Drifts	10250.5	35572.73
Cross Cuts	6083.5	19260.6
Winzes and Raises	2809.5	8721.0
Excavations (cu. yds.)	724.8	1598.7
Shafts	383.5	3611.9
Lessees Shafts		2595.0

The Tonopah Mining

Comparative Balance Sheet of Febru

ASSETS

	Feb. 29, 1908	Feb. 28, 1909	Increase	Decrease
Property	\$1,410,040.22	\$1,410,040.22		
Plant and Betterments.	360,973.27	295,413.31		\$65,559.96
TOTAL PROPERTY AND PLANT	\$1,771,013.49	\$1,705,453.53		*\$65,559.96
Stocks and Bonds owned	2,413,687.50	2,400,941.00		12,746.50
Loans and Advances to subsidiary companies.	21,000.00	106,971.03	\$85,971.03	
TOTAL INVESTMENTS ..	\$2,434,687.50	\$2,507,912.03	\$73,224.53	
CASH	23,291.34	285,001.91	261,710.57	
Accounts Receivable ...	26,085.61	11,898.02		14,187.59
Accounts Desert Power and Mill Company..	347,970.61	121,350.42		226,620.19
Material and Supplies on hand	52,262.75	48,169.92		4,092.83
Net value of ore on dump	252,682.85	248,349.33		4,333.52
Stored Ore at mill at cost of mining and handling		39,931.27	39,931.27	
TOTAL CURRENT ASSETS	\$702,293.16	\$754,700.87	\$52,407.71	
Deferred Charges (un-expired insurance, &c.)	1,299.16			1,299.16
Total Assets	\$4,909,293.31	\$4,968,066.43	\$58,773.12	

*Charged to depreciation.

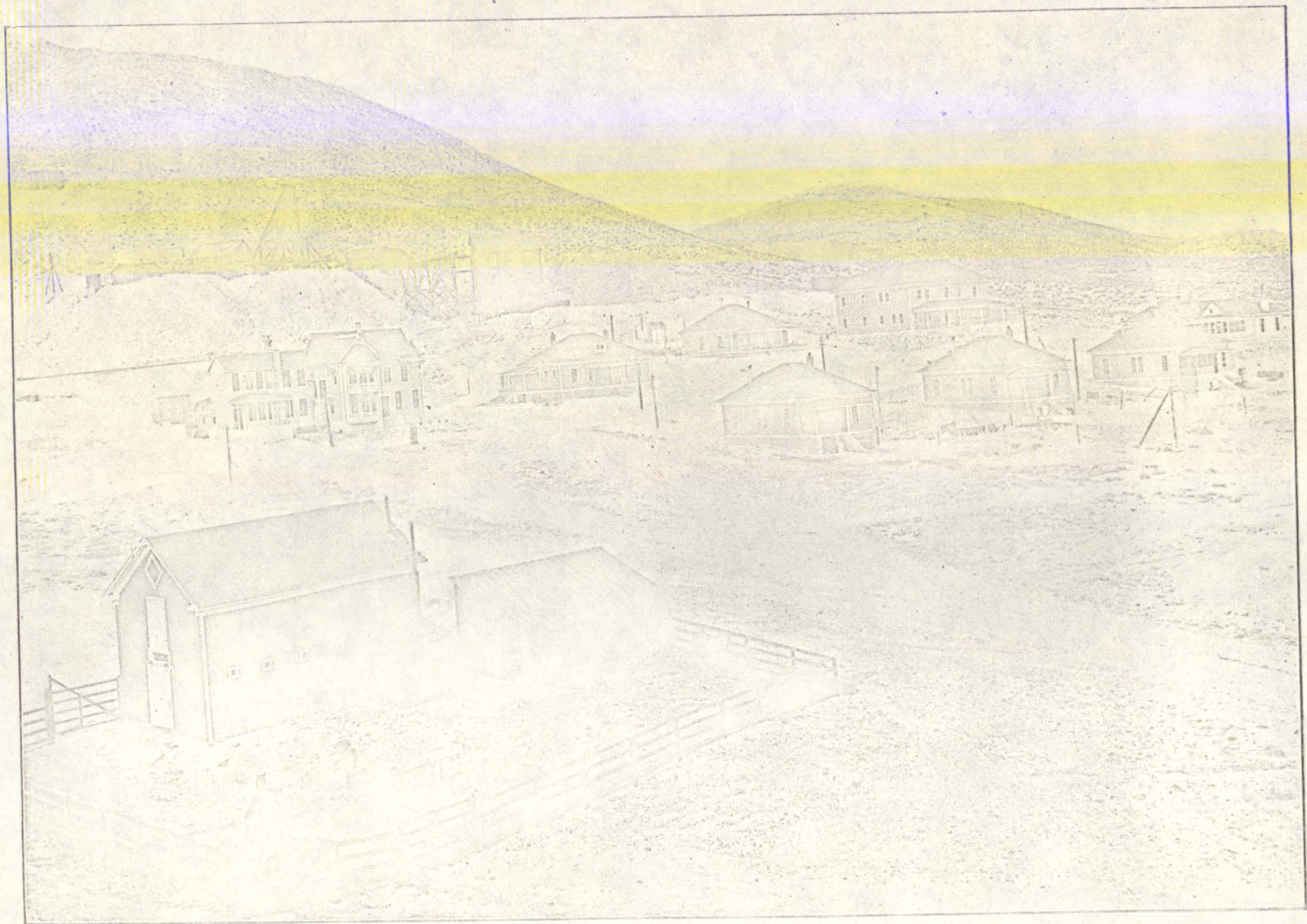
VERTEX MINING COMPANY
Balance Sheet
December 31, 1928

ASSETS

Cash in Banks.....	\$	294.77
Demand Loans.....		25,000.00
Deposit with Western Colorado Power Co.....		1,000.00
Accounts Receivable.....		100.00
Accrued Interest on Demand Loan.....		139.17
Materials and Supplies.....		7,337.41
		<hr/> 33,871.35
Prepaid Compensation Insurance.....		496.64
Property.....	\$1,966,291.99	
Plant and Betterments.....	28,608.92	
General Development:		
To January 1, 1928.....	\$ 79,864.69	
Additions During 1928.....	44,889.01	
	<hr/>	124,753.70
		<hr/> \$2,119,654.61
		<hr/> \$2,154,022.60

LIABILITIES

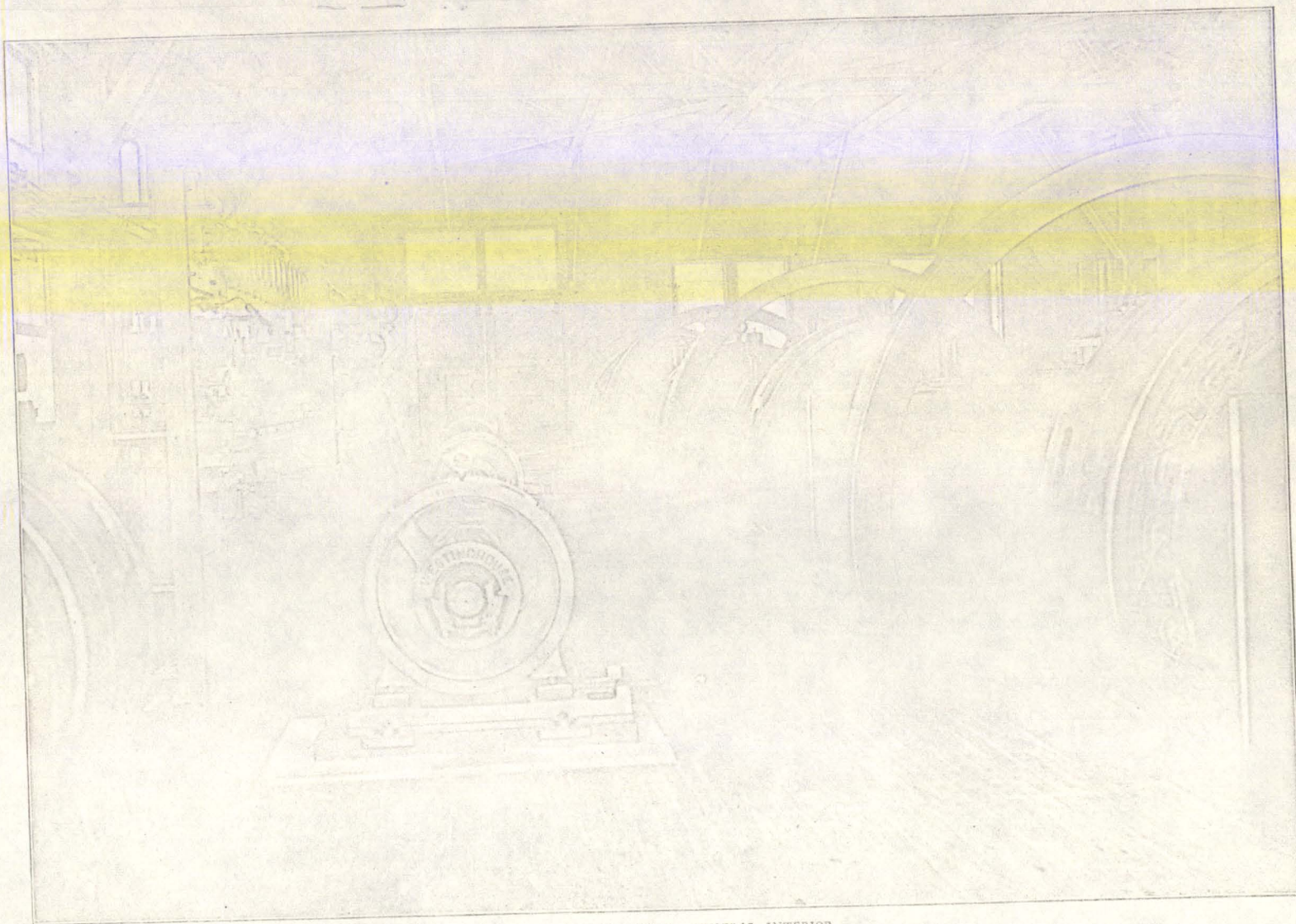
Loan Payable, The Tonopah Mining Co. of Nevada.....	\$	510.60
Capital Stock:		
Common Stock, Authorized and Issued.....	2,000,000.00	
Preferred Stock, 8% Cumulative:		
Authorized.....	\$ 500,000.00	
Less, Unissued.....	346,488.00	153,512.00
	<hr/>	2,153,512.00
		<hr/> \$2,154,022.60



COMPANY HOUSES AND STABLE



OFFICE AND TRANSFORMER HOUSE



POWER HOUSE—MILLERS—GENERAL INTERIOR

Statement showing total tons mined during the year by months from March 1, 1908, to February 28, 1909

Month	ORE SHIPPED			ORE TO DUMP			WASTE TO DUMP			TOTAL MINED		
	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons
1908												
Mar.	11294	3.9	10842	2465	3.9	2366	3636	3.9	3491	17395	3.9	16699
Apr.	13942	3.2	13497	1626	3.2	1574	3821	3.2	3699	19389	3.2	18770
May	15393	3.8	14800	1122	3.8	1079	4439	3.8	4270	20954	3.8	20149
June	15609	3.9	15001	1224	3.9	1176	4337	3.9	4168	21170	3.9	20345
July	14920	2.8	14503	593	2.8	577	4481	2.8	4356	19994	2.8	19436
Aug.	15293	2.0	14981	1116	2.0	1094	4829	2.0	4732	21238	2.0	20807
Sept.	14269	2.2	13957	1018	2.2	996	4080	2.2	3990	19367	2.2	18943
Oct.	14125	2.1	13825	1749	2.1	1712	4395	2.1	4303	20269	2.1	19840
Nov.	13417	2.2	13120	449	2.2	439	4244	2.2	4150	18110	2.2	17709
Dec.	13476	2.5	13143	865	2.5	843	3704	2.5	3611	18045	2.5	17597
1909												
Jan.	13418	2.8	13035	1155	2.8	1123	4927	2.8	4789	19500	2.8	18947
Feb.	13032	2.9	12654	676	2.9	656	4878	2.9	4737	18586	2.9	18047
Total	168188	2.9	163358	14058	2.9	13635	51771	2.9	50296	234017	2.9	227289
Average												
per mo. 14016			13613	1172		1136	4314		4191	19502		18940

Dump ore shipped to mill during year

	Wet Tons	H ₂ O	Dry Tons
March 1908.....	435	2.8	423
April ".....	356	3.4	344
June ".....	104	4.0	100
Total	895	3.2	867

Statement showing total tons of ore milled during the year by months from March 1, 1908, to February 28, 1909

		Wet Tons	H ₂ O	Dry Tons	Assays Per Ton	
					Ounces Gold	Ounces Silver
March	1908.....	13507	4.1	12960	.341	30.11
April	".....	13398	3.1	12969	.340	31.20
May	".....	14367	3	13830	.364	31.30
June	".....	13751	3.8	13219	.354	31.63
July	".....	12965	3	12578	.368	32.53
August	".....	13488	2.1	13208	.330	29.06
September	".....	13218	2.2	12928	.364	30.99
October	".....	14298	2.1	13996	.366	30.62
November	".....	13330	2.2	13035	.378	34.62
December	".....	13346	2.4	13026	.345	30.34
January	1909.....	14170	2.8	13768	.358	32.00
February	".....	12909	2.8	12535	.334	30.66
Total	.....	162747	2.8	158052		
Average per month.....		13562	2.8	13171	.354	31.13
Average Gross Value per ton for year.....						\$23.61

Combined Condensed Cash Receipts and Disbursements, for the year ending February 28, 1909

RECEIPTS

Selby Smelting and Lead Company.....	\$2,887,257.56
Interest, Dividends, etc.	41,746.18
Old Claims collected	21,382.29
Loan to Tonopah & Goldfield Railroad Company paid.....	75,000.00
Loans and Advances to other subsidiary companies paid.....	27,443.52
Accounts Collectible—supplies, etc.	54,735.13
Rents	6,421.44
Draft on Philadelphia office in transit.....	18,000.00
	<hr/>
	\$3,131,986.12

DISBURSEMENTS

Bills Payable—Balance in full of mill loan, paid April 9, 1908....	\$ 228,240.46
Labor, Supplies, Freight, Salaries, etc.....	1,324,632.77
Power Purchased	130,952.57
Balance of Interest in full on mill loan.....	3,333.53
Purchase of guaranteed Midway Milling Company's Bonds and interest	21,840.00
Purchase of Nevada Copper Company's judgment note.....	20,645.44
Loan to Tonopah and Goldfield Railroad Company	150,000.00
Loans and advances to other subsidiary companies, etc.....	9,118.51
Taxes	34,538.97
Insurance	15,203.54
Railroad trestle at Millers and Celtic Hotel property.....	12,372.02
Dividends paid—Nos. 12, 13 and 14, on July 21st and October 21st, 1908, and January 21st, 1909	750,000.00
	<hr/>
	\$2,700,877.61
Excess of Receipts over Disbursements	431,108.51
	<hr/>
	\$3,131,986.12

Eighth Annual
Report

THE TONOPAH
MINING COMPANY
OF NEVADA

General Office:
572 BULLITT BLDG., PHILADELPHIA, PA.

Mines at
TONOPAH, NYE CO., NEVADA

Submitted at
Eighth Annual Meeting of Stockholders
May 3, 1910

To the Stockholders of the
Tonopah Mining Company of Nevada

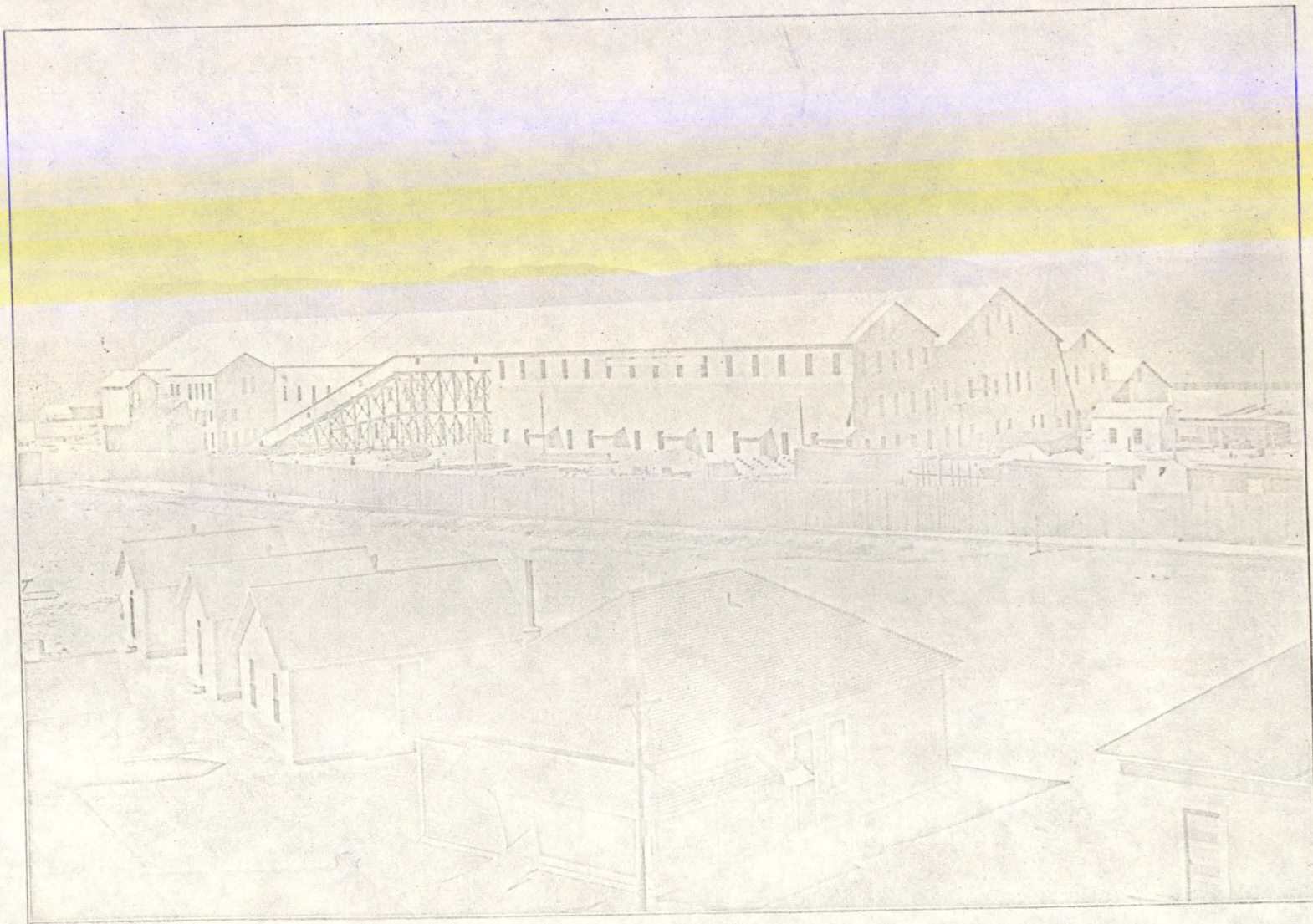
The Board of Directors submits the following report of operation of your Company for the fiscal year ending February 28, 1911, and the condition of your property March 1, 1911.

In March, 1910, the Board of Directors were of the opinion that the operations in the mine, and the prospecting for ore, had been prosecuted to such an extent that an examination by a disinterested expert geologist was advisable, in order to determine the best methods for prosecuting further development. As a consequence, Mr. J. E. Spurr was engaged to make an examination of the property. The report of Mr. Spurr, together with his maps, are on file in the office of the Company, and can be inspected by any stockholder who may desire to do so. Publication of the report is impracticable, owing to its great volume and technicalities.

The report of Mr. Spurr states that the operations have been prosecuted by our mine superintendent in an efficient and economical manner.

The further development of the mine, both within the known mineralized territory and on those claims on which but little work has been done, has been outlined by the superintendent, with the aid of Mr. Spurr.

For some years past the Board of Directors has been negotiating, on behalf of your Company, for options upon other mining properties, with a view of enlarging and extending the Company's operations, if the field for such operations can be obtained. One large property is now under option, and will be acquired if the results of the examination warrant it.



DESERT MILL

To the Stockholders of the Tonopah Mining Company of Nevada

The Board of Directors submits herewith the following report of operation of your Company for the fiscal year ending February 28, 1910, and the condition of your property March 1, 1910.

Excerpts from the Report of Mr. W. H. Blackburn Superintendent of Mine

"Very little change has been made in the surface equipment of your property during the past fiscal year.

Installation of a Laidlaw-Dunn Gordon Company compressor of 650 cubic feet free air capacity was completed. This compressor is fitted on both air cylinders with Rix automatic unloading device.

A 300 h. p. motor was placed on the Mizpah hoist, and the 150 h. p. motor originally with that hoist was transferred to the Silver Top hoist.

A small building was erected for the drill sharpener, in order to separate this class of work from the general blacksmithing, and to provide each shop with needed room.

Two sinking pumps were added to the pumping equipment during the past year. A Smith-Vaile 200 gallon and a Cameron 100 gallon capacity. This purchase became necessary as the flow of water encountered in the Mizpah shaft increased at times to 75 gallons per minute, and exceeded the capacity of the 50 gallon Smith-Vaile first purchased, a reserve sinking pump being a necessity in such operations.

Practically no change has been made in the mining methods during the year. The blasting crew method is still in effect, and brings good results as to costs.

During the year 231,986 wet tons of ore and waste

172
504
224

were hoisted from the Mizpah, Silver Top and Red Plume shafts, of which 166,078 dry tons of ore, of an average value of \$20.93 per ton, were shipped to the Desert Power and Mill Company, 5997 dry tons of low grade ore placed near the railway spurs on the surface, 53,423 dry tons of waste rock sent to the surface dumps. Waste rock from development work was also used to fill abandoned stopes.

The average mining costs for the year were:

Per dry ton ore shipped to mill	-	-	-	\$4.172
Per dry ton ore and waste hoisted	-	-	-	2.987
Per dry ton ore shipped to mill, including cost of shaft sinking, core drilling and extra excavations	-	-	-	4.550

These costs, taken per dry ton of ore shipped to the mill, are 35.8 cents lower as to direct costs, and 43.4 cents lower as to total cost, excluding extraordinary development, than for the previous year.

Total costs, including extraordinary development, were reduced 23.1 cents. That there was not a proportionate reduction is due to the fact that there were 159.5 feet more shaft sinking and 1104 feet more core drilling done this fiscal year than the previous year, and that both classes of work were performed under difficult and expensive conditions as to water flow and rock formation.

It is noted that 1191.5 feet more development was done this fiscal year than during the previous year and at a reduction in the total cost of \$9981.09. The increased footage is in winzes and raises, a class of development that is more expensive than drifts and cross-cuts.

The tonnage upon which costs for the two years are compared are approximately the same.

In a general way the geological conditions remain much the same as outlined in my report ending February 28, 1909.

Lateral development in the earlier andesite, and to

a much less extent in the upper rhyolite, resulted in opening up new ore in all parts of the mine, the most valuable development being the Red Plume vein and a parallel vein to the north, the Mizpah fault vein and new veins in the Silver Top shaft workings. Smaller veins of commercial ore scattered throughout the entire mine workings have also aided in increasing the ore reserves 47,535 tons over the reserves of last year, notwithstanding the usual amount of ore was taken from the mine.

From the Sand Grass shaft lateral development will be started when the earlier andesite is encountered, and afterward will be extended to other formations, if indications warrant.

Deep development has been carried on by sinking the Mizpah shaft to a depth of 1517 feet, and has been all in lower rhyolite below the 900 foot level. From a point 100 feet south of the Mizpah shaft on the 1500 foot level, drill hole No. 5 was driven down vertically 653 feet, in lower rhyolite. From the same point drill hole No. 6 was run horizontally to the south 544 feet, in lower rhyolite. Drill hole No. 4, driven down vertically from a point near the Silver Top shaft on the 740 foot level, ended at 1393 feet below that level in lower rhyolite. The first 208 feet of this hole is in other formations. The results of deep development in the Mizpah shaft, so far, have been negative.

During the coming year lateral development, where needed, and the use of diamond drills from the lowest level of the Mizpah shaft, will be continued.

The estimated ore reserves on March 1, 1910, are 414,583 tons of a gross value of \$21.93 per ton, or a total value of \$9,094,847.00, an increase in value over last year's ore reserves of \$1,131,000.00 (gold at \$20.67; silver at 50 cents per ounce), and an increase in tonnage over last year's ore reserves of 47,535 tons.

Excerpts from Report of Mr. A. R. Parsons

Superintendent of Mill

"During the year ending February 28, 1910, but few changes in milling equipment effecting the method of ore treatment at the Desert mill were found necessary.

In November, 1909, a new and more commodious storehouse was erected at the east end of the mill, a location more convenient and accessible for the receipt and disbursement of supplies and one that permitted the combination and reduction of the mill and storehouse clerical force.

In order to secure the benefit of lower fire insurance rates, the old storehouse was moved, adjacent to the new, and fitted up as a carpenter shop, and the carpentry benches, saws and planer were removed from the main mill building, where they were considered a hazardous risk by fire insurance inspectors. At the same time the old oil house was moved, consolidating all of the Company buildings, with the exception of ten dwelling houses, at the east end of the property.

A concentrate sampling house 25 x 55 feet, provided with steel floors, grinder, revolving screen and small incline conveyor, was erected adjacent to the railroad spur. This new house permits of accurate sampling of car load lots of concentrates as forwarded to the smelters, a matter that could not be accomplished with the old arrangement. Concentrate lots sampled in this building show 3% less moisture than formerly, as they can be more thoroughly dried before shipping, thus reducing freight charges.

In the mill numerous minor changes in equipment made without interrupting operations have added to the efficiency of the plant. These changes include the concreting about the centrifugal pumps and beneath concentrator floor, changing drive on wheel elevator from belt to gear; installation of an additional elevator; a dewatering

cone; small experimental tube mill; centrifugal pump for providing clear solution to the stuffing boxes of the larger pumps; raising conveyors beneath sand collectors where conveyor pits were inaccessible; lengthening the cam shaft bearings that has resulted in lessening the number of cam shafts broken during the year; enclosing the machine shop without which it would have been almost impossible for mechanics to render effective service during the extremely cold weather experienced; the addition of two settling boxes from which coarse material is returned to the Huntington mills for further grinding.

There were milled and treated 166,174 dry tons of ore averaging 0.313 ounces gold, 28.05 ounces silver per ton, with a total metal contents of 52,023 ounces gold and 4,658,296 ounces silver, from which there were recovered by concentration and shipped to smelter 1335.5 dry tons of concentrates averaging 5.033 ounces gold and 736.535 ounces silver per ton, a total of 6722 ounces gold and 983,643 ounces silver. The sand and slime treated by the cyanide process yielded 3,463,816 gross ounces of bullion, containing 40,553 fine ounces gold and 3,282,422 fine ounces silver. Slag and refinery by-products shipped to smelter aggregated 88.32 tons, containing 64.13 ounces gold and 4003.76 ounces silver.

There was a decline in the average price of silver for this fiscal year compared with that of the previous year. The average price of silver was 52.16 cents per fine ounce during 1908-1909, and for 1909-1910 was 51.5597 cents per fine ounce, a decline of .6003 cent per ounce, which applied to the 4,270,069.5 ounces of fine silver, produced, reduced the income of your company \$25,633.23 below what it would have been had silver maintained the average of the previous year.

The recoveries made by the mill for the year were by concentration 12.9% of the gold and 21.1% of the

silver contents of the ore, and by cyanidation 78.1% of the gold and 70.6% of the silver contents of the ore, or a combined extraction of 91.7% as compared with 90.3% for the year 1908-1909, an improvement in the recovery for the year 1909-1910 over that of 1908-1909 of 1.4%. This improvement in extraction added approximately \$47,600.00 to the revenue of your company above what it would have been on the basis of previous year's extraction, basing calculations on gross contents of ore milled.

It is with pleasure that we call your attention to the milling costs, as they show a reduction of \$0.988 per ton in the total cost for the year just ended as compared with previous year.

The direct milling cost per ton for previous year was \$3.446, indirect cost \$0.719, total milling cost per ton \$4.165. The direct cost per ton for this year was \$2.928, indirect \$0.249, total \$3.177, a decrease in the direct per ton cost of \$0.518, indirect \$0.470, total \$0.988 as stated above.

The monthly averages of sand and slime residue discharged from the plant plainly indicates the effect of the winter months, and the necessity for heating solutions, the cost of which was exceedingly heavy last winter.

We have endeavored to make apparent the improvements in the results of this year's operations over that of last year, as last year we ventured to promise an improvement and in entering upon the work of the new fiscal year we feel safe in assuring you that unless unforeseen difficulties arise you can reasonably expect a still better showing."

The average cost to mine and mill the ore and market the products for the past year was as follows (excluding extraordinary development work):

	Per Ton
Mining costs	\$4.17 ✓
Milling costs	3.18
Metal losses in milling	1.78
Freight on ore milled .....	.60
Marketing mill products .....	.78
<hr/>	
COSTS PER TON	\$10.51
PROFIT PER TON	10.42

AVERAGE GROSS VALUE OF ORE MILLED.... \$20.93

Hearty co-operation among the employees of the Tonopah Mining Company and the Desert Power and Mill Company, and cheerful interest in the work, have marked the operations for the year.

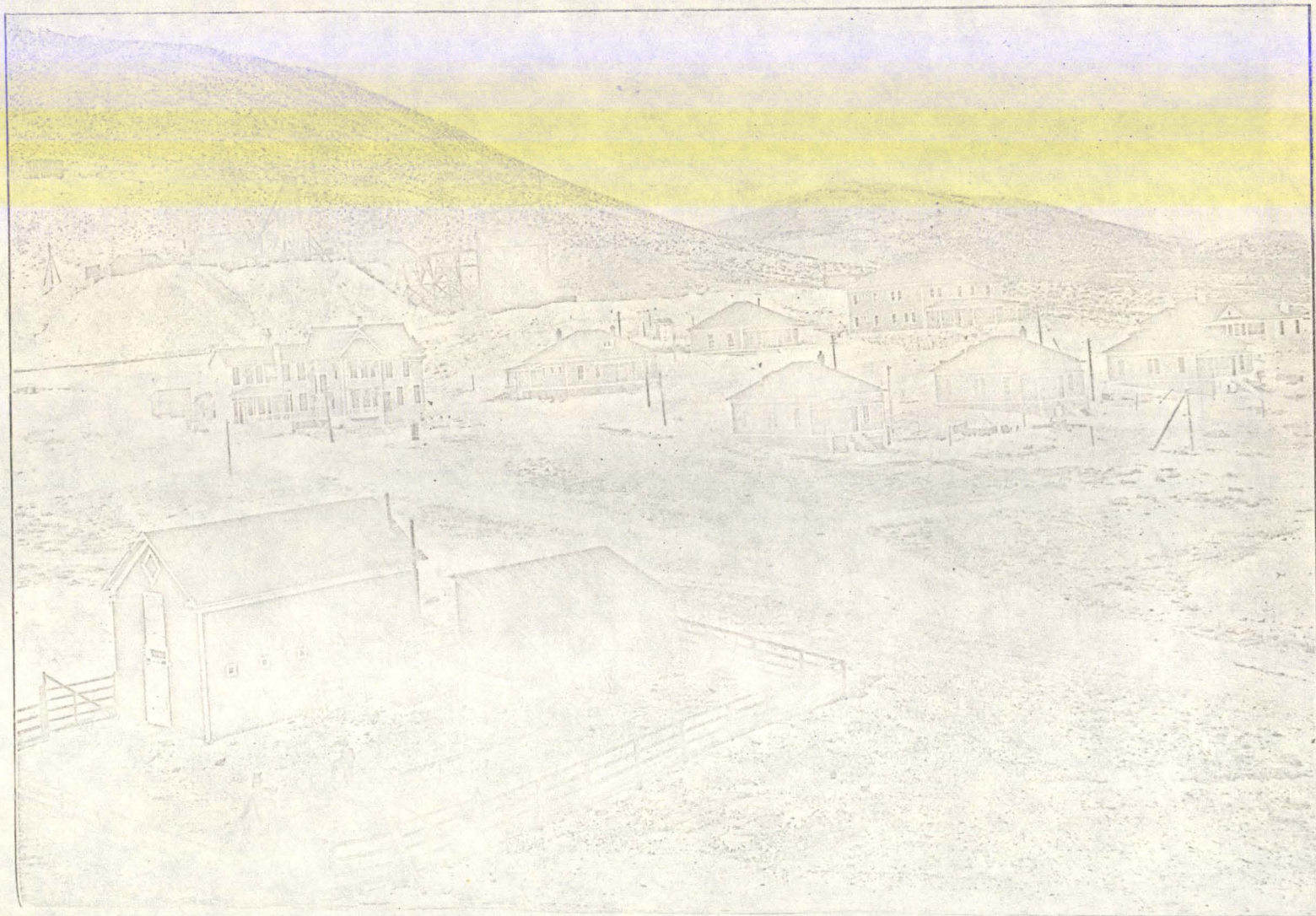
The Board of Directors again express satisfaction with the result of the efforts of the organization in Tonopah. It is pleasing to note the continued energy, efficiency and loyalty of Mr. W. W. Charles, as Comptroller in charge of the Accounting Department; Mr. W. H. Blackburn, as Superintendent of the Mine; Mr. A. R. Parsons, as Superintendent of the Mill, and Mr. J. T. Wolfe, as Superintendent of Power and Electrical Department.

By order of the Board of Directors.

C. A. HIGBEE,

Secretary.

April 15, 1910.



Feet of Drifting, Crosscutting, Winzes and Raises and Excavation for year ending February 28, 1910

Month		Drifts	Cross Cuts	Winzes and Raises	Excavation Cu. Yards	Shaft Sinking Mizpah Plume	Red Plume	Sand Grass	Core Drilling
March	1909.....	973.5	835.	121.	14.	38.5	61.		129.
April	"	956.	655.5	198.5	5.5	55.	62.5		123.
May	"	643.5	322.	145.5	210.	30.5	43.5		65.
June	"	373.	108.	238.5		45.			81.
July	"	426.5	60.	86.		38.			17.5
August	"	383.	423.5	206.	145.	31.			
September	"	1068.5	340.5	247.	48.				103.5
October	"	1033.5	574.	504.5	6.				166.
November	"	1201.	679.5	555.5	226.				147.
December	"	1199.	705.5	603.				21.	331.
January	1910.....	1071.	664.5	657.5				54.	440.
February	"	1261.	537.	277.5				62.	593.
Total	.....	10589.5	5905.	3840.5	654.5	238.	167.	137.	1996.

Status at End of Year

	For Year Ending February 28, 1910 Feet	Total To Date Feet
Drifts	10589.5	46162.23
Cross Cuts	5905.	25165.6
Winzes and Raises	3840.5	12561.5
Excavations (cubic yards)	654.5	2253.2
Shaft Sinking	542.	4153.9
Lessees' Shafts		2595.
Core Drilling	1996.	3862.

The Tonopah Mining Company of Nevada
Comparative Balance Sheet of February 28, 1909
and February 28, 1910

ASSETS

	Feb. 28, 1909	Feb. 28, 1910	Increase	Decrease
Property	\$1,410,040.22	\$1,410,040.22		
Plant and Betterment..	295,413.31	222,342.64		*\$73,070.67
TOTAL PROPERTY AND PLANT AND BETTER- MENT	\$1,705,453.53	\$1,632,382.86		\$73,070.67
Stocks and Bonds Owned	2,400,941.00	2,330,541.00		70,400.00
Loans and Advances to Subsidiary Companies	106,971.03	78,029.98		28,941.05
Loans on Collateral....		450,000.00	\$450,000.00	
TOTAL INVESTMENTS ...	\$2,507,912.03	\$2,858,570.98	\$350,658.95	
CASH	285,001.91	128,014.10		\$156,987.81
Accounts Receivable ...	11,898.02	7,290.04		4,607.98
Accounts Receivable Des- ert Power and Mill Co.	121,350.42	83,544.13		37,806.29
Material and Supplies on hand	48,169.92	64,673.32	16,503.40	
Net Value of Ore on Dump	248,349.33	248,349.33		
Stored Ore at Mill at Cost of Mining and Handling	39,931.27	39,931.27		
TOTAL CURRENT AC- COUNTS	\$754,700.87	\$571,802.19		\$182,898.68
Deferred Charges (un- expired insurance) ...		1,522.04	\$1,522.04	
TOTAL ASSETS	\$4,968,066.43	\$5,064,278.07	\$96,211.64	

*Charged to depreciation.

Statement showing total tons mined during the year by
months from March 1, 1909, to February 28, 1910

Month	ORE SHIPPED			ORE TO DUMP			WASTE TO DUMP			TOTAL MINED		
	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons
1909												
Mar.	13968	3.0	13557	390	3.0	378	6040	3.0	5859	20398	3.0	19794
Apr.	13514	2.2	13213	298	2.2	291	5733	2.2	5607	19545	2.2	19111
May	14474	2.3	14137	1047	2.3	1023	4037	2.3	3944	19558	2.3	19104
June	12471	2.1	12204	214	2.4	209	3006	2.4	2942	15691	2.1	15355
July	13059	1.9	12818	190	1.8	187	3094	1.8	3038	16343	1.9	16043
Aug.	15142	2.4	14775	263	2.4	257	4051	2.4	3954	19456	2.4	18986
Sept.	14813	2.9	14391	190	2.8	185	4400	2.9	4277	19403	2.9	18853
Oct.	15810	2.7	15381	389	2.8	378	4328	4.7	4124	20527	3.1	19883
Nov.	14310	2.6	13936	728	2.6	709	5478	2.6	5336	20516	2.6	19981
Dec.	14676	2.7	14286	606	2.7	590	5082	2.7	4945	20364	2.7	19821
1910												
Jan.	14968	3.0	14525	784	3.0	761	5161	3.0	5006	20913	3.0	20292
Feb.	13242	2.9	12855	176	2.9	171	4522	2.9	4391	17940	2.9	17417
Total	170447	2.6	166078	5275	2.6	5139	54932	2.7	53423	230654	2.6	224610
Average												
per mo.	14204		13840	440		428	4578		4452	19222		18720

Statement showing total tons of ore milled during the year
by months from March 1, 1909, to February 28, 1910

Month		Wet Tons	H ₂ O	Dry Tons	Assays Per Ton	
					Gold	Silver
March	1909	14168	3.0	13737	.356	31.47
April	"	13258	2.2	12971	.333	29.80
May	"	14830	2.3	14486	.313	28.81
June	"	12221	2.2	11958	.301	27.90
July	"	13051	1.9	12807	.308	28.03
August	"	15192	2.4	14832	.309	27.84
September	"	14666	2.8	14252	.304	25.76
October	"	15556	2.8	15129	.287	25.26
November	"	14511	2.6	14133	.306	27.37
December	"	14771	2.7	14379	.333	29.76
January	1910	14916	3.0	14475	.321	28.42
February	"	13405	2.9	13015	.286	26.20
Total		170545	2.6	166174		
Average per month		14221		13848	.313	28.05
Average Gross Value per ton for year						\$20.93

Combined and Condensed Receipts and Disbursements of Cash of

The Tonopah Mining Company of Nevada
and Desert Power and Mill Company

for the year ending February 28, 1910

RECEIPTS

Selby Smelting and Lead Company	\$3,114,134.89
Loans to Tonopah & Goldfield Railroad Company paid	50,000.00 ✓
Tonopah United Water Company settlement	11,466.43
Tonopah Crystal Water Company settlement	6,907.00
Esmeralda Power Company—Income	65,400.00
Interest on Loans, etc.	25,014.12
Water Sold	7,729.14
Rentals	5,280.88
Accounts Collectible	24,326.63
Draft in Transit on Philadelphia	5,000.00
Miscellaneous	2,132.78
	<hr/>
	\$3,317,391.87

DISBURSEMENTS

Labor, Supplies, Freight, Salaries, Legal, etc.....	\$1,240,853.12
Drafts in Transit from previous year	18,000.00
Power Purchased	143,681.83
Insurance	11,022.44
Taxes	21,668.12
Midway Milling Company	4,921.13
Nevada Copper Company	13,908.41
Loans on Collateral	450,000.00
Dividends paid—Nos. 15, 16, 17 and 18	1,400,000.00
	<hr/>
	\$3,304,055.05
Excess of Receipts over Disbursements	13,336.82
	<hr/>
	\$3,317,391.87

The Tonopah Mining Company of Nevada Income and Surplus Account for year ending Feb. 28, 1910

GROSS VALUE OF ORE SHIPPED TO MILL.....	\$3,471,306.86 ✓
GROSS VALUE OF ORE SHIPPED TO MISCELLANEOUS	21.38
	<u>\$3,471,328.24</u>
COSTS AND DEDUCTIONS:	
Treatment Charges	\$1,701,180.71
Metal Deductions	516,914.51
Freight	101,408.98
Mining Costs, Shaft Sinking and General Expenses	798,460.26
	<u>3,117,964.46</u>
	\$353,363.78
Miscellaneous Earnings	7,439.01
	<u>\$360,802.79</u>
NET EARNINGS FOR YEAR	
OTHER INCOME:	
Income from Desert Power and Mill Co.....	\$1,105,800.00 ✓
Dividends from Tonopah Banking Corporation ..	360.00
Interest on Bonds owned	5,679.67
Interest on Loans made	12,752.32
Other Interest, Rentals and Income	7,091.05
	<u>1,131,683.05</u>
NET EARNINGS AND INCOME FOR YEAR	<u>\$1,492,485.84</u>

Desert Power and Mill Company Income and Surplus Account for year ending Feb. 28, 1910

GROSS VALUE:	
Ore on hand March 1, 1909	\$26,106.74
Ore purchased from The Tonopah Mining Com- pany of Nevada during the year	\$3,471,306.86 ✓
Add Difference on account of Silver Quotations..	3,878.24
	<u>3,475,185.10</u>
TOTAL	\$3,501,291.84
Deduct Gross Value Ore on hand February 28, 1910	20,236.17
	<u>\$3,481,055.67</u>
GROSS VALUE TO MILL OF ALL ORE MILLED..	
COSTS AND DEDUCTIONS:	
Cost of Ore Purchased from The Tonopah Mining Company of Nevada	\$1,260,504.21
Metal Losses in Milling	297,255.89 ✓
Cost of Marketing Products	130,843.42 ✓
Milling Costs and General Expenses	545,257.06 ✓
Dividends paid to The Tonopah Mining Com- pany of Nevada during the year	640,800.00 ✓
Bonds retired during the year	465,000.00
	<u>3,339,660.58</u>
	\$141,395.09
Miscellaneous Earnings	297.47
	<u>141,692.56</u>
NET EARNINGS FOR YEAR	
OTHER INCOME:	
Interest and Rentals	5,424.28
NET EARNINGS AND INCOME FOR YEAR	<u>\$147,116.84</u>

9TH

Ninth Annual Report
— . —
The Tonopah Mining Company
of Nevada
—

February 28, 1911



Excerpts from the Report of Mr. W. H. Blackburn

Superintendent of Mine

During the latter part of the fiscal year, the railway spurs leading to the Company's ore bins, were relaid with 60-pound rails. This was done in order to avoid delays in sending ore to the mill, the trouble in many cases being due to broken rails.

An ore bin was built at the Red Plume shaft, duplicating the construction at the Silver Top shaft. This bin was made necessary by reason of the long distance from the Red Plume ore bodies to the Mizpah shaft, and our desire to begin shipping from this portion of the mine.

The usual repairs to machinery and buildings were made during the year in order to keep them in efficient operating condition.

Mining methods remain the same. Our efforts have been confined to increasing the efficiency of our working force. The direct labor account for the present year is \$5,075.49 less than the direct labor account for the year 1909-1910, notwithstanding an increase of ore to the mill of 11,571 tons, and an increase in footage of development work of 6,577.5 feet. These comparisons exclude diamond drilling and shaft-sinking labor for both years.

The average mining costs for the year were:

Per dry ton ore shipped to mill	\$3.954
Per wet ton ore and waste hoisted	2.823
Per dry ton ore shipped to mill, including cost of shaft sinking, core drilling and extra excavations	4.380

These costs, taken per dry ton of ore shipped to the mill, are 19.4 cents lower as to direct costs, and 21.8 cents lower as to total costs, excluding extraordinary development, than for the previous year.

Development work during the year from the Mizpah shaft failed to find any extension of the Mizpah vein

system along its strike or dip. A number of small blocks of ore have been left to support the walls. These blocks will have to remain for an indefinite period to insure safety in the mine workings. Isolated blocks remain to be taken out, but they form a very small proportion of the ore already extracted.

Further development work by intermediate levels may result in finding more ore than now exposed in the Mizpah fault vein.

Small detached veins were discovered in the vicinity of the Mizpah shaft during the year, but their commercial value is small.

The Burro veins were developed further during the year with favorable results. This work has added a considerable tonnage to our ore reserve.

Development work from the Silver Top shaft on the Valley View vein shows small extensions of the vein, but its boundaries in all directions are practically determined. Intermediate levels and raises are probably the only further development needed.

Under and to the south of the Valley View vein, veins designated as Valley View Foot-wall veins, Nos. 1 and 2, were discovered during the year. These veins will furnish a considerable amount of ore.

In the eastern part of the Silver Top workings, veins parallel to and south of the Silver Top veins have been found by cross-cutting.

A small amount of work was done during the year on the Desert Queen vein on the 540-foot level of the Silver Top shaft. More work in connection with this vein remains to be done at greater depth.

Development work from the Red Plume shaft for the year shows favorable results. Considerable more work remains to be done in connection with the main Red Plume

vein. Development work on this vein shows the ore to lie in shoots and that the shoots are separated by barren stretches of vein material.

The north Red Plume vein was developed further during the year with equally favorable results.

Development work at the Sand Grass shaft has been stopped in order to get further information by diamond drilling, which is now being prosecuted, before attempting cross-cutting.

Development work at depth on the 1,500-foot level of the Mizpah shaft consisted in extending the vertical diamond drill hole No. 5 from 653 to 1,316 feet and in sending hole No. 10 down 224 feet at a steep angle to the south. These holes all showed Tonopah Rhyolite (Lower Rhyolite), a barren formation, and have been stopped.

The estimated value of the ore reserves on February 1st, 1911, is \$6,605,978.00 (gold at \$20.67, silver at 50 cents).

The estimated tonnage of ore reserves on February 1st, 1911, is 354,940 tons and includes assured, probable and possible unbroken ore, ore broken in stopes, ore on dumps and stored at Millers, the estimated average value of which is \$18.61 per ton.

Excerpts from Report of Mr. A. R. Parsons

Superintendent of Mill

During the past year four additions or improvements to the plant and equipment of the Company were made under special appropriations.

The approach to the railroad trestle at the crushing plant was originally laid with 50-pound rails. Two derailments of railway equipment made it seem advisable to use heavier steel, and accordingly, under Appropriation

No. 53, the 50-pound rails were replaced with 65-pound rails at a cost of \$1,060.00.

Inadequate living accommodations at Millers made it difficult to properly care for employes of the Company holding the more responsible positions, and, under Appropriation No. 56, about \$2,700.00 was expended in erecting a second story on the house originally intended as a residence for the superintendent. This second story, consisting of nine pleasant bedrooms with clothes closets and a large bathroom, makes a decided improvement appreciated by the occupants.

Under Appropriation No. 60, \$2,500.00 was expended for the purchase and installation of four Wilfley Concentrators, replacing five Woodbury Concentrators.

Appropriation No. 64, for \$1,600.00, covered the cost of extending the ore trestle so that it now has a capacity of eleven cars, or one more than the average daily shipment from the mine. This addition minimizes the switching, and allows the crushing of the ore to be a continuous operation, avoiding delays and overtime to employes, previously occurring while waiting for railroad switching.

Among the minor changes and improvements can be mentioned the removal of 10 small classifiers from the large sand wheel and their installation over the Johnson Vanners, to effect a better classification of Vanner feed; the installation of a mechanical sampler in the concentrate house, to dispense with laborious hand sampling; a Trent Agitator adapted to agitating in a flat-bottom tank, erected in No. 9 slime tank, providing one more agitator; the change from coal to oil in the assaying furnace, which cut the fuel consumption for assaying one-half; the installation of pulp-thickening devices in three slime collector vats; the use of several air lifts for handling solution and

slime pulp, and several changes in pumping and piping arrangements.

The longest continuous shut-down of the mill during the year was on July 4th, when twenty-four hours were lost. The total time lost, computed from daily record of battery hours worked back to the full equipment of 100 stamps, was eleven days. The same for the previous year was twenty-three days. This decrease in time lost in a measure accounts for the increased tonnage of ore milled, the decrease in costs and increase in resulting profits.

During the year there was milled and treated 177,745 dry tons of ore, averaging .320 ounces gold and 28.65 ounces silver, or \$21.98 per ton, which is .007 ounces of gold and .62 ounces silver, or \$1.05 per ton higher than the average of the ore milled during the previous year, when silver averaged \$0.021 per ounce lower. The total contents of the ore milled was 56,800 ounces gold and 5,092,884 ounces of silver, with a gross value of \$3,911,422.26, from which there was recovered by concentration and shipped to the smeltery 1,361 dry tons of concentrates, averaging 5.539 ounces gold and 803.99 ounces silver per ton, with a total contents of 7,537.650 ounces of gold and 1,094,268.61 ounces of silver, and a gross value of \$704,927.76. The entire cyanide treatment yielded in bullion 3,775,547.45 troy ounces, containing 43,530.281 fine ounces of gold and 3,602,241.69 fine ounces of silver, with a smelter gross value of \$2,836,070.22. The slag and refinery by-products shipped to smeltery amounted to 101 dry tons, averaging 0.828 ounces of gold and 61.59 ounces of silver per ton, with a total contents of 84.129 ounces gold and 6,254.87 ounces silver, of a gross value of \$4,868.09.

The price of silver during the fiscal year 1910-1911 averaged 53.655 cents per ounce. For the previous year the average was 51.5597 cents per ounce, an increase this year

of 2.0953 cents per ounce, which, applied to the 4,702,765 ounces of silver produced, added \$98,537.00 to the revenue from silver sales, above what it would have been at the previous year's quotation.

The recovery by concentration was 13.27% of the gold and 21.53% of the silver contents of the ore. The recovery by cyanidation was 76.86% of the gold, and 70.87% of the silver contents of the ore,—giving a combined extraction of 90.13% of the gold and 92.40% of the silver, total gold and silver, 92.4%. The combined recovery for the previous year was 91% of the gold, and 91.7% of the silver; total, 91.7%. This shows a decrease of 0.87% of gold extraction and an increase of 0.70% silver extraction, or an improvement in the combined extraction of 0.7% of the contents of the ore.

The direct milling cost per ton for the year 1909-1910 was \$2.928; indirect costs, \$0.249; total, \$3.177; the direct milling cost per ton for the year 1910-1911 was \$2.732; indirect, \$0.212; total, \$2.944; a decrease this year in the direct costs per ton of \$0.196; indirect, \$0.037; total, \$0.233.

The items of labor, supplies and power, as charged against milling under direct costs, come more directly under our supervision, and a further analysis of the cost sheet shows that the reduction of \$0.196 per ton in these direct costs is made up of a reduction of \$0.077 per ton for labor; \$0.078 per ton for supplies, and \$0.041 per ton for power.

Of the milling machinery, the Huntington Mills show the greatest wear. The cost of keeping the mills in running condition is becoming heavier, and, as a partial new grinding equipment will be necessary in a short time, it is intended to ask for an appropriation for two Chilean mills and a 75-horsepower motor, to replace the Huntington mill equipment. We believe the Chilean mills will show an ap-

preciable saving in operating costs, and put the product in a more uniformly fine condition better adapted to cyanidation.

The mill is in good condition throughout, repairs to both the building and contents having been made whenever necessary.

The average cost to mine and mill the ore and market the products for the past year was as follows (excluding extraordinary development work):

	Per Ton.
Mining costs	\$3.95
Milling costs	2.94
Metal losses in milling	1.82
Freight on ore milled .....	.63
Marketing mill products .....	.73
	<hr/>
Costs per ton	\$10.07
Profit per ton	11.91
	<hr/>
Average gross value of ore milled	\$21.98

The employees of the Tonopah Mining Company of Nevada, and the Desert Power and Mill Company, have all rendered excellent service during the year, displaying loyalty and cheerful interest in the work.

By order of the Board of Directors.

C. A. HIGBEE,
Secretary.

April 15, 1911.

MT. ODDIE.

MIZPAH SHAFT

RED PLUME, SHAFT
OFFICE.

SILVER TOP SHAFT
SAND GRASS SHAFT

GENERAL VIEW OF PROPERTY LOOKING EAST FROM SAND GRASS CLAIM

**Combined and Condensed Cash Receipts and Disbursements of
The Tonopah Mining Company of Nevada
and Desert Power and Mill Company
For the Year Ending February 28, 1911**

RECEIPTS

Selby Smelting & Lead Co.....	\$3,422,162.16
Loans	175,000.00
Esmeralda Power Company, Dividends.....	11,250.00
Southern Nevada Abstract Company, Dividends	1,200.00
Interest on Loans.....	19,766.24
Interest on Bank Balances.....	12,495.51
Storehouse Fire Losses Paid.....	998.49
Unclaimed Checks	597.86
Accounts Collectible	29,791.18
Water Sold	15,617.35
Rentals Collected	5,104.61
Draft in Transit on Philadelphia.....	15,000.00
Freight Claims Paid.....	1,220.11
Miscellaneous	2,369.25
	<hr/>
	\$3,712,572.76

DISBURSEMENTS

Labor, Supplies, Freight, Salaries, Legal, etc.	\$1,290,378.39
Drafts in Transit from Previous Year	5,000.00
Power Purchased	143,085.73
Insurance	19,152.73
Taxes	40,903.72
Advances to Midway Milling Company	1,296.94
Spurr & Cox, Inc., for Examination and Report.....	11,080.72
Tonopah Midway Mining Company, for Fraction of Midway Claim Purchased.....	5,000.00
Lot Purchased	550.00
Nevada Copper Company.....	6,150.34
Loans	45,000.00
Certificates of Deposit.....	325,000.00
Pennsylvania Railroad Bonds Purchased	213,975.00
Pacific Power Company Bonds Purchased	39,000.00
Precipitates Purchased	331.51
Rent, Unclaimed Checks, etc.....	2,824.80
Dividends Paid, Nos. 19, 20, 21 and 22.....	1,550,000.00
	<hr/>
	3,698,729.88
Excess of Receipts over Disbursements	13,842.88
	<hr/>
	\$3,712,572.76

The Tonopah Mining Company of Nevada

Income and Surplus Account for year ending February 28, 1911

Gross Value of Ore Shipped to Mill.....	\$3,908,603.19
Cost and Deductions:	
Treatment Charges.....	\$1,849,897.74
Metal Deductions.....	577,526.84
Freight and Tolls.....	116,928.18
Mining Costs, Shaft Sinking, Diamond Drilling, Spurr Examination and General Expenses...	811,422.78
	<u>3,355,775.54</u>
	\$552,827.65
Miscellaneous Earnings.....	<u>3,284.36</u>
Net Earnings for Year.....	\$556,112.01
Other Income:	
Dividends from Desert Power and Mill Company.....	\$1,521,900.00
Dividends from Southern Nevada Abstract Com- pany.....	1,200.00
Interest on Bonds Owned.....	7,731.53
Interest on Loans Made.....	16,708.89
Interest on Certificates of Deposit.....	1,520.83
Interest on Bank Balances.....	7,128.47
Rentals and Other Income.....	1,799.00
	<u>1,557,988.72</u>
NET EARNINGS AND INCOME FOR YEAR....	\$2,114,100.73

Desert Power and Mill Company

Income and Surplus Account for year ending February 28, 1911

Gross Value Ore on Hand March 1, 1910.....	\$ 20,236.17
Gross Value Ore Purchased from The Tonopah Min- ing Company of Nevada During the Year.....	\$3,908,603.19
Precipitates Purchased from Midway Milling Com- pany.....	331.51
Difference on Account of Silver Quotations.....	4,429.69
	<u>3,913,364.39</u>
Total.....	\$3,933,600.56
Deduct Gross Value of Ore on Hand February 28, 1911.....	<u>22,178.30</u>
Gross Value to Mill of all Ore Milled	\$3,911,422.26
Costs and Deductions:	
Cost of Ore Purchased from The Tonopah Min- ing Company of Nevada.....	\$1,480,202.84
Metal Losses in Milling.....	323,752.53
Cost of Marketing Products.....	133,543.81
Milling Costs and General Expenses.....	560,873.16
	<u>2,498,372.34</u>
	\$1,413,049.92
Miscellaneous Earnings.....	<u>896.43</u>
Net Earnings for Year.....	\$1,413,946.35
Other Income:	
Interest and Rentals.....	5,275.00
NET EARNINGS AND INCOME FOR YEAR.....	\$1,419,221.35
Dividends Paid to The Tonopah Mining Company of Nevada During Year.....	1,521,900.00
Net Reduction of Surplus for Year.....	\$102,678.65

The Tonopah Mining Company of Nevada

Income and Surplus Account for year ending Feb. 28, 1909

GROSS VALUE OF ALL ORE SHIPPED TO MILL.....	\$3,660,752.13
COSTS AND DEDUCTIONS:	
Treatment Charges	\$1,635,934.57
Metal Deductions	511,861.83
Freight	96,506.28
Mining Costs, Shaft Sinking and General Expenses	832,613.06
	3,076,915.74
Ore Stored at Mill (Cost of Mining)	\$583,836.39
Miscellaneous Earnings	34,753.55
	23,627.76
NET MINE EARNINGS FOR YEAR.....	\$642,217.70
OTHER INCOME:	
Interest on Bonds owned	38,250.00
Dividends on stocks owned	1,000.00
Rentals and Miscellaneous	9,166.16
	48,416.16
NET EARNINGS AND INCOME FOR YEAR.....	\$690,633.86

Desert Power and Mill Company

Income and Surplus Account for year ending Feb. 28, 1909

GROSS VALUE:	
Ore on hand March 1, 1908.....	\$70,765.80
Ore Purchased from The Tonopah Mining Co. of Nevada during the year	\$3,660,752.13
Add differences on account Silver Quotations.....	25,529.49
	3,686,281.62
TOTAL	\$3,757,047.42
Deduct Gross Value Ore on hand February 28, 1909	26,106.74
GROSS VALUE TO MILL OF ALL ORE MILLED....	\$3,730,940.68
COSTS AND DEDUCTIONS:	
Cost of Ore Purchased from Tonopah Mining Co. of Nevada	\$1,526,457.60 ✓
Metal Losses in Milling	386,939.53 ✓
Cost of Marketing Products	140,617.18 ✓
Milling Costs and General Expenses	659,817.13
	2,713,831.44
Miscellaneous Earnings	\$1,017,109.24
	39,718.99
NET MILL EARNINGS FOR YEAR	\$1,056,828.23
OTHER INCOME:	
Rentals and Miscellaneous	3,636.83
NET EARNINGS AND INCOME FOR YEAR.....	\$1,060,465.06

**Surplus of the Tonopah Mining Company of Nevada and
Desert Power and Mill Company Invested as follows
February 28, 1911**

Property, Plant and Betterment.....	\$560,123.45
-------------------------------------	--------------

STOCKS AND BONDS OWNED:

Tonopah & Goldfield Railroad Co., Com. stock...	\$988,700.00
Tonopah & Goldfield Railroad Co., Pref. stock...	283,400.00
Desert Power & Mill Co., stock.....	801,000.00
Esmeralda Power Company stock.....	160,950.00
Tonopah Banking Corporation stock.....	3,000.00
Jim Butler Tonopah Mining Co., stock.....	2,500.00
Tonopah Crystal Water Company stock.....	3,241.00
Southern Nevada Abstract Co. stock.....	2,000.00
Pennsylvania Railroad Company bonds.....	213,975.00
Midway Milling Company bonds.....	22,000.00
Pacific Power Company bonds.....	39,000.00

2,519,766.00

ACCOUNTS RECEIVABLE:

Loans on Collateral.....	\$345,000.00
Selby Smelting & Lead Company, mill products..	300,203.60
Loans to Subsidiary Companies.....	53,126.69
Miscellaneous	12,848.98

711,179.27

Stored Silver	362,371.76
CASH	488,002.52
Certificates of Deposit.....	325,000.00
Storehouse Supplies	167,536.84
Ore on Dump at Tonopah.....	\$248,349.33
Ore at Desert Mill.....	48,590.28

296,939.61

Absorption in Desert Mill.....	53,860.00
Prepaid Insurance	7,815.63

\$5,492,595.08

DEDUCT:

Accrued Taxes	\$27,475.55
Accounts Payable	76,110.43
Insurance Fund	12,167.98

115,753.96

\$5,376,841.12

**Statement showing total tons mined during the year by
months from March 1, 1910, to February 28, 1911**

Month	Ore Shipped			Ore to Dump			Waste to Dump			Total Mined		
	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons
March, 1910.	15,803	2.5	15,412	138	2.5	134	5,216	2.5	5,086	21,157	2.5	20,632
April, 1910.	15,178	2.3	14,823	151	2.3	148	5,806	2.3	5,672	21,135	2.3	20,643
May, 1910.	15,479	2.4	15,108	81	2.4	79	5,683	2.4	5,547	21,243	2.4	20,734
June, 1910.	15,267	2.3	14,915	119	2.3	116	6,031	2.3	5,892	21,417	2.3	20,923
July, 1910.	15,127	2.3	14,780	117	2.3	114	6,201	2.3	6,058	21,445	2.3	20,952
Aug., 1910.	15,952	2.1	15,607	651	2.1	637	5,553	2.1	5,436	22,156	2.1	21,680
Sept., 1910.	14,430	2.2	14,113	929	2.2	909	4,750	2.2	4,646	20,109	2.2	19,668
Oct., 1910.	14,779	2.1	14,472	546	2.1	535	4,741	2.1	4,641	20,066	2.1	19,648
Nov., 1910.	14,431	2.1	14,127	753	2.1	737	5,365	2.1	5,252	20,549	2.1	20,116
Dec., 1910.	15,448	2.4	15,082	433	2.4	423	4,638	2.4	4,527	20,519	2.4	20,032
Jan., 1911.	15,991	2.5	15,596	535	2.5	522	4,373	2.5	4,264	20,899	2.5	20,382
Feb., 1911.	13,981	2.6	13,615	502	2.6	489	3,675	2.6	3,579	18,158	2.6	17,662
Total.....	181,866	2.3	177,650	4,955	2.3	4,843	62,032	2.3	60,600	248,853	2.3	243,072

**Statement showing total tons of ore milled during the year
by months from March 1, 1910, to February 28, 1911**

Month		Wet Tons	H ₂ O	Dry Tons	Assays Per Ton	
					Gold	Silver
March, 1910.....		15,495	2.5	15,106	.280	25.27
April, 1910.....		15,019	2.3	14,667	.327	29.83
May, 1910.....		15,583	2.4	15,212	.316	28.68
June, 1910.....		15,376	2.3	15,023	.347	30.44
July, 1910.....		15,127	2.3	14,780	.321	27.96
August, 1910.....		15,774	2.2	15,432	.302	27.06
September, 1910.....		14,909	2.2	14,581	.321	28.25
October, 1910.....		14,781	2.1	14,473	.333	29.03
November, 1910.....		14,036	2.1	13,736	.310	27.90
December, 1910.....		15,691	2.4	15,322	.318	29.49
January, 1911.....		16,045	2.5	15,650	.325	29.63
February, 1911.....		14,131	2.6	13,763	.335	30.36
Total		181,967	2.3	177,745	.320	28.65

Feet of Drifting, Cross-cutting, Winzes and Raises, and Cubic Yards
Excavation for Year Ending February 28, 1911

Month		Drifts	Cross Cuts	Winzes and Raises	Excavating Cu. Yards	Shaft Sinking Sand Grass	Diamond Drilling
March,	1910.	879.5	771.5	839.5	....	64.0	209.0
April,	1910.	1,197.0	729.5	403.5	....	65.0	146.0
May,	1910.	885.5	983.0	310.0	....	57.0	163.0
June,	1910.	955.0	1,084.5	312.0	....	57.0	133.0
July,	1910.	1,097.0	863.0	270.0	53.5	46.0	65.0
August,	1910.	1,388.5	858.0	191.0	123.0	27.0	331.0
September,	1910.	1,182.0	683.0	225.0	....	64.0	208.0
October	1910.	904.0	1,103.0	199.0	....	71.0	172.0
November,	1910.	921.0	1,594.5	142.0	....	....	770.0
December,	1910.	887.5	1,152.0	169.0	....	....	534.0
January,	1911.	716.0	1,080.0	258.5	....	....	84.0
February,	1911.	866.5	652.0	159.5	....	....	163.0
Total		11,879.5	11,554.0	3,479.0	176.5	451.0	2,978.0

Status at End of Year		
	For Year Ending February 28, 1911 Feet	Total To Date Feet
Drifts	11,879.5	58,041.73
Cross-cuts	11,554.0	36,719.6
Winzes and raises.....	3,479.0	16,040.5
Excavation (cubic yards).....	176.5	2,429.7
Shaft sinking	451.0	4,604.9
Lessees' shafts .....	.....	2,595.0
Core drilling	2,978.0	6,840.0

ELEVENTH
ANNUAL REPORT

The Tonopah
Mining Company
OF NEVADA



GENERAL OFFICE :
572 Bullitt Building, Philadelphia, Pa.

MINES AT
Tonopah, Nye Co., Nevada



Submitted at
Eleventh Annual Meeting of Stockholders
May 6, 1913

To the Stockholders of

The Tonopah Mining Company of Nevada

The Board of Directors submits the following report of operations of your Company for the fiscal year ending February 28th, 1913, and the condition of your property on March 1st, 1913.

Excerpts from the Report of Mr. W. H. Blackburn
Superintendent of Mine

A new and improved drill sharpener was purchased and put into operation during the year, and all necessary repairs were made to the other portions of the existing plant to keep up its efficiency.

In October and November, of last year, the Red Plume shaft was sunk an additional 100.5 feet, and a station cut corresponding to the eighth level of the Mizpah shaft.

The average mining costs for the year were:

Per dry ton ore shipped to mill	\$3.266
Per wet ton ore and waste hoisted	2.726
A reduction in total cost per ton of .....	.438

Practically all of the segregated direct costs are lower than those of last year, including 15.6c. in development work, due to a smaller tonnage. Indirect costs show a reduction of .02c.

A considerable quantity of ore was developed through the Silver Top shaft workings in the eastern part of the Silver Top claim, in the eastern part of the Valley View claim, and by intermediate level work below the fifth level on the Valley View vein.

From the Red Plume shaft an entirely new vein was encountered in the westerly portion of the Red Plume claim. Development work is in progress on the eighth level from this shaft, the objective point being the downward extension of the Red Plume vein.

The estimated value of the ore assets on March 1st, 1913, is \$3,062,661.00.

The estimated tonnage on March 1st, 1913, is 200,702 tons, and includes assured, probable and possible unbroken ore, ore on dump and ore stored at Millers, Nevada. The estimated value per ton is \$15.25.

Excerpts from the Report of Mr. F. F. Heydenfeldt
Acting Superintendent of Mill

During the year ending February 28th, 1913, the one hundred stamp mill of the Desert Power and Mill Company has been operated continuously, with but few changes in equipment and method of treatment.

In order that the capacity of the slime agitation plant might be increased three Dorr thickeners were installed in the flat bottom slime collectors at a cost of \$3743.83.

As a result we have been able to increase the amount of the ore treated as slime from fifty-two per cent of the total ore to fifty-seven and eight tenths per cent and this has made a saving of \$3,000 in six months.

There was added to the mill equipment a testing plant for experimenting with our own ore and determining the possibility of treating ores from mines under examination by your company's exploration corps.

The railroad trestle at the crusher was raised to give a better and more uniform grade, which has made it possible to unload the ore cars more quickly and at less expense.

The pipe line used to discharge slime residues was elevated. One additional centrifugal pump was added to the filter equipment to prevent loss by intermixture of rich and low grade solutions by reason of our having to use the same pumps for elevating both stock and barren solution.

During the year there were milled and treated 173,336 dry tons of ore, averaging .23 ounces of gold and 21.75 ounces of silver, or \$18.16 per ton, which is .056 ounces of gold and 4.3 ounces of silver or \$1.81 per ton lower than the average of the ore milled during the previous year, when silver averaged \$.07529 per ounce lower.

The total gross contents of the ore milled during the year was 39,825 ounces gold and 3,769,669 ounces silver, or a total gross value of \$3,148,668.17, of which there were recovered by concentration and shipped to the smeltery 1,027 dry tons of concentrates, averaging 3.907 ounces of gold and 567.07 ounces of silver per ton, or a total content of 4,013.051 ounces of gold and 582,450.59 ounces of silver of a total smelter gross value of \$443,503.35. 141

The cyanide treatment yielded 2,925,733.15 ounces of bullion, containing 32,273.189 fine ounces of gold and 2,785,507.75 fine ounces of silver or a total smelter gross value of \$2,384,631.54. 751

The slag, instead of being shipped to the smeltery, was concentrated by a jig, the tailings of which were fed into the stamp batteries. Thus the values were recovered in the mill at a cost very much less than under the old plan of shipping as a by-product. The other by-products were mixed and shipped with the concentrates.

The cost of marketing the products, including freight, treatment, sampling and express on bullion and concentrates, amounted to \$64,522.83, or \$.372 per ton of ore

milled, a decrease of \$.093 per ton compared with the cost during the previous year.

The average price of silver during 1912-1913 shows an increase of \$.07529 per ounce, as compared with the average during 1911-1912. This increase applied to the 3,367,958.34 ounces of silver produced during the year added \$253,573.58 to the revenue of your company above what it would have been figured on the average quotation of silver during the previous year.

The combined extraction of both gold and silver was 89.34%. Upon comparison with the previous year this shows an increase of .88% gold and a decrease of 1.22% silver, or a decrease in both gold and silver of 1.2%.

The record of labor and supplies used in repairs and renewals, for indicating cost of up-keep as distinguished from operations, shows the cost per ton for repairs and renewals amounted to \$.448. For the year previous this item was \$.04763 per ton, showing a reduction of \$.0283.

Sand residues discharged from the plant averaged .025 oz. gold and 2.76 ozs. silver per ton, this being .005 ozs. gold and 0.38 ozs. silver per ton lower than the previous year.

Slime residues, amounting to 56% of the ore tonnage treated, averaged .017 oz. gold and 1.98 ozs. silver per ton, showing a decrease in the quantity of gold discharged from the plant with the residues amounting to .009 oz. gold and an increase of 0.01 oz. silver per ton.

Owing to the temporary absence on account of ill health of your Superintendent, Mr. A. R. Parsons, certain changes in the mill force were necessary.

The mill is in excellent physical condition, and we feel quite confident in promising both a higher recovery and lower costs during the present fiscal year.

DIVIDENDS

There is given below a statement showing the dividends paid by your Company since it began operations:

No.	Date Paid	Rate	Amount	
1	April 22, 1905	25%	\$250,000.00	
2	July 22, 1905	25%	250,000.00	750,000
3	Oct. 21, 1905	25%	250,000.00	
4	Jan. 22, 1906	25%	250,000.00	1,250,000
5	April 21, 1906	25%	250,000.00	
6	July 21, 1906	35%	350,000.00	
7	Oct. 20, 1906	35%	350,000.00	1,200,000
8	Jan. 21, 1907	35%	350,000.00	
9	April 22, 1907	35%	350,000.00	
10	July 22, 1907	25%	250,000.00	
11	Oct. 21, 1907	25%	250,000.00	
12	July 21, 1908	25%	250,000.00	500,000
13	Oct. 21, 1908	25%	250,000.00	
14	Jan. 21, 1909	25%	250,000.00	1,250,000
15	April 21, 1909	35%	350,000.00	
16	July 21, 1909	35%	350,000.00	
17	Oct. 21, 1909	35%	350,000.00	
18	Jan. 21, 1910	35%	350,000.00	1,500,000
19	April 21, 1910	35%	350,000.00	
20	July 21, 1910	40%	400,000.00	4,500
21	Oct. 21, 1910	40%	400,000.00	
22	Jan. 21, 1911	40%	400,000.00	
23	April 21, 1911	40%	400,000.00	2,000,000
24	July 21, 1911	40%	400,000.00	
25	Oct. 21, 1911	40%	400,000.00	
26	Jan. 20, 1912	40%	400,000.00	
27	April 20, 1912	40%	400,000.00	2,000,000
28	July 20, 1912	40%	400,000.00	
29	Oct. 21, 1912	40%	400,000.00	
30	Jan. 21, 1913	40%	400,000.00	
*31	April 21, 1913	40%	400,000.00	
			<u>\$10,450,000.00</u>	

*Declared March 13, 1913.

In addition to the dividends above, in February, 1905, your Company retired its issued and outstanding Preferred Stock, with interest, amounting to a total of \$380,557.51.

COSTS PER TON

The average cost to mine and mill the ore and market the products for the past year was as follows:

Mining Costs.....	\$3.27	
Milling Costs.....	2.67	3 4/1
Freight on ore milled.....	.74	
Marketing mill products.....	.51	
Total Costs per ton.....	<u>\$7.19</u>	
Metal Losses in Milling and Refining.....	1.85	
Profit per ton.....	<u>9.12</u>	
Average gross value of ore milled.....	\$18.16	

The Sand Grass shaft is being sunk and active cross-cutting will be done to develop the large flat-dipping vein which lies on the upper contact of the West End rhyolite, and which is believed to be in general the same as the vein worked in the West End, MacNamara and Tonopah Merger and which forms one of the ore-horizons of the Tonopah Extension.

The only development in this claim west of the general region of the Sand Grass shaft consists of two diamond drill holes, one of which showed an assay value of \$9.26 from small stringers, while the other showed a vein of some size carrying quartz rhodonite and silver sulfide, assaying \$7.94. It is probable that these assays represent the flat-dipping vein above mentioned. Of these two assays, the last named was from a depth of around 900 feet, and the thorough exploration of the country will therefore take some little time. /

New veins were encountered on the 600-foot level of the Red Plume further north than any veins hitherto worked in the property, and in the Mizpah trachyte. The first of these encountered yielded a relatively small tonnage, but of universally high grade ore, while the more northerly one is of more considerable width; and is now in progress of development. 640 tons of average \$30 ore has been produced from the short drift on this vein, and stoping has just been begun.

The Board desires to express its appreciation of the unfailing energy and loyalty of its officers and employees at Tonopah and Millers to which the satisfactory results / for the past year are due.

By order of the Board of Directors,

C. A. HIGBEE

Secretary.

April 19, 1913.

The Tonopah Mining Company of Nevada
Comparative Balance Sheet of February 29, 1912 and
February 28, 1913

ASSETS				
	Feb. 29 1912	Feb. 28 1913	Increase	Decrease
Property, Plant and Betterments	\$609,796.61	\$520,882.64		
*Exhaustion of Ore Deposits for year Ending Feb. 28, 1913		274,443.40		
Total Properties, Plant & Better- ments.....	\$609,796.61	\$246,439.24		\$363,357.37
Stocks, Bonds and Notes owned....	3,151,578.50	3,004,900.63		146,677.87
Loans & Advances to Subsidiary Co's	56,037.71	47,262.43		8,775.28
Accounts Receivable:				
Miscellaneous.....	17,129.93	24,271.71	7,141.78	
Desert Power and Mill Company...	89,890.38	60,991.58		28,898.80
Materials and Sup- plies on Hand....	39,765.61	38,705.84		1,059.77
Net Value of Ore on Dump.....	248,349.33	248,349.33		
Stored Ore at Mill at Cost of Mining and Handling...	39,931.27	39,931.27		
Loans on Collateral	50,000.00	600,500.00	550,500.00	
Certificates of De- posit.....	325,000.00	125,000.00		200,000.00
Cash.....	479,043.78	260,050.99		218,992.79
Total Current Assets.....	\$1,345,148.01	\$1,445,063.15	\$ 99,915.14	
Deferred Charges (Unexpired In- surance).....	1,527.18	1,344.30		182.88
Total Assets.....	\$5,108,050.30	\$4,697,747.32		\$410,302.98

The Tonopah Mining Company of Nevada
Income and Surplus Account for year ending February 28, 1913

Gross Value of Ore Shipped to Mill.....	\$3,144,173.11	332,000 1,000 11860
Cost and Deductions:		
Treatment Charges.....	\$1,555,294.36	
Metal Deductions.....	463,783.35	14506
Freight and Tolls.....	128,327.49	70
Mining Costs, Shaft Sinking, and General Expenses	595,016.51	44 1356
Exploration Expense for Year.....	66,272.84	15862
	<u>2,808,694.55</u>	
	\$ 335,478.56	
Miscellaneous Earnings.....	\$3,270.12	
Miscellaneous Losses, Midway Settlement, Etc....	6,692.87	
	<u>3,422.75</u>	
Net Earnings for the Year.....	\$332,055.81	
Other Income:		
Dividends from Desert Power and Mill Co.....	1,000,000.00	
Dividends from Tonopah & Goldfield R. R. Co.....	49,499.00	
Dividends from Tonopah Banking Corporation.....	96.00	
Interest on Securities Owned.....	60,049.00	
Interest on Loans made.....	19,176.08	
Interest on Bank Balances.....	4,583.10	
Profit on Bonds sold.....	750.00	
Other Income.....	1,500.00	
	<u>1,135,653.18</u>	
Net Earnings and Income for the Year.....	\$1,467,708.99	1467
Deduct—Exhaustion of ore deposits for year.....	274,443.40	118
Total.....	\$1,193,265.59	1585

- 1,580,000

Desert Power and Mill Company
Income and Surplus Account for year ending February 28, 1913

Gross Value of Ore on Hand March 1, 1912.....	\$ 22,724.76	
Gross Value Ore Purchased from The Tonopah Mining Company of Nevada during the year.....	3,144,173.11	
Difference on Account of Silver Quotations.....	4,781.70	
Total.....	\$3,171,679.57	
Deduct Gross Value of Ore on Hand February 28, 1913.....	23,011.40	
Gross Value of all Ore Milled.....	\$3,148,668.17	
Cost and Deductions:		
Cost of Ore Purchased from The Tonopah Mining Company of Nevada.....	\$1,125,737.91	
Metal Losses in Milling.....	320,594.56	125
Cost of Marketing Products.....	88,964.71	21
Milling Costs and General Expenses.....	493,645.77	284
Defense Brown Suit.....	6,136.26	
	<u>2,035,079.21</u>	
	\$1,113,588.96	
Miscellaneous Earnings.....	1,061.09	
Net Earnings for the Year.....	\$1,114,650.05	
Other Income:		
Interest on Bank Balances.....	\$3,853.92	
Rentals.....	100.00	
	<u>3,953.92</u>	
Total Earnings and Income for the Year.....	\$1,118,603.97	
Dividends Paid to The Tonopah Mining Co. of Nevada.....	1,000,000.00	
Net Surplus for Year.....	\$ 118,603.97	

Capital Account of
The Tonopah Mining Company of Nevada and
Desert Power and Mill Company
February 28, 1913

Property, Plant and Betterments as valued at close of fiscal year ending February 29, 1912 ..	\$609,796.01	
Less amount charged off for depreciation during fiscal year ending February 28, 1913	363,357.37	
		\$246,439.24
Desert Power & Mill Co., Plant		320,000.00
Tonopah & Goldfield Railroad Co., Common Stock		988,700.00
Tonopah & Goldfield Railroad Co., Preferred Stock		283,400.00
Esmeralda Power Company, Stock		74,700.00
Tonopah Crystal Water Company, Stock		3,241.00
Tonopah Banking Corporation, Stock		840.00
		1,917,320
	(PAR VALUE)	
Reading Company General Mortgage 4% bonds	\$350,000	342,375.00
Southern Pacific Co., San Francisco Terminal First Mortgage 4% bonds	225,000	208,700.00
Public Service Corporation of New Jersey General Mortgage 5% bonds	100,000	93,750.00
Kansas City, Ft. Scott & Memphis R. R. Co. Refunding 4% bonds	100,000	79,750.00
Portland Railway, Light & Power Company, Refunding and First Mortgage 5% bonds	75,000	72,000.00
Market Street Elevated Passenger Ry. Co., Guaranteed First Mortgage 4% bonds	60,000	58,350.00
Philadelphia Rapid Transit Company Sinking Fund 5% bonds	50,000	49,375.00
Pennsylvania Railroad Co., Convertible 3½% bonds ..	50,000	48,875.00
Great Northern Ry. Co., and Northern Pacific Ry. Co., Joint (C. B. & Q.) 4% bonds	50,000	48,000.00
Jamestown, Franklin & Clearfield R. R. Co., First Mortgage Guaranteed 4% bonds	50,000	47,062.50
Pacific Power Co., First Mortgage 6% bonds	40,000	39,000.00
Lake Shore & Michigan Southern Railway Co., 4% bonds	25,000	23,343.75
Baltimore & Ohio Railroad Co., 4½% notes	50,000	50,000.00
New York Central & Hudson River Railroad Co., 4½% notes	25,000	25,000.00
Loans on Collateral		600,500.00
Certificates of Deposit		125,000.00
Sundry Investments		68,438.38
Loans to Subsidiary Companies		47,262.43
Selby Smelting & Lead Company, Mill Products		235,002.71
CASH		342,570.26
Absorption in Mill		53,860.00
Storehouse Supplies		125,954.78
Ore on Dump at Tonopah		248,349.33
Ore at Desert Mill		47,554.85
Accrued Interest on Loans and Bonds		22,629.03
Prepaid Insurance		5,984.47
Accounts Payable		2,691.70
		\$5,028,699.49
DEDUCT:		
Accrued Taxes (not due)	18,678.14	
Accounts Payable (not due)	82,941.51	
Insurance Fund (reserve)	15,168.17	
		116,787.82
Total		4,911,911.67

12TH

Twelfth Annual Report
— . —
The Tonopah Mining Company
of Nevada

February 28, 1914.

To the Stockholders of

The Tonopah Mining Company of Nevada

The Board of Directors submits the following report of operations of your Company for the fiscal year ending February 28th, 1914, and the condition of your property on March 1st, 1914.

Excerpts from the Report of Mr. W. H. Blackburn

Superintendent of Mine

Preparatory to further development work through the Sand Grass shaft, the hoist at this shaft was made a double-drum rig. No other improvements in surface plant, or in methods of handling ore or material, were made during the year.

The Sand Grass shaft was sunk an additional 448 feet, as a regulation three-compartment shaft. The connection on the 6th level (550 ft. point) to the Tonopah Extension Company's workings was completed. This connection gives us direct communication with the 7th level of the Red Plume shaft. ✓

Since November, 1913, the tonnage sent to the Desert Power and Mill Company has been reduced to 400 tons per day, or approximately 12,000 tons per month.

A segregation of total mining costs under four main headings is as follows:

Labor.....	\$1.977
Supplies.....	.720
Power.....	.269
DIRECT.....	\$2.966
INDIRECT.....	.312
TOTAL.....	\$3.278 <

The Last Chance vein, developed from the Red Plume shaft, showed a considerable tonnage of very high grade ore. This vein has been opened from the 4th level or capping to the 7th level. Its eastern boundary seems to be the West End rhyolite. It is being sought to the west by drifts and cross-cuts on the 5th and 7th levels. This vein had just been encountered at the beginning of the year.

The West End vein was opened up during the year on the 6th level between the buried fault and the property line. Where first encountered the values were high, but its average value has been about \$15.00 per ton.

Development work from the 6th and 7th levels of the Sand Grass shaft has exposed the West End rhyolite Tonopah rhyolite breccia contact vein in several places, but no values have been encountered. The 10th level development work is now in the heavy quartz of the above contact. This body of quartz has a much more favorable appearance than the contact quartz encountered in the levels above. Considerable more development work remains to be done from the Sand Grass shaft.

The estimated value of the total ore assets on March 1st, 1914, is \$2,475,795.00.

The estimated tonnage on March 1st, 1914, is 172,761 tons and includes assured, probable and possible unbroken ore, ore on the dump and ore stored at Millers, Nevada. The estimated value per ton is \$14.33. This estimate is based on gold at \$20.67 per ounce and silver at 50c per ounce.

Mr. Spurr reports as follows:

In the Sand Grass shaft, the cross-cut at the 1000-foot level has cut the vein as expected, and, as described in

last year's annual report (p. 12), the vein at the point cut being very wide and of spotted values. As mentioned last year, this vein is believed in general to be the same as that which has been worked in the West End, Mac-Namara, Tonopah Extension and Merger mines. There are several hundred feet of backs to the vein above the point cut. The history of this vein in neighboring mines gives grounds for expecting that a considerable tonnage of mill ore will be developed. 7

Excerpts from the Report of Mr. F. F. Heydenfeldt

Acting Superintendent of Mill

During the year ending February 28th, 1914, your 100 stamp mill operated continuously 95.9% of the time, with an average tonnage per stamp of 4.65 tons of ore milled per twenty-four hours.

Preparatory to some extensive changes, which are now being made to your mill, to provide for an all slime product for final cyanidation, the monthly tonnage to be milled per day was reduced from 500 to 400 tons on November 1st, 1913.

With these changes completed, the sand products, which do not yield to cyanidation readily, will be eliminated, and, as a result, better extractions will be obtained.

Milling costs were \$0.14 higher during the year 1913-14 than the previous year, which is accounted for by a lower tonnage milled during the last four months, and a higher consumption of chemicals, on account of the copper contained in the Red Plume ore. The con-

Statement showing total tons mined during fiscal year
ending February 28, 1913.

Month		ORE SHIPPED			WASTE TO DUMP			TOTAL MINED		
		Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons
March,	1912.....	15484	2.6	15081	2526	2.6	2460	18010	2.6	17541
April,	1912.....	14026	2.6	13661	2580	2.6	2512	16606	2.6	16173
May,	1912.....	15397	2.6	14997	2460	2.6	2396	17857	2.6	17393
June,	1912.....	14989	2.6	14600	2345	2.6	2284	17334	2.6	16884
July,	1912.....	14501	2.6	14124	1833	2.6	1785	16334	2.6	15909
August,	1912.....	14614	2.6	14234	1788	2.6	1741	16402	2.6	15975
September,	1912.....	15102	2.6	14709	1827	2.6	1779	16929	2.6	16488
October,	1912.....	15718	2.6	15310	2592	2.6	2525	18310	2.6	17835
November,	1912.....	14175	2.6	13807	2764	2.6	2692	16939	2.6	16499
December,	1912.....	15050	2.6	14659	3097	2.6	3016	18147	2.6	17675
January,	1913.....	15212	2.6	14817	2724	2.6	2653	17936	2.6	17470
February,	1913.....	13942	2.6	13580	3207	2.6	3124	17149	2.6	16704
Total.....		178210	2.6	173579	29743	2.6	28967	207953	2.6	202546

Statement showing total number of tons milled during
fiscal year ending February 28, 1913.

Month		Wet Tons	H ₂ O	Dry Tons	ASSAYS PER TON	
					Gold	Silver
March,	1912.....	15084	2.6	14706	.259	23.61
April,	1912.....	14226	2.6	13842	.266	24.23
May,	1912.....	15347	2.6	14948	.232	21.82
June,	1912.....	14939	2.6	14551	.235	22.85
July,	1912.....	14201	2.6	13832	.223	21.50
August,	1912.....	14814	2.6	14429	.221	20.91
September,	1912.....	15202	2.6	14806	.232	21.78
October,	1912.....	15569	2.6	15164	.233	21.52
November,	1912.....	14325	2.6	13953	.216	20.61
December,	1912.....	14850	2.6	14464	.210	20.90
January,	1913.....	15112	2.6	14720	.227	21.52
February,	1913.....	14292	2.6	13921	.202	19.67
Total.....		177961	2.6	173336	.230	21.75

Feet of Drifting, Cross-cutting, Winzes and Raises, and Cubic Yards
Excavation for Year ending February 28, 1913

Month	Drifts	Cross Cuts	Winzes and Raises	Excavating Cu. Yards	Shaft Sinking Red Plume
March, 1912.....	429.5	317.0	245.5	.....	....
April 1912.....	375.0	299.0	272.0	.....	....
May, 1912.....	317.0	236.0	292.0	.....	....
June, 1912.....	373.0	165.0	303.0	.....	....
July, 1912.....	400.0	153.0	356.0	.....	....
August, 1912.....	581.0	79.0	208.0	.....	....
September, 1912.....	488.0	33.0	277.0	.....	....
October, 1912.....	822.0	164.0	178.0	.....	118.5
November, 1912.....	477.0	147.0	317.0	.....	55.0
December, 1912.....	301.0	185.0	434.0	100.0	27.0
January, 1913.....	742.0	214.0	377.0	.....	....
February, 1913.....	426.0	327.0	354.0	.....	....
Total.....	5731.5	2319.0	3613.5	100.0	100.5

Status at End of Year

	For Year Ending February 28, 1913 Feet	Total To Date Feet
Drifts.....	5,731.5	71,124.73
Cross-cuts.....	2,319.0	46,513.1
Winzes and Raises.....	3,613.5	23,131.0
Excavation (cubic yards).....	100.0	2,698.7
Shaft Sinking.....	100.5	4,705.4
Lessees' Shafts.....	.....	2,595.0
Diamond Drilling.....	.....	7,278.0

sumption of cyanide during the year was .54 lbs. more per ton than during the previous year. This increased consumption added \$0.10 per ton to milling costs.

The combined extraction of both gold and silver for the year was 87.52%. Upon comparison with the previous year this shows metallurgically an increase of 1.65 % gold and a decrease of 1.90 % silver, or decrease in the total extraction of 1.82 %, and in value the extraction was only .66 % lower than during the previous year.

The average gross value per ton of the ore milled for the fiscal year ending February 28th, 1914, was \$17.79, as compared with the previous year of \$18.16 per ton, or \$0.37 less per ton in value.

During the current year your Company has acquired an interest in a placer property at Breckenridge, Colorado, and an option on a mining property in Nicaragua.

The placer property included three dredges, which needed very considerable repairs before they would be ready for operation. These repairs are now being made, and the complete operation will probably be started sometime in May.

The Nicaragua property is under option for one year. We have started development work to determine the extent of the ore. The assays, as far as the development work has gone, are good, but as this work has just been started the tonnage developed is not very large. We feel sure that before the expiration of the option we will have sufficient work done to determine whether we should acquire this property or not.

We are gratified to inform you that the long and harassing litigation over a pretended infringement of letters patent on a supposed novel process of treatment of sulphide ores has finally resulted in a complete victory for your company. The United States Circuit Court of Appeals for the Third Circuit unanimously found that the alleged process was not infringed, and ordered the complainant's Bill of Complaint dismissed.

It is pleasing to record the continued loyalty and attention to duty during the past year of the employees of your company and its subsidiary companies.

By order of the Board of Directors,

C. A. HIGBEE,

Secretary.

April 18th, 1914.

D I V I D E N D S

There is given below a statement showing the dividends paid by your Company since it began operations:

No.	Date Paid	Rate	Amount
1	April 22, 1905	25%	\$250,000.00
2	July 22, 1905	25%	250,000.00
3	Oct. 21, 1905	25%	250,000.00
4	Jan. 22, 1906	25%	250,000.00
5	April 21, 1906	25%	250,000.00
6	July 21, 1906	35%	350,000.00
7	Oct. 20, 1906	35%	350,000.00
8	Jan. 21, 1907	35%	350,000.00
9	April 22, 1907	35%	350,000.00
10	July 22, 1907	25%	250,000.00
11	Oct. 21, 1907	25%	250,000.00
12	July 21, 1908	25%	250,000.00
13	Oct. 21, 1908	25%	250,000.00
14	Jan. 21, 1909	25%	250,000.00
15	April 21, 1909	35%	350,000.00
16	July 21, 1909	35%	350,000.00
17	Oct. 21, 1909	35%	350,000.00
18	Jan. 21, 1910	35%	350,000.00
19	April 21, 1910	35%	350,000.00
20	July 21, 1910	40%	400,000.00
21	Oct. 21, 1910	40%	400,000.00
22	Jan. 21, 1911	40%	400,000.00
23	April 21, 1911	40%	400,000.00
24	July 21, 1911	40%	400,000.00
25	Oct. 21, 1911	40%	400,000.00
26	Jan. 20, 1912	40%	400,000.00
27	April 20, 1912	40%	400,000.00
28	July 20, 1912	40%	400,000.00
29	Oct. 21, 1912	40%	400,000.00
30	Jan. 21, 1913	40%	400,000.00
31	April 21, 1913	40%	400,000.00
32	July 21, 1913	40%	400,000.00
33	Oct. 21, 1913	25%	250,000.00
34	Jan. 21, 1914	25%	250,000.00
*35	April 21, 1914	25%	250,000.00
			<hr/>
			\$11,600,000.00

*Declared March 26th, 1914.

In addition to the dividends above, in February, 1905, your Company retired its issued and outstanding Preferred Stock, with interest, amounting to a total of \$380,557.51

COSTS PER TON

The average cost to mine and mill the ore and market the products for the past year was as follows:

Mining Costs.....	\$3.28
Milling Costs.....	2.81
Freight on ore milled.....	.74
Marketing mill products.....	.58
Total Costs per ton.....	\$7.41
Metal Losses in Milling and Refining.....	1.96
Profit per ton.....	8.42
Average gross value of ore milled.....	\$17.79

12

16 3411 2906556
89 1780
89 2582.000
83 Recd from Selby 2500.00
78000
2906556
Combined and Condensed Cash Receipts and Disbursements of

The Tonopah Mining Company of Nevada
and Desert Power and Mill Company

For the Year ending February 28, 1914

RECEIPTS

Selby Smelting & Lead Company, Mill Products.....	\$2,504,638.99
Loans Paid.....	850,000.00
Certificates of Deposit Paid.....	100,000.00
Note Paid.....	50,000.00
Esmeralda Power Company.....	45,000.00
Tonopah & Goldfield R. R. Co., Dividend.....	93,990.50
Tonopah Banking Corporation, Dividend.....	192.00
Tonopah Crystal Water Company, Dividend.....	462.00
Profits on Bonds Sold.....	375.00
Interest on Bank Balances.....	6,317.91
" " Loans.....	31,859.73
" " Investments.....	52,050.00
" " Certificates of Deposit.....	3,241.67
Freight Claims Collected.....	993.30
Unclaimed Checks.....	1,137.07
Real Estate Rentals.....	7,188.21
Accounts Collectible.....	21,322.63
Total.....	\$3,768,769.01
Excess of Disbursements over Receipts.....	91,552.88
Total.....	\$3,860,321.89

DISBURSEMENTS

Labor, Supplies, Freight, Salaries and General Expenses.....	\$1,021,738.92
Power Purchased.....	127,608.28
Insurance.....	14,640.74
Taxes.....	40,811.07
Defense Brown Patent Suit.....	9,345.08
Personal Injury Settlements.....	2,826.63
Exploration Expense.....	75,007.11
Special Machinery Account.....	5,500.00
Patents.....	3,204.89
Stock Purchased—Tonopah Mines Hospital.....	2,500.00
Stock Purchased—Tonopah Placers Company.....	240,000.00
Stock Purchased and Bond Exchanges.....	1,553.60
Payments Account Properties.....	42,321.67
Loans Made.....	978,263.90
Dividends Paid, Nos. 31, 32, 33 and 34.....	1,300,000.00
Total.....	\$3,860,321.89

The Tonopah Mining Company of Nevada **Income and Surplus Account for Year ending February 28, 1914.**

Gross Value of Ore Shipped to Mill.....	\$2,918,417.21
Cost and Deductions:	
Treatment Charges.....	\$1,199,157.08
Metal Deductions.....	428,749.92
Freight and Tolls.....	121,392.42
Mining Costs, Shaft Sinking and General Expenses	600,255.31
Exploration Expense for Year.....	74,601.76
	<u>2,424,156.40</u>
	\$494,260.72
Miscellaneous Earnings.....	\$2,805.52
Miscellaneous Losses.....	78.35
	<u>2,727.17</u>
	\$496,987.89
Net Earnings for the Year.....	
Other Income:	
Dividends from Desert Power and Mill Company	\$825,000.00
Dividends from Tonopah & Goldfield R. R. Co...	93,990.50
Dividends from Tonopah Banking Corporation...	192.00
Dividends from Esmeralda Power Company.....	300.00
Interest on Securities Owned.....	54,229.21
Interest on Loans Made.....	29,168.77
Interest on Bank Balances.....	3,389.16
Profit on Bonds Sold.....	375.00
Other Income.....	1,250.00
	<u>1,007,894.64</u>
Net Earnings and Income for the Year.....	\$1,504,882.53

Desert Power and Mill Company **Income and Surplus Account for Year ending February 28, 1914**

Gross Value of Ore on Hand, March 1, 1913.....	\$23,011.40
Gross Value of Ore Purchased from the Tonopah Mining Company of Nevada during the year.....	2,918,417.21
	<u>\$2,941,428.61</u>
	8,081.57
Difference on Account of Silver Quotations.....	\$2,932,747.04
Total.....	26,190.87
Deduct Gross Value of Ore on Hand, February 28, 1914.....	<u>\$2,906,556.17</u>
Gross Value of all Ore Milled.....	
Cost and Deductions:	
Cost of Ore Purchased from the Tonopah Mining Company of Nevada.....	\$1,281,233.67
Metal Losses in Milling.....	319,548.37
Cost of Marketing Products.....	95,189.56
Milling Costs and General Expenses.....	504,280.29
Defense Brown Suit.....	9,355.33
Proportion Duncan Patent.....	3,204.89
Reduction of Absorption in Mill Acet.....	13,860.00
	<u>2,226,672.11</u>
	\$679,884.06
Miscellaneous Earnings.....	1,051.98
Net Earnings for the Year.....	\$680,936.04
Other Income:	
Interest on Bank Balances.....	2,623.17
Total Earnings and Income for the Year.....	\$683,559.21
Dividends Paid to the Tonopah Mining Co. of Nevada.....	<u>\$825,000.00</u>
Net Reduction of Surplus for Year.....	\$141,440.79

Capital Account of
The Tonopah Mining Company of Nevada and
Desert Power and Mill Company
Ending February 28, 1914

Property, Plant and Betterments as valued at close of fiscal year ending February 28, 1914.....			\$245,529.24
Desert Power and Mill Company, Plant.....			320,000.00
Tonopah & Goldfield Railroad Co. Common Stock.....			988,700.00
Tonopah & Goldfield Railroad Co. Pref'd Stock.....			283,400.00
Tonopah Placers Company, Stock.....			240,000.00
Esmeralda Power Company, Stock.....			30,000.00
Tonopah Crystal Water Company, Stock.....			2,779.00
Tonopah Banking Corporation, Stock.....			840.00
Tonopah Mines Hospital Ass'n., Stock.....			2,500.00
Reading Company General Mortgage 4% Bonds..... (PAR VALUE)			
Southern Pacific Co. San Francisco Terminal First Mortgage 4% Bonds.....	\$350,000		342,375.00
Public Service Corporation of New Jersey General Mortgage 5% Bonds.....	225,000		208,700.00
Kansas City, Ft. Scott & Memphis Ry. Co. Refunding Mortgage 4% Bonds.....	100,000		93,750.00
Portland, Railway, Light & Power Company, Refunding and First Mortgage 5% Bonds.....	100,000		79,750.00
Market Street Elevated Passenger Ry. Co. Guaranteed First Mortgage 4% Bonds.....	75,000		72,000.00
Philadelphia Rapid Transit Company Equipment 5% Series B Bonds.....	60,000		58,350.00
Pennsylvania Railroad Co. Convert. 3½% Bonds.....	50,000		49,678.60
Great Northern Ry Co., and Northern Pacific Ry. Co., Joint (C.B. & Q.) 4% Bonds.....	50,000		48,875.00
Jamestown, Franklin & Clearfield R.R. Co. First Mortgage Guaranteed 4% Bonds.....	50,000		48,000.00
Pacific Power Co., First Mortgage 6% Bonds.....	50,000		47,062.50
Lake Shore & Michigan Southern Railway, 4% Bonds..	40,000		39,000.00
New York Central & Hudson River Railroad Co., 4½% Notes.....	25,000		23,343.75
Loans on Collateral.....	25,000		25,000.00
Certificates of Deposit.....			515,000.00
Sundry Investments.....			25,000.00
Loans to Subsidiary Companies.....			113,642.33
Selby Smelting & Lead Company, Mill Products.....			257,262.43
Cash.....			223,365.49
Absorption in Mill.....			251,017.38
Storehouse Supplies.....			40,000.00
Ore on Dump at Tonopah.....			116,846.82
Ore at Desert Mill.....			248,349.33
Accrued Interest on Loans and Bonds.....			56,831.39
Prepaid Insurance.....			16,639.51
Accounts Receivable.....			7,125.61
			8,536.26
DEDUCT:			\$5,129,249.64
Accrued Taxes (not due).....	\$31,440.43		
Accounts Payable (not due).....	107,126.21		
Insurance Fund (reserve).....	15,329.59		
			153,896.23
Total.....			\$4,975,353.41

Statement showing total tons mined during fiscal year
ending February 28, 1914

Month		ORE SHIPPED			WASTE TO DUMP			TOTAL MINED		
		Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons
March,	1913.....	15405	2.6	15005	3271	2.6	3185	18676	2.6	18190
April,	1913.....	14910	2.6	14523	3184	2.6	3101	18094	2.6	17624
May,	1913.....	15303	2.6	14905	3285	2.6	3200	18588	2.6	18105
June,	1913.....	14965	2.6	14576	3691	2.6	3595	18656	2.6	18171
July,	1913.....	14480	2.6	14104	2828	2.6	2754	17308	2.6	16858
August,	1913.....	15011	2.6	14621	3094	2.6	3013	18105	2.6	17634
September,	1913.....	13358	2.6	13011	3871	2.6	3770	17229	2.6	16781
October,	1913.....	15594	2.6	15189	3719	2.6	3622	19313	2.6	18811
November,	1913.....	12331	2.6	12011	3135	2.6	3053	15466	2.6	15064
December,	1913.....	12309	2.6	11989	3586	2.6	3493	15895	2.6	15482
January,	1914.....	12457	2.6	12133	3081	2.6	3001	15538	2.6	15134
February,	1914.....	11650	2.6	11344	3169	2.6	3090	14819	2.6	14434
Total.....		167773	2.6	163411	39914	2.6	38877	207687	2.6	202288

Statement showing total number of tons milled during
fiscal year ending February 28, 1914.

Month		Wet Tons	H ₂ O	Dry Tons	ASSAYS PER TON	
					Au.	Ag.
March,	1913.....	15105	2.6	14712	.245	21.86
April,	1913.....	14960	2.6	14572	.217	19.65
May,	1913.....	15353	2.6	14954	.204	17.44
June,	1913.....	14965	2.6	14576	.207	18.57
July,	1913.....	14630	2.6	14250	.249	21.68
August,	1913.....	14861	2.6	14475	.228	20.73
September,	1913.....	13508	2.6	13157	.248	20.90
October,	1913.....	15444	2.6	15043	.242	21.90
November,	1913.....	12331	2.6	12011	.302	25.44
December,	1913.....	12209	2.6	11892	.316	26.94
January,	1914.....	12582	2.6	12255	.278	23.83
February,	1914.....	11799	2.6	11490	.254	22.58
Total.....		167747	2.6	163387	.247	21.61

Feet of Drifting, Cross-cutting, Winzes and Raises, and Cubic Yards
Excavation for Year ending February 28, 1914

Month		Drifts	Cross Cuts	Winzes and Raises	Excavating Cu. Yards	Shaft Sinking Sand Grass
March	1913.....	505.0	356.0	202.0	.....	73.0
April	1913.....	630.0	783.0	395.0	.....	11.0
May,	1913.....	895.0	1019.0	379.0	.....	.....
June,	1913.....	1363.0	677.0	540.0	.....	.....
July,	1913.....	1173.0	415.0	517.0	.....	.....
August,	1913.....	709.0	398.0	511.0	325.0	60.0
September,	1913.....	402.0	331.0	270.0	.....	85.0
October,	1913.....	383.0	215.0	193.0	.....	103.0
November,	1913.....	390.0	57.0	38.0	.....	105.0
December,	1913.....	474.0	120.0	238.0	136.0	11.0
January,	1914.....	736.0	344.0	279.0	.....	.....
February,	1914.....	754.0	596.0	189.0	.....	.....
Total.....		8414.0	5311.0	3751.0	461.0	448.0

Status at End of Year

	For Year Ending February 28, 1914 Feet	Total To Date Feet
Drifts.....	8,414.0	79,538.73
Cross-Cuts.....	5,311.0	51,824.1
Winzes and Raises.....	3,751.0	26,882.0
Excavation (Cubic Yards).....	461.0	3,159.7
Shaft Sinking.....	448.0	5,153.4
Lessees' Shafts.....	.....	2,595.0
Diamond Drilling.....	.....	7,278.0

13TH

*Compliments of
J. F. McPherson
Jan 22*

Thirteenth Annual Report
— . —
The Tonopah Mining Company
of Nevada

February 28, 1915

To the Stockholders of

THE TONOPAH MINING COMPANY OF NEVADA

The Board of Directors submit the following reports of operations of your Company for the year ending December 31st, 1918.

Report of

Mr. H. W. Stotesbury, Mine Superintendent

Tonopah, Nevada, January 1, 1919.

Mr. W. H. Blackburn, General Superintendent,

The Tonopah Mining Company of Nevada,

Tonopah, Nevada.

Mining operations were carried on continuously throughout the year through Mizpah, Silver Top and Sand Grass shafts.

Approximately 150 tons of mine ore per day were shipped to the Belmont mill for treatment, the greater part of which came from the Mizpah and Silver Top shafts. The high price of silver having been maintained throughout the year, it was possible to ship all of the ore-house reject dumps at a good profit, and the Desert Mill operated almost entirely upon this product during the year. The small amount of ore house reject now being sorted out is too low grade to be milled at a profit.

Work was hampered during the greater portion of the year by a shortage of labor, due to miners going into the army and navy, and later, on account of the influenza epidemic, in consequence of which there were not enough men to keep the work going to full capacity. Development work was curtailed during this shortage, and all available men were employed in breaking ore. The labor situation is at present improving, and will continue to do so as the men return from the army.

Mine operations during the year consisted essentially in removing old pillars, trying out ends and backs of old stopes, which had been discontinued when the price of silver was low, and in the underhand stoping of blocks of ore below old drifts. This work resulted in the discovery of a considerable amount of high grade ore.

During the year, 53,279 dry tons of mine ore, averaging \$18.34 per ton, was shipped to the Belmont mill for treatment, and 1499 dry tons of mine ore, averaging \$26.73, and 102,404 dry tons of ore house reject, averaging \$5.29 per ton, were shipped to the Desert Mill at Millers.

Mining costs during the year were slightly lower than for the previous year, owing principally to a decrease in the amount of development work. The total mining costs for the year, segregated under four main headings, are as follows:

Labor.....	\$3.214
Supplies.....	.994
Power.....	.347
<hr/>	
Direct.....	4.555
Indirect.....	.690
<hr/>	
Total.....	\$5.245 ✓

DEVELOPMENT WORK

The total amount of development work during the year amounted to 4619 feet. Of this amount, 1625 feet was done from Silver Top shaft; 1667 feet from Mizpah shaft, and 1327 feet at the Sand Grass shaft. This development work failed to disclose any new large bodies of ore. Hanging-wall and foot-wall raises and cross-cuts from various veins and stopes opened up several parallel shoots of ore near both the Mizpah and Silver Top shafts.

To the Stockholders of

The Tonopah Mining Company of Nevada

The Board of Directors submits the following report of operations of your Company for the fiscal year ending February 28th, 1915, and the condition of your property on March 1st, 1915.

Tonopah Placers Company

The Tonopah Placers Company was formed to hold and operate the placer property acquired at Breckenridge, Colorado. The Tonopah Mining Company of Nevada holds $83\frac{1}{3}\%$ of the stock of said Company.

Three dredges were put in operation in May and June, 1914, and continued operating until about the middle of December, when they were shut down on account of winter weather. Necessary repairs were made to these dredges, during the winter months.

Eden Mining Company

The option on the property in Nicaragua was exercised the latter part of January of this year, and the Eden Mining Company was formed to hold and operate this property.

The Tonopah Mining Company of Nevada owns 555,000 shares of the stock of the Eden Mining Company, upon which no value has yet been placed on our books.

Contracts have been placed for the machinery necessary for an hydro-electric power plant for this property, and the engineers are at present [on the ground installing same. Sufficient ore has been developed to warrant the erection of a mill, and it is anticipated that within a year the first unit of this mill will be in operation, with a capacity of 100 tons per day.

Mizpah Extension Company

An option running for a period of two years has been taken upon the property of the Mizpah Extension Company of Tonopah. Your Company assumed charge of the development work on January 7th, 1915, to determine the extent of the ore bodies, and sufficient work can be done within this period of two years to determine whether or not your Company should acquire this property.

A suit was entered during the past year against the Tonopah Extension Mining Company for damages caused by that Company mining ore within the boundaries of the Tonopah Mining Company's property. The suit has not yet come to trial. Expert counsel has been retained, as a question involving extra lateral rights will have to be determined.

We regret to announce the death of Mr. A. R. Parsons, Superintendent of the mill, which occurred on March 3rd, 1915.

Mr. Parsons had been in the employ of the Desert Power and Mill Company from its beginning, and assisted in the construction of the mill. The development of the process of treatment of ores was directed by him, and stands as a monument to his ability and industry. He was a young man of exceptional ability and integrity. During his short life he accomplished much in promoting the efficiency of his profession, and contributed much of value to science. His death may be considered a loss to his profession.

Mr. F. F. Heydenfeldt who has been acting superintendent during Mr. Parsons' illness has been appointed Superintendent to fill the vacancy caused by Mr. Parsons' death.

It is pleasing to again record the continued loyalty and attention to duty during the past year of the employees of your Company and its subsidiary companies.

By order of the Board of Directors.

C. A. HIGBEE,

Secretary.

April 16, 1915.

Excerpts from the Report of Mr. W. H. Blackburn

Superintendent of Mine

No improvements of importance were undertaken during the year.

At the present time we are doing all of our mining and hoisting of ore on the day shift, with the exception of the Sand Grass development work, which is being done by two shifts per day.

The discontinuance of night shift work at the older shafts was brought about by our commencing to ship dump ores on the first of May, 1914, at the rate of 3000 dry tons per month. Shipments from the mine averaged 9468 dry tons per month. The monthly shipments of both mine and dump ore are shown in the attached statement of ore shipped to mill. The gross value of mine ore shipped was \$17.96, dump ore \$9.62, and the combined value was \$16.25 per dry ton.

The mining costs are as follows:

DIRECT.....	\$3.50
INDIRECT.....	.60
TOTAL.....	\$4.10

At the Sand Grass shaft development work was done on the veins on the upper and lower contacts with the West End rhyolite on the 6th, 7th, 8th and 10th levels. A small amount of ore has been encountered in these veins on the 10th level in the westerly part of the Sand Grass claim. A considerable amount of development still remains to be done from the Sand Grass shaft.

The estimated value of the total ore assets on March 1st, 1915, is \$1,525,731.00. The estimated tonnage is 102,056, including ore on the dumps. The estimated value per ton is \$14.94.

Your Company's properties are being thoroughly prospected for ore, but the indications are that no greater

earning capacity can be expected for the coming year than has prevailed for the past year. When extraction of ore begins in the Sand.Grass claim, it is probable that more ore will be encountered than we realize at present.

It is shown by the development of other properties in this district, that, while mining operations are being carried on, additional ore is frequently encountered, and thus the life of the properties prolonged.

Excerpts from the Report of Mr. F. F. Heydenfeldt

Superintendent of Mill

During the year ending February 28th, 1915, several important and radical changes have been made in the method of operating the plant, as well as in the form of treatment given the ores.

These changes were the result of a combination of circumstances, mainly as follows:

First. It was discovered that the filter equipment was not making a satisfactory saving of the dissolved metal values.

Second. Sand products did not give as good extractions as slime products.

We, therefore, had before us a problem calling for a more efficient filter or displacement treatment, and the changing of the plant to all slime treatment.

At that time filter presses seemed to be the only apparatus available that was worthy of approval, and the cost of an installation large enough for our requirements would be approximately \$90,000. This did not include the cost of changing the balance of the mill for all slime production and treatment, which would have been an additional \$10,000.00, making a total of \$100,000.00.

The filter press requires a great amount of water for sluicing purposes, which would have overtaxed our water supply, calling for another well at a cost of about \$6,000.00, in addition to the increased cost of pumping and slime pond maintenance.

Several schemes in the way of changes in filter equipment tried at other plants were not practical in our case, on account of the character of our slimes and other requirements; and had they been practical, it would have been necessary to increase our filter equipment to handle the increased slime tonnage.

A plan was evolved providing for the elimination of

washing with other changes in the filter operations, by which their capacity was increased from 250 tons under the old system to 400 tons at present.

One agitation tank, two tube mills and sixteen Dorr thickeners were installed, resulting in an all slime plant, at a total cost of about \$38,000.

These changes were made in such a way as not to interfere with the regular operation of the mill.

Extractions improved as the alterations progressed, resulting in the highest recoveries in the history of the plant. We are pleased to state that total direct costs for the last months of this year are the lowest in the history of the mill, there being a reduction of 14.4% in costs due to changes during ten months of its operation. The last four months show a further decrease, and it is reasonable to expect this will be maintained.

Much credit is due the entire mill force for these most gratifying results, for without their hearty co-operation such a record would have been impossible. We assure you every effort will be made for further improvement during the coming year.

DIVIDENDS

There is given below a statement showing the dividends paid by your Company since it began operations:

No.	Date Paid	Rate	Amount
1	April 22, 1905	25%	\$250,000.00
2	July 22, 1905	25%	250,000.00
3	Oct. 21, 1905	25%	250,000.00
4	Jan. 22, 1906	25%	250,000.00
5	April 21, 1906	25%	250,000.00
6	July 21, 1906	35%	350,000.00
7	Oct. 20, 1906	35%	350,000.00
8	Jan. 21, 1907	35%	350,000.00
9	April 22, 1907	35%	350,000.00
10	July 22, 1907	25%	250,000.00
11	Oct. 21, 1907	25%	250,000.00
12	July 21, 1908	25%	250,000.00
13	Oct. 21, 1908	25%	250,000.00
14	Jan. 21, 1909	25%	250,000.00
15	April 21, 1909	35%	350,000.00
16	July 21, 1909	35%	350,000.00
17	Oct. 21, 1909	35%	350,000.00
18	Jan. 21, 1910	35%	350,000.00
19	April 21, 1910	35%	350,000.00
20	July 21, 1910	40%	400,000.00
21	Oct. 21, 1910	40%	400,000.00
22	Jan. 21, 1911	40%	400,000.00
23	April 21, 1911	40%	400,000.00
24	July 21, 1911	40%	400,000.00
25	Oct. 21, 1911	40%	400,000.00
26	Jan. 20, 1912	40%	400,000.00
27	April 20, 1912	40%	400,000.00
28	July 20, 1912	40%	400,000.00
29	Oct. 21, 1912	40%	400,000.00
30	Jan. 21, 1913	40%	400,000.00
31	April 21, 1913	40%	400,000.00
32	July 21, 1913	40%	400,000.00
33	Oct. 21, 1913	25%	250,000.00
34	Jan. 21, 1914	25%	250,000.00
35	April 21, 1914	25%	250,000.00
36	July 21, 1914	25%	250,000.00
37	Oct. 21, 1914	25%	250,000.00
38	Jan. 21, 1915	25%	250,000.00
*39	April 21, 1915	25%	250,000.00
			\$12,600,000.00

*Declared March 25th, 1915.

In addition to the dividends above, in February, 1905, your Company retired its issued and outstanding Preferred Stock, with interest, amounting to a total of \$380,557.51

COSTS PER TON

The average cost to mine and mill the ore and market the products for the past year was as follows:

Mining Costs and costs of handling Dump ore.....	\$4.40
Milling Costs.....	2.96
Freight on ore milled.....	.74
Marketing mill products.....	.41
Total Costs per ton.....	\$8.51
Metal Losses in Milling and Refining.....	1.23
Profit per ton.....	6.51
Average gross value of ore milled.....	\$16.25

Combined and Condensed Cash Receipts and Disbursements of
The Tonopah Mining Company of Nevada
and Desert Power and Mill Company
For the Year ending February 28, 1915

RECEIPTS

Selby Smelting & Lead Company, Mill Products.....	\$1,589,102.99	1109
Loans Paid.....	350,000.00	
Bonds Sold.....	78,461.19	
Notes of Tonopah Placers Company Paid.....	56,000.00	
Esmeralda Power Company, Dividend.....	22,500.00	
Tonopah & Goldfield R. R. Co., Dividend.....	89,047.00	
Tonopah Banking Corporation, Dividend.....	128.00	
Tonopah Crystal Water Company, Dividend.....	286.00	
Profit on Bonds Sold.....	1,855.15	
Interest on Bank Balances.....	4,612.09	
" " Loans.....	45,299.44	
" " Investments.....	49,402.10	
Property Sold.....	11,760.00	
Unclaimed Checks.....	708.94	
Real Estate Rentals.....	7,456.16	
Accounts Collectible.....	2,120.43	
Total.....	\$2,308,739.49	
Excess of Disbursements over Receipts.....	205,733.65	
Total.....	\$2,514,473.14	

DISBURSEMENTS

Labor, Supplies, Freight, Salaries and General Expenses.....	\$850,071.23	592
Power Purchased.....	115,481.69	80
Fire Insurance.....	8,046.56	5
Industrial Insurance.....	7,423.00	52
Taxes.....	74,868.42	52
Personal Injury Settlements.....	4,540.20	3
Exploration Expense.....	38,622.13	262
Moore Filter Company Suit.....	4,243.42	3
Sand Grass Litigation.....	17,243.68	-12
Judgment-Sewer Suit, Tonopah Drain. & Sewer Co. vs. T M C Co. of Nevada.....	2,920.07	-2
Tonopah Hospital Association—dues.....	2,160.00	17
Loans—Tonopah Placers Company.....	107,750.00	741
Loans—Eden Mining Company.....	201,252.46	
Tunky Transportation & Power Co. stock.....	1,000.00	
Payment Account Properties.....	78,850.33	
Dividend Paid, Nos. 35, 36, 37 and 38.....	1,000,000.00	741
Total.....	\$2,514,473.14	17

Cost mining
disbursements
843
newly checks Cost portion
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741
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843
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262
7848

21 Hospital
44 Market
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7848

8306

The Tonopah Mining Company of Nevada

Comparative Balance Sheet of
February 28, 1914, and February 28, 1915

ASSETS				
	Feb. 28 1914	Feb. 28 1915	Increase	Decrease
Property, Plant and Betterments.	\$245,529.24	\$238,203.59	\$ 7,325.65	\$
Depreciation		75,233.72		
Total Properties, Plant & Better- ments.	\$245,529.24	\$162,969.87		\$82,559.37
Stocks, Bonds and Notes owned.	3,196,746.18	3,104,511.49		92,234.69
Loans & Advances to Subsidiary Co's	257,262.43	566,264.89	309,002.46	
Accounts Receivable:				
Miscellaneous.	18,826.17	21,968.24	3,142.07	
Desert Power and Mill Company.	185,108.34	529,129.14	344,020.80	
Materials and Sup- plies on Hand.	35,255.84	42,636.47	7,380.63	
Net Value of Ore on Dump.	248,349.33	98,350.75		\$149,998.58
Stored Ore at Mill at Cost of Min- ing and Handling	39,931.27	39,931.27		
Loans on Collateral Certificate of De- posit.	515,000.00	150,000.00		365,000.00
Cash.	25,000.00	25,000.00		
	155,677.21	22,161.93		133,515.28
Total Current Assets.	\$1,480,410.59	\$1,495,442.69	\$15,032.10	\$
Deferred Charges (Unexpired In- surance).	1,539.12	1,370.10		169.02
Total Assets.	\$4,924,225.13	\$4,764,294.15		\$159,930.98

Desert Power and Mill Company
Comparative Balance Sheet of
February 28, 1914, and February 28, 1915

ASSETS				
	Feb. 28 1914	Feb. 28 1915	Increase	Decrease
Property.....	\$320,000.00	\$280,000.00	\$.....	*\$40,000.00
Tonopah Mines Hos- pital Stock.....	1,000.00	1,000.00	.....	.....
Accounts Receivable:				
Miscellaneous.....	6,349.60	6,129.96	.....	219.64
Due from Smelters..	223,365.49	121,645.27	.....	101,720.22
Ore Stock on Hand ..	16,900.12	12,888.78	.....	4,011.34
Materials and Supplies on Hand.....	81,590.98	76,463.12	.....	5,127.86
Absorption in Mill...	40,000.00 ✓	40,000.00	.....	.....
**Silver Bullion Stored		609,162.21	609,162.21	.....
Cash.....	95,340.17	23,121.80	.....	72,218.37
Total Current As- sets.....	\$463,546.36	\$889,411.14	\$425,864.78	
Deferred Charges (Un- expired Insurance).	5,586.49	5,454.97	.....	131.52
Total Assets.....	\$790,132.85	\$1,175,866.11	\$385,733.26	.....
*Valued at 50c. per ounce.			*Depreciation charged off.	

The Tonopah Mining Company of Nevada
Income and Surplus Account for Year ending February 28, 1915.

Gross Value of Ore Shipped to Mill.....\$2,328,583.51

Cost and Deductions:

Treatment Charges.....	\$467,687.25
Mill Deductions	325,826.49
Freight	106,225.56
Mining Costs, Shaft Sinking and General Expenses	540,288.42
Exploration Expense for Year.....	38,622.13
Value of Ore taken from Dump.....	149,998.58

1,628,648.43

Miscellaneous Losses.....	2,413.83
Miscellaneous Earnings.....	2,232.65

181.18

Net Earnings for the Year.....\$699,753.90

Other Income:

Dividends from Tonopah & Goldfield R. R. Co....	\$9,047.00
Dividends from Esmeralda Power Company.....	22,500.00
Dividends from Tonopah Banking Corporation...	48.00
Interest on Securities Owned.....	49,293.79
Interest on Loans	55,497.90
Interest on Bank Balances.....	2,860.23
Profit on Bonds Sold.....	1,855.15
Profit on Liability Insurance carried.....	4,701.04

225,803.11

Net Earnings and Income for the Year.....\$925,557.01

Desert Power and Mill Company

Income and Surplus Account for Year ending February 28, 1915

Gross Value of Ore on Hand, March 1, 1914.....\$26,190.87

Gross Value of Ore Purchased from the Tonopah Mining Company
of Nevada during the year.....2,328,583.51

Difference on Account of Silver Quotations and adjustments.....\$2,354,774.38
5,582.17

Total.....\$2,360,356.55
Deduct Gross Value of Ore on Hand, February 28, 1915.....21,250.57

Gross Value of all Ore Milled.....\$2,339,105.98

Cost and Deductions:

Paid The Tonopah Mining Company of Nevada for ore.....	\$1,539,081.11
Metal Losses in Milling.....	179,482.87
Cost of Marketing Products.....	64,095.51
Milling Costs and General Expenses.....	441,379.98

2,224,039.47

Miscellaneous Earnings.....\$115,066.51
1,641.67

Net Earnings for the Year.....\$116,708.18

Other Income:

Interest on Bank Balances.....	1,495.24
Profit on Liability Insurance Carried.....	6,364.03

7,859.27

Net Earnings and Income for the Year.....\$124,567.45

The Profit

Statement showing total tons mined during fiscal year
ending February 28, 1915

Month		MINE ORE			DUMP ORE			TOTAL		
		Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons	Wet Tons	H ₂ O	Dry Tons
March,	1914.....	12583	2.6	12255	....	...	....	12583	2.6	12255
April,	1914.....	11745	2.6	11440	....	...	....	11745	2.6	11440
May,	1914.....	8936	2.6	8703	2974	2.6	2897	11910	2.6	11600
June,	1914.....	8707	2.6	8480	3361	2.6	3274	12068	2.6	11754
July,	1914.....	9162	2.6	8924	3283	2.6	3198	12445	2.6	12122
August,	1914.....	8980	2.6	8746	3459	2.6	3369	12439	2.6	12115
September,	1914.....	9215	2.6	8975	2821	2.6	2748	12036	2.6	11723
October,	1914.....	10708	2.6	10430	3236	2.6	3152	13944	2.6	13582
November,	1914.....	9625	2.6	9375	2756	2.6	2684	12381	2.6	12059
December,	1914.....	9925	2.6	9686	2603	2.6	2535	12528	2.6	12201
January,	1915.....	9612	2.6	9363	2884	2.6	2809	12496	2.6	12172
February,	1915.....	7453	2.6	7259	3403	2.6	3320	10861	2.6	10579
Total.....		116651	2.6	113616	30785	2.6	29986	147436	2.6	143602

Statement showing total number of tons milled during
fiscal year ending February 28, 1915.

Month		Wet Tons	H ₂ O	Dry Tons	ASSAYS PER TON	
					Au.	Ag.
March,	1914.....	12108	2.6	11793	.273	24.44
April,	1914.....	11870	2.6	11561	.262	22.19
May,	1914.....	12435	2.6	12111	.278	21.80
June,	1914.....	12018	2.6	11705	.266	22.02
July,	1914.....	12270	2.6	11951	.249	20.24
August,	1914.....	12289	2.6	11969	.253	21.70
September,	1914.....	12332	2.6	12011	.235	20.85
October,	1914.....	13374	2.6	13026	.258	22.93
November,	1914.....	12281	2.6	11961	.246	21.90
December,	1914.....	12877	2.6	12542	.225	19.20
January,	1915.....	12946	2.6	12609	.206	18.89
February,	1915.....	10461	2.6	10193	.200	18.19
Total.....		147261	2.6	143432	.246	21.22

Feet of Drifting, Cross-cutting, Winzes and Raises, and Cubic Yards
Excavation for Year ending February 28, 1915

Month		Drifts	Cross Cuts	Winzes and Raises	Excavating Cu. Yards	Shaft Sinking Sand Grass
March	1914.....	767.0	623.0	51.0	.....	.....
April	1914.....	927.0	175.0	144.0	.....	.....
May,	1914.....	826.0	288.0	243.0	.....	.....
June,	1914.....	947.0	384.0	486.0	.....	.....
July,	1914.....	886.0	262.0	419.0	.....	.....
August,	1914.....	918.0	463.0	289.0	.....	.....
September,	1914.....	720.0	571.0	672.0	.....	.....
October,	1914.....	712.0	678.0	458.0	.....	.....
November,	1914.....	598.0	720.0	414.0	.....	.....
December,	1914.....	520.0	385.0	177.0	.....	.....
January,	1915.....	765.0	87.0	408.0	.....	.....
February,	1915.....	637.0	452.0	413.0	.....	.....
Total.....		9223.0	5088.0	4174.0	.....	.....

9223
5088
4174
18485

Status at End of Year

	For Year Ending February 28, 1915 Feet	Total To Date Feet
Drifts.....	9,223.0	88,761.73
Cross-Cuts.....	5,088.0	56,912.1
Winzes and Raises.....	4,174.0	81,056.0
Excavation (Cubic Yards).....	18,485.0	3,159.7
Shaft Sinking.....		5,153.4
Lessees' Shafts.....		2,595.0
Diamond Drilling.....		7,278.0

TONOPAH PLACERS COMPANY

Balance Sheet of
February 28th, 1915.

ASSETS

Property, Plant and Betterments.....	\$1,174,891.02
Dredges.....	383,762.95
Material and Supplies on hand.....	34,176.92
Accounts receivable.....	4,808.50
Prepaid Insurance.....	2,180.62
Cash.....	23,498.16
	<hr/>
	\$1,623,318.17

LIABILITIES

Capital Stock.....	\$1,000,000.00
Notes outstanding.....	317,750.00
Accounts payable.....	24,075.34
Taxes payable.....	11,313.26
Insurance Fund.....	599.47
Surplus.....	269,580.10
	<hr/>
	\$1,623,318.17

TONOPAH PLACERS COMPANY

Income Statement

For year ending

February 28th, 1915.

Gross value of ore shipped to Mint.....	\$467,204.27	
Cost of Operations.....	271,598.06	
		<u>195,606.21</u>
Miscellaneous earnings from:		
Electric Lighting.....	2,218.98	
Discount on Note.....	1,708.33	
Interest on Bank Balance.....	813.69	
		<u>4,741.00</u>
		<u>\$200,347.21</u>
Depletion of ore—5% of gross production from beginning of operations.....		23,669.77
Net Income.....		<u>176,677.44</u>
Surplus February 28th, 1914.....		92,902.66
Surplus, February 28, 1915.....		<u>269,580.10</u>

Cubic Yards Dredged	2,995,256.	
Gold Produced, ounces	22,542.45	
Silver Produced, ounces.....	4,781.49	
Value per yard.....	\$0.155	
Profit per yard.....	0.096	

Acres Dredged 1914.....	49.60	
Acres Dredged prior to 1914.....	196.898	
Acres Dredged Total.....	246.498	✓
Acres Undredged.....	4,836.093	
Acres Placer ground.....	5,082.591	✓
Acres Lode ground.....	36.226	
Acres Total.....	<u>5,118.817</u>	

17TH

Payroll

Seventeenth Annual Report
The Tonopah Mining Company
of Nevada

For the Year ending
December 31st, 1918

NOTICE

ADDITIONAL COPIES OF ANNUAL REPORT
WILL NOT BE MAILED UNLESS THE RE-
QUEST FOR SAME IS ACCOMPANIED
BY SUFFICIENT POSTAGE TO PAY FOR
THE MAILING

A resumption of work on the Mizpah Fault vein, on the 500 foot level of the Mizpah shaft, developed a considerable body of ore which is now being stoped. Development work will be continued by means of raises and intermediate drifts.

At the Sand Grass, development work from the winze, below the 1140 level, failed to locate any bodies of commercial ore, and work in that locality has been discontinued. On the 1300 level, the west drift on the vein was driven to the Tonopah Extension property line, and a raise put up on the vein opened up a small amount of ore in the hanging wall on which some stoping was done. This work soon proved to be unprofitable, however, and was discontinued.

On the 600 level of the Sand Grass, a northeast cross-cut has been started with the hope of encountering the extension of several new veins recently opened up in the Midway Mining Company's property.

On the 1140 level, a south cross-cut from the shaft is being driven into the Sand Grass andesite to prospect for a probable contact to the south.

ORE RESERVES

No definite estimate of the amount of ore in sight can be given, for the same reason as that mentioned last year, namely, that the ore bodies being mined are of such a nature that their limits and value cannot be determined with any degree of accuracy. As predicted last year, however, work in the old stopes has resulted in opening up several bodies of good ore in entirely unexpected places, and this should hold good for the ensuing year.

Respectfully submitted,

(Signed) H. W. STOTESBURY

Mine Superintendent

Report of
Mr. H. A. Johnson, Mill Superintendent

Millers, Nevada, January 1, 1919.

Mr. W. H. Blackburn, General Superintendent,
The Tonopah Mining Company of Nevada,
Tonopah, Nevada.

Very few changes have been made during the year 1918 in the milling operations.

The mill has operated principally on ore house reject dump ore from January 1, 1918, until November 1, 1918, when the dumps were practically exhausted. During the month of November the mill was run entirely on the treatment of sand tailings. The results did not show a profit, consequently in December the balance of ore on hand at the mill was treated, the ore bins cleaned out and the mill put in shape for an indefinite shut-down.

The mill, with a few minor repairs can be placed in operation in a very short time should the occasion demand it.

Due credit should be given the employes, who, by their co-operation and willing efforts, added another successful year to the life of the mill.

The following tables summarize the years milling operations in detail.

DETAIL OF ORE MILLED AND RECOVERIES

1918 Month	Dry Tons	Gross Contents Ounces		Recovery		Recovery Based on Net
		Gold	Silver	Gold	Silver	Smelter Returns
January.....	11006	744	73194	94.7%	93.4%	93.8%
February.....	10402	443	48874	92.3%	92.1%	92.4%
March.....	10846	436	50935	91.6%	92.8%	92.3%
April.....	10199	374	44142	91.0%	90.9%	91.3%
May.....	10645	441	52745	91.3%	90.4%	90.3%
June.....	10399	416	48876	91.8%	90.7%	90.9%
July.....	10866	535	58639	92.3%	90.8%	91.9%
August.....	11663	432	53599	90.8%	90.3%	90.5%
September...	11012	389	50518	91.6%	91.5%	91.5%
October.....	6433	275	31699	90.9%	90.9%	91.1%
November....	59	13	1259	91.0%	91.0%	91.0%
December....	1850	75	9145	90.1%	90.0%	90.3%
Total.....	105380	4573	523625	.....	.....	.....
Average.....				92.0%	91.4%	91.4%

MILLING COSTS

1918	Tonnage	Direct Cost	Indirect Cost	Total Cost
January.....	11006	\$2.76	\$0.28	\$3.08
February.....	10402	2.50	.25	2.75
March.....	10846	2.18	.23	2.41
April.....	10199	2.59	.24	2.83
May.....	10645	2.51	.23	2.74
June.....	10399	2.54	.23	2.77
July.....	10866	2.45	.22	2.67
August.....	11663	2.39	.21	2.60
September.....	11012	2.22	.22	2.44
October.....	6433	2.24	.21	2.45
November.....	59	1.80	.22	2.02
December.....	1850	2.37	.25	2.62
Total.....	105380			
Average.....		\$2.37	\$0.23	\$2.60

Respectfully,

(Signed) H. A. JOHNSON,
Mill Superintendent.

**SUBSIDIARY COMPANIES OF
THE TONOPAH MINING COMPANY OF NEVADA**

TONOPAH PLACERS COMPANY

Operating in Breckenridge, Colorado

At the close of the season of 1917, the ground upon which No. 1 dredge had been working, had all been dredged, and it was necessary to move the dredge to the Magnum Bonum placer, which is one of the best pieces of placer ground owned by this Company. The ground between where the No. 1 dredge then was, and the Magnum Bonum placer, was owned by other parties, and it was necessary to secure the privilege of passing the dredge through this intervening ground. Most of the season of 1918 was spent in dredging through this intervening ground; therefore, with No. 1 dredge on the Magnum Bonum placer, and good ground ahead, that will take at least four years to dredge, the prospects for the future earnings of this dredge are very encouraging.

Dredge No. 2 was operating on ground belonging to the Farncomb Hill Gold Dredging Company, under a contract by which the Tonopah Placers Company receives one-half of the net profits. This ground proving to be of lower value than ground dredged in the previous years, materially reduced the earnings of this dredge.

Dredge No. 3 reached the end of our property in the direction it was going, and was turned back. This dredge is now on the edge of ground where the drilling shows good values to exist, with at least two years' work ahead on this ground.

Financial statement is shown on pages 20 and 21.

EDEN MINING COMPANY

Operating in Nicaragua, C. A.

The tunnel at the power plant was completed during the year, giving 200 KW additional power from the unit already installed. The new unit, referred to in the last report, is on the property, but the installation was delayed by the loss of two separate shipments of cement, which were necessary for the foundations. The cement was lost by the sinking of boats before it was delivered to us in Nicaragua. A third shipment of cement has arrived on the property, and the foundations are now being constructed.

The services of Mr. Robert Hawxhurst, Jr., former general superintendent, having terminated in November, 1918, Mr. M. B. Huston was appointed as his successor. Mr. Huston has been connected with Tonopah Mining Co. of Nevada's operations for several years, and his work at the Eden mine has been most satisfactory. The mill was started about the middle of November, and ran 603 hours to December 31st. The product of bullion for this time amounted to \$45,946.60. The mill will run continuously from now on. The prices of supplies, principally cyanide, powder and steel, are still considerably above pre-war prices, but they are gradually declining. A printed report of the Eden Mining Company's operations will be mailed to the stockholders of that company previous to its annual meeting in May.

TONOPAH NICARAGUA COMPANY

Drilling on this property was completed in July of 1918, and developed 984,232 tons of carbonate ore, containing an average value of \$0.63 gold and 4.832% copper; 163,556 tons of sulphide ore, containing an average value \$3.41 gold and 10.287% copper; 35,500 tons of tailings, containing an average value of \$2.73 in gold and 1.97% copper, and 308,800 tons of sulphide ore containing an average value of \$0.27 gold and 3.365% copper, or an aggregate of 1,492,088 tons of ore, averag-

ing \$0.91 gold and 5.059% copper, or about 151,000,000 pounds copper metal.

After having thoroughly drilled and mapped this property, thus determining the size and value of the ore bodies, work was suspended until such time as it was practicable to install a reduction plant.

MANDY MINING COMPANY

Operating in Manitoba, Canada

While mining on this property has been more or less continuous, the ore can be moved from the property to Sturgeon Landing, the head of navigation, a distance of thirty-six miles, only in winter. In the following summer this ore is moved by tugs and barges from Sturgeon Landing to The Pas, a distance of one hundred and twenty-five miles, by water, thence by rail to the smelter. At the end of each year, therefore, there is necessarily a large tonnage of ore on hand. During the past summer, 5904 tons were moved from Sturgeon Landing to the smelter. When navigation opens next summer there will be approximately fifteen thousand tons of ore at Sturgeon Landing ready for shipment to The Pas and the smelter.

The property is now being drilled in an endeavor to locate other high grade ore bodies.

The financial statement is shown on pages 22 and 23.

The Federal Law having obliged us to adjust our fiscal year to the calendar year, the Annual Meeting of the stockholders of the Tonopah Mining Company of Nevada will be held at the offices of the Company, Room 572 Bullitt Building, on Tuesday, March 18, 1919, at 2.30 o'clock P. M. for the election of Directors for the ensuing year and the transaction of such other business as may properly come before the meeting.

The loyal and efficient service, of the employees of this and the subsidiary companies, again merits commendation.

By order of the Board of Directors of
The Tonopah Mining Co. of Nevada.

C. A. HIGBEE, Secretary.

March 1st, 1919.

The Tonopah Mining Company of Nevada

Comparative Balance Sheet of
December 31, 1917, and December 31, 1918,

ASSETS				
	Dec. 31 1917	Dec. 31 1918	Increase	Decrease
Property, Plant and Betterments.	\$213,003.19	\$141,183.40 ^f	.....	\$71,819.79
Stocks and Bonds owned	2,331,863.22	2,363,230.31	31,367.09	.....
Loans & Advances to Subsidiary Co's	2,319,744.85	2,816,120.06	496,375.21	.....
Accounts Receivable:				
Miscellaneous.....	18,262.65	19,292.38	1,029.73	.....
Materials and Sup- plies	159,159.43	117,259.11	.....	41,900.32
*Stored Silver Bullion	136,448.50	.....	.....	136,448.50
Due from Smelters ..	113,732.93	98,363.46	.....	15,369.47
Absorption in Mill...	20,000.00	8,300.51	.....	11,699.49
Ore Stock on Hand..	9,146.23	.....	.....	9,146.23
Cash	35,145.05	108,495.81	73,350.19	.....
	\$2,811,640.24	\$3,167,831.36	\$356,191.12	
Deferred Charges (Unexpired In- surance).....	422.43	188.66	.....	233.77
Total Assets	\$5,356,929.08	\$5,672,433.73	\$315,504.65	.....

*272,897 ozs. carried on books at 50 cents per ounce.

Condensed Cash Receipts and Disbursements of
The Tonopah Mining Company of Nevada
For the Year ending December 31, 1918.

RECEIPTS

American Smelters Securities Co., Mill Products.....	\$672,548.67 ✓
Tonopah Belmont Development Co., Mill Products	612,147.84
Sale of Stored Silver Bullion	270,996.32
Interest on Bank Balances.....	1,373.17
Interest on Loans and Investments.....	51,352.23
Dividend—Tonopah & Goldfield R. R. Co.....	123,651.50
Dividend—Esmeralda Power Company.....	22,875.00
Dividend—Tonopah United Water Company	718.08
Real Estate Rentals.....	2,135.50
Returns from Ores Mined by Jim Butler Tonopah Mining Co...	297.83
Return of expenses in settlement with Moore Filter Company ...	3,000.00
Accounts Collectible.....	52,417.41

Total Receipts \$1,813,513.55

Cash on Hand January 1, 1918 35,145.65

\$1,848,659.20

DISBURSEMENTS

Labor, Supplies, Freight, Salaries and General Expense.....	\$633,466.99
Power Purchased.....	78,559.84
Industrial Insurance.....	9,246.34
Taxes Paid.....	101,440.88
Exploration Expense.....	1,549.31
Loans—Eden Mining Company.....	355,000.00 ✓
Loans—Subsidiary Companies	107,500.00 ✓
Liberty Bonds Purchased	53,400.00
Loans Paid	25,000.00
Dividends Nos. 50 to 53 Inclusive.....	375,000.00

Total Disbursements \$1,740,163.36

Cash on hand December 31, 1918 108,495.84

\$1,848,659.20

Capital Account of
The Tonopah Mining Company of Nevada
December 31, 1918

Property, Plant and Betterments as valued at close of year		
ending December 31, 1918		141,183.40
Tonopah & Goldfield Railroad Co. Common Stock.....		988,700.00
Tonopah & Goldfield Railroad Co. Pref'd Stock.....		283,400.00
Tonopah Placers Company, 83 1-3% of entire stock		240,000.00
Esmeralda Power Company, Stock.....		19,875.00
Tonopah United Water Company, Stock.....		1,625.32
Tonopah Mines Hospital Ass'n., Stock.....		2,500.00
Tonopah Banking Corporation, Stock.....		760.00
Tonopah Nicaragua Company, Stock.....		9,250.00
Eden Mining Company, 555,000 shares.....		
Mandy Mining Company, 78,625 shares		
Upon which no valuation has been placed in this report....		000.00
		(PAR VALUE)
Reading Company General Mortgage 4% Bonds.....	\$ 1,000	\$ 965.00
Southern Pacific Co. San Francisco Terminal First		
Mortgage 4% Bonds.....	225,000	208,700.00
Public Service Corporation of New Jersey General		
Mortgage 5% Bonds.....	100,000	93,750.00
Kansas City, Ft. Scott & Memphis Ry. Co. Refunding		
Mortgage 4% Bonds.....	100,000	79,750.00
Portland Railway, Light & Power Company, Refund-		
ing and First Mortgage 5% Bonds.....	75,000	72,000.00
Georgia Railway and Power Co., First and Refund-		
ing Mortgage 5% Bonds.....	50,000	46,500.00
Jamestown, Franklin & Clearfield R.R.Co. First Mort-		
gage Guaranteed 4% Bonds.....	50,000	47,062.50
United States First Liberty Loan 3½% Bonds.....		82,850.00
United States Second Liberty Loan 4¼% Bonds.....		45,200.00
United States Third Liberty Loan 4¼% Bonds.....		3,900.00
United States Fourth Liberty Loan 4¼% Bonds.....		20,800.00
Sundry Investments.....		115,642.49
Loans to Subsidiary Companies.....		2,816,120.06
American Smelters Securities Co. Mill Products.....		18,699.72
Tonopah Belmont Development Co., Mill Products.....		79,663.74
Cash.....		108,495.84
Absorption in Mill.....		8,300.51
Storehouse Supplies.....		117,259.11
Accrued Interest on Bonds.....		8,383.73
Prepaid Insurance.....		188.66
Accounts Receivable.....		10,908.65
DEDUCT:		\$5,672,433.73
Estimated Taxes Payable.....	\$83,480.62	
Accounts Payable (not due).....	72,769.96	156,250.58
		\$5,516,183.15
Reserve for Depreciation.....		316,739.51
		\$5,199,443.64

During the year there were mined and shipped to the Company's mill 19491 dry tons of ore containing 5942 ozs. gold and 553922 ozs. silver as compared with 19300 dry tons of ore containing 4550 ozs. gold and 474489 ozs. silver in 1925. The average per ton was 0.304 ozs. gold and 28.42 ozs. silver, value \$23.69. A total profit on mine operations of \$214445.13 was made, or \$10.93 per ton, as compared with a total operating profit of \$162566.69, or \$8.28 per ton, in 1925.

The average cost per ton for mining was \$7.764, as compared with \$7.948 in 1925. This is made up as follows:

MINING COSTS

	<u>1926</u>	<u>1925</u>
Labor	\$5.155	\$5.399
Supplies	1.330	1.323
Power	.447	.492
Direct	\$6.932	\$7.214
Indirect	.832	.734
Total	\$7.764	\$7.948

DEVELOPMENT

3613.5 feet of development work was performed during the year. This work consisted of drifts, cross-cuts and raises in various parts of the property, and continued to meet with some success. Principally, this work was done in close proximity to the old workings and in gaining access to abandoned and caved parts of the mine where it has been proved large quantities of good ore were left.

An intermediate drift between the 600 and 700 ft. levels, about 250 feet east of the Valley View Shaft and on the Valley View Vien, opened up from 4 to 6 feet of good ore over a distance of 80 feet. A raise has shown this ore to extend about 35 feet above the intermediate level. A drift has been run on the 700 foot level to get under this territory and a raise has been started which

Tonopah, Nevada, January 14, 1927.

To the President and Board of Directors,
The Tonopah Mining Company of Nevada,
572 Bullitt Building,
Philadelphia, Pennsylvania.

Gentlemen:

Herewith is submitted the annual report of mining and milling operations of your Company at Tonopah, Nevada, for the Year 1926.

Operations were carried on without interruption at both the mine and mill thruout the year. While experienced labor has been scarce, there was a marked improvement over the preceding year.

The rapid decline in the price of silver during the latter part of the year is clearly reflected in the net earnings for that period. It is fortunate, however, that the average grade of the ore available has been sufficient to withstand this decline. At this time the tonnage of the ore reserves are not seriously affected by the lower price of silver, due to the fact that practically all ore in sight is of high enough grade to be profitably mined even tho silver should recede to fifty cents per ounce. However, it may preclude prospecting of lower grade ore bodies which cannot now be profitably mined.

MINING

The Mizpah and Silver Top area of the property has been operated exclusively thruout the year. Approximately 50 tons of ore were mined daily and shipped to the Company's mill at Millers. No further manganese ore shipments were made to the smelter, all ores of this class having been mixed with the general mine ore.

Mandy Mining Company
STATEMENT OF OPERATIONS

December 1, 1916, to December 31, 1917

Gross Value of 3335 Dry Tons Ore		
shipped to Smelter.....		\$232,944.90
Interest on Bank Balances.....		110.24
		<u>\$233,055.14</u>
Cost of Operations		
Mining.....	\$65,348.40	
Freight and Treatment.....	44,379.88	
Transportation.....	83,754.46	
Drilling.....	20,496.47	
General Expenses.....	25,564.94	239,544.15
		<u>\$6,489.01</u>
Excess of Expenses.....		

December 31, 1917, to December 31, 1918

Gross Value of 5904 Dry Tons Ore		
shipped to Smelter		\$525,680.70
Received from Sale of Equipment.....		10,263.00
Interest on Bank Balances.....		1,099.32
		<u>\$537,043.02</u>
Cost of Operations:		
Mining.....	\$91,981.01	
Freight and Treatment.....	87,449.47	
Transportation.....	163,092.49	
General Expenses.....	126,321.29	468,844.26
		<u>\$68,198.76</u>
Net Earnings for year 1918.....		6,489.01
Less Excess of Expenses in 1917.....		<u>\$61,709.75</u>
Net Earnings for 1917 and 1918.....		10,000.00
Depletion: 10% on \$100,000.00 original cost of Property.....		<u>\$51,709.75</u>
		9,109.09
Estimated Taxes Payable.....		<u>\$42,600.66</u>
Surplus, December 31, 1918.....		

tons, the Tonopah Divide Mining Company 6379 tons, Tonopah Extension Leasers 1562 tons and various other shippers 2197 tons, a total of 35787 dry tons.

Bullion recovered and shipped to the smelter contained 15404 fine ounces of gold and 1,343,509 ounces of silver, being a recovery of 95.4 percent of the gold and 92 $\frac{1}{4}$ percent of the silver, as compared with a recovery in 1925 of 94.9 percent of the gold and 90.9 percent of the silver.

MILLING COSTS

Milling costs for the year were \$3.283 per ton and are made up as follows:

	<u>1926</u>	<u>1925</u>
Labor	\$1.032	\$1.038
Supplies	1.486	1.501
Power	<u>.629</u>	<u>.682</u>
Direct	\$3.147	\$3.221
Indirect	<u>.136</u>	<u>.134</u>
Total	\$3.283	\$3.355

Operating profits accruing from mill operations amounted to \$15280.09, or \$0.262 per ton.

With the exception of the sandwheel which may fail at any time, the mill is in good physical condition.

Total net profits from mine and mill operations amounted to \$182667.35, or \$9.32 per ton of ore mined.

The following tables summarize the year's operations in detail.

Respectfully submitted,

H. A. Johnson
Superintendent.

SILVER TOP

<u>NAME</u>	<u>VEIN</u>	<u>LOCATION</u>	<u>TONNAGE</u>	<u>GRADE</u>	<u>CONDITION</u>
120	Vertical	East of Shaft	100-300	Good	Working
122	"	West of Shaft	100-200	"	Not working
206	Valley View	" " "	50-200	"	" "
302	" " Pillar	" " "	200-800	Medium	" "
402	" " "	" " "	50-100	Good	Working
404	" " F.W.	" " "	50-200	Medium	Working
404	" " Pillar	" " "	100-300	Medium	Not working
503	" " "	East of Shaft	200-1000	Good	Working
505	" " "	" " "	100-300	Good	"
590	" " F.W.	West of Shaft	200-600	Good	"
645	South Vein	East of Shaft	100-500	Good	"
709	Valley View	" " "	<u>700-2000</u> 1950-6500	Good	"

This gives a total minimum of 5900 tons and a maximum of 19600 tons or, expressed in months at an average of 1500 tons per month, of approximately a minimum of 4 months ore supply and a maximum of 13 months ore supply.

Exploration and development will undoubtedly add further to the ore reserves, but the available places for future work of this character are constantly being reduced.

MILLING

During the Year 1926 there were milled in the Company's mill at Millers, Nevada, 57572 dry tons of ore containing 16141 ounces gold and 1,454,400 ounces silver, or a per ton average of 0.280 ounces gold and 25.26 ozs. silver. In addition to the mine ore, the Tonopah Belmont Development Company shipped 27846

should cut the ore body about 35 feet above the 700 foot level, should it continue downward to that point.

ONE RESERVES

No direct estimate can be made of the ore reserves, due to the fact that in most cases but one face is exposed. In general, the following tabulation gives the location and the minimum and maximum tonnage that may be expected from the places where ore is known to exist. This is based on the knowledge gained in working out similar ore bodies in various sections of the mine:

MIZPAH

<u>NAME</u>	<u>VEIN</u>	<u>LOCATION</u>	<u>TONNAGE</u>	<u>GRADE</u>	<u>CONDITION</u>
255	H.W. Mizpah	East of Shaft	100-300	Good	Not working
292	Burro	West of Shaft	500-1000	"	Working
257	Mizpah Island	East of Shaft	100	Very Good	Not working
317	" "	" " "	200	Good	Working
342	Mizpah	West of Shaft	500-1500	"	"
4017	"	East of Shaft	300-1500	"	Not working
402	"	" " "	100-500	Medium	" "
501	"	" " "	100-300	"	Working
563	"	" " "	100-500	Good	Not working
567 W.	"	" " "	200-500	Medium	Working
567 E.	"	" " "	300-1500	Very Good	"
579	"	" " "	50-100	" "	"
581	"	" " "	500-1500	Good	Not working
601	"	Shaft Pillar	300-1000	Medium	Working
613	"	East of Shaft	300-1000	"	"
617	"	" " "	300-1000	"	"
			<u>3950-13100</u>		

LABOR REPORT

	ALL EMPLOYEES SHIFTS PER DAY		PERCENT LABOR TURNOVER	
	<u>MINE</u>	<u>MILL</u>	<u>MINE</u>	<u>MILL</u>
January, 1926,	47	27	6.9%	11.1%
February "	44	28	29.7%	6.6%
March "	47	28	6.8%	0.3%
April "	45	27	45.5%	5.9%
May "	46	26	55.0%	11.6%
June "	52	26	51.8%	0.7%
July "	53	26	32.7%	28.5%
August "	53	26	21.9%	15.5%
September "	46	26	28.4%	7.2%
October "	45	25	11.6%	14.4%
November "	47	24	13.6%	1.3%
December "	47	21	6.8%	14.1%
Total For Year	17160	9300		
Average Tons Per Shift	1.13	6.19		

MINING

<u>1926</u>	<u>TONNAGE</u> <u>DRY TONS</u>	<u>CONTENT</u> <u>OZS. AU.</u>	<u>PER TON</u> <u>OZS. AG.</u>	<u>VALUE</u> <u>PER TON</u>	<u>COST</u> <u>MINING</u>	<u>OPERATING</u> <u>PROFIT</u> <u>PER TON</u>	<u>TOTAL</u> <u>OPERATING</u> <u>PROFIT</u>	<u>NET</u> <u>PROFIT</u>
January	1602	.307	26.75	\$24.27	\$7.767	\$10.17	\$ 16436.28	\$ 14454.38
February	1576	.431	40.12	35.39	7.017	21.63	34219.48	31093.47
March,	1562	.311	25.66	23.21	8.132	10.49	18465.62	16984.25
April	1564	.273	26.26	22.65	7.865	9.60	15115.76	12457.06
May	1612	.274	20.57	19.09	8.203	7.19	11679.96	8712.49
June	1626	.371	35.60	31.04	8.130	20.19	32928.19	31434.08
July	1735	.319	31.38	26.02	7.892	12.94	22573.73	18222.27
August	1721	.253	22.95	19.36	7.901	8.34	14493.42	13201.01
September	1576	.243	30.25	21.96	7.696	8.49	13503.83	8448.96
October	1650	.201	25.26	17.69	7.101	5.25	8905.90	7506.84
November	1627	.352	28.68	22.52	7.470	9.32	15236.11	11908.28
December	<u>1640</u>	<u>.317</u>	<u>27.86</u>	<u>21.54</u>	<u>7.988</u>	<u>7.78</u>	<u>10886.85</u>	<u>8239.26</u>
TOTAL	19491						\$214445.13	\$182662.35
Average		.304	28.42	23.69	7.764	10.93		

MILLING

<u>1926</u>	<u>TONNAGE</u>	<u>VALUE PER TON</u>		<u>COST</u>	<u>RECOVERY</u>		<u>OPERATING</u>
		<u>OZS. AU.</u>	<u>OZS. AG.</u>	<u>PER TON</u>	<u>AU. %</u>	<u>AG. %</u>	<u>PROFIT</u>
January	5393	0.273	22.46	\$3.212	93.6	89.8	\$ 1632.65
February,	4704	.298	25.65	3.480	94.5	91.6	862.86
March,	4930	.372	26.25	3.300	95.5	91.8	2659.80
April,	4971	.250	22.73	3.264	95.1	91.9	1674.91
May,	5037	.249	23.33	3.228	95.6	92.7	1639.67
June,	5627	.258	27.02	2.792	95.7	94.8	2662.74
July,	4882	.263	26.03	3.255	95.2	94.2	396.98
August,	5256	.245	23.13	2.903	96.4	93.6	2731.97
September,	4535	.259	24.86	3.518	96.1	93.0	1215.63
October,	4375	.281	24.86	3.256	95.9	91.8	2264.93
November,	3725	.315	29.41	3.684	95.7	92.2	17.89
December,	<u>4137</u>	<u>.321</u>	<u>28.57</u>	<u>3.657</u>	<u>96.1</u>	<u>90.4</u>	<u>743.38</u>
TOTAL	57572						\$15280.09
Average		.280	25.26	\$3.283	95.4%	92.4%	

TWENTY-SECOND ANNUAL REPORT

THE TONOPAH
MINING COMPANY
of NEVADA

GENERAL OFFICE
Bullitt Building, Philadelphia, Pa.

Covering Operations for the Year Ending
DECEMBER 31, 1923

DETAIL OF COST OF SUPPLIES CONSUMED IN OPERATING MILL AT MILLERS, NEVADA,
DURING YEAR 1926.

	<u>TOTAL</u> <u>QUANTITY USED</u>	<u>COST</u> <u>PER UNIT</u>	<u>TOTAL COST</u>	<u>QUANTITY</u> <u>PER TON</u>	<u>COST</u> <u>PER TON</u>
Labor	-	-	\$ 59423.11	-	\$1.032
Power	2429552 KWH.	.014 KWH	36226.90	42.214 KWH	.629
Acids	43125 lbs.	.044 lb.	1920.68	.766 lb.	.033
Belting	-	-	3969.95	-	.069
Borax	5100 lbs.	.140 lb.	714.00	.088 lb.	.013
Battery Cams	5 pcs.	54.240 pc.	271.20	-	.005
Battery Dies	139 pcs.	9.195 pc.	1278.01	-	.022
Battery Screens	-	-	-	-	-
Battery Shoes	106 pcs.	16.393 pc.	1737.70	-	.030
Battery Tappets	2 pcs.	17.170 pc.	34.34	-	.001
Battery Parts - Miscellaneous	-	-	473.17	-	.008
Coal	59 tons	13.226 ton	782.35	1.025 lbs.	.014
Cyanide	153143 lbs.	.165 lb.	25334.46	2.659 lbs.	.440
Crusher	-	-	2263.22	-	.039
Castings	-	-	696.92	-	.012
Dry Goods	-	-	930.36	-	.016
Electrical	-	-	1920.00	-	.033
Filters	-	-	189.25	-	.003
Iron, Steel and Shafting	-	-	1819.18	-	.032
Lumber	-	-	1142.16	-	.020
Lead Acetate	3684 lbs.	.148 lb.	546.78	.064 lb.	.010
Litharge	4728 lbs.	.125 lb.	595.07	.082 lbs.	.010
Laboratory	-	-	325.93	-	.006
Lime	517480 lbs.	.009 lb.	4747.25	8.988 lbs.	.082
Machinery	-	-	622.94	-	.011
Oils and Grease	-	-	1318.64	-	.023
Oil - Fuel	126459 gals.	.056 gal.	6990.51	2.196 gals.	.122
Pipe and Fittings	-	-	824.43	-	.014
Pumps	-	-	1196.15	-	.021
Pebbles	188000 lbs.	.018 lb.	3411.47	3.265 lb.	.059
Soda	7260 lbs.	.034 lb.	248.77	.126 lb.	.004
Zinc	91325 lbs.	.133 lb.	12139.22	1.586 lb.	.211
Tube Mill Castings	-	-	1146.49	-	.020
Miscellaneous Expense, In-	-	-	-	-	-
cluding Credits & Indirect Costs	-	-	13777.77	-	.239
	-	-	\$189018.38	-	\$3.283

COST OF MINING SUPPLIES USED DURING YEAR 1926.

	<u>TOTAL</u> <u>QUANTITY USED</u>	<u>COST</u> <u>PER UNIT</u>	<u>TOTAL COST</u>	<u>QUANTITY</u> <u>PER TON</u>	<u>COST</u> <u>PER TON</u>
Labor	-	-	\$100473.34	-	\$5.155
Power	598567 KWH.	.014 KWH	8727.55	30.709 KWH.	.448
Carbide	8300 lbs.	.063	526.22	.425 lb.	.027
Cables	-	-	34.88	-	.002
Coal	69.4 tons	15.618 ton	1083.91	7.121 lbs.	.055
Castings	-	-	-	-	-
Drills and Bits	-	-	1257.25	-	.065
Electrical Supplies	-	-	761.01	-	.039
Hose and Hose Fittings	-	-	269.20	-	.014
Lumber and Timbers	-	-	3157.96	-	.162
Laboratory and Assay	-	-	414.34	-	.021
Nails, Screws, etc.	-	-	111.39	-	.006
Oils and Grease, Lubricating	-	-	251.50	-	.012
Fuel Oil	5018 gals.	.065 gal.	324.56	.257 gal.	.017
Gasoline	1275 gals.	.281 gal.	358.36	.065 gal.	.018
Pipe	-	-	152.76	-	.008
Pipe Fittings	-	-	113.82	-	.006
Powder	55750 lbs.	16.014 cwt.	8927.80	2.861 lbs.	.458
Fuse	276000 ft.	6.809 M ft.	1879.24	14.161 ft.	.096
Caps	45000	18.800 M	846.00	2.309	.043
Rails, Spikes & Bolts	-	-	42.48	-	.002
Drill Steel	4614 lbs.	.159 lb.	732.01	.236 lb.	.038
Shafting and Iron	-	-	15.91	-	.001
Stationery	-	-	348.13	-	.018
Shovels and Picks	-	-	103.25	-	.005
Miscellaneous Expense, Including Indirect Costs,	-	-	20426.07	-	1.048
	-	-	\$151338.94	-	\$7.764

INCOME AND SURPLUS OF THE TONOPAH MINING COMPANY OF NEVADA

For the Year Ending December 31st, 1923

Surplus, December 31, 1922.....	\$3,301,946.67
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NET EARNINGS AND INCOME:

For the year ending December 31, 1923	\$519,026.30
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DEDUCTIONS:

Depreciation of Plant and Betterments	\$1,338.62		
Expenditures during 1922 and 1923 for explor- ation and development work on mining proper- ties located in U. S., Canada and Mexico...	295,116.11		
		296,454.73	
			222,571.57
			<u>\$3,524,518.24</u>

DIVIDENDS PAID:

No. 62—April 21, 1923, 7½%	\$75,000.00	
No. 63—October 20, 1923, 7½%	75,000.00	
		<u>150,000.00</u>
Surplus, December 31, 1923.....		<u><u>\$3,374,518.24</u></u>

DIRECTORS

SAMUEL BELL, JR.	CHAS. R. MILLER
BARTON HOOPES, JR.	HENRY D. MOORE
WALTER L. HAEHNLEN	GEORGE S. MUNSON
J. HARVEY WHITEMAN	

OFFICERS

J. HARVEY WHITEMAN, *Chairman of Board*
CHAS. R. MILLER, *President*
WALTER L. HAEHNLEN, *Vice-President*
P. S. BICKMORE, *Secretary and Treasurer*
C. H. NONAMAKER, *Asst. Secretary and Asst. Treasurer*

REGISTRAR OF STOCK

FOURTH STREET NATIONAL BANK, PHILADELPHIA, PA.

TRANSFER OFFICE

BULLITT BUILDING, PHILADELPHIA, PA.

To the Stockholders of

The Tonopah Mining Company of Nevada:—

The Board of Directors submit the following report of your Company for the year ending December 31, 1923.

The Mine and Mill have been operated without interruption throughout the year.

The Government purchase of silver at the price of One Dollar (\$1.00) per ounce, under the provision of the Pittman Act, ceased June 22, 1923. Previous to this date, in order to obtain full benefit from the dollar price for silver, all ore in sight which could be shipped was mined and milled; consequently, when Government purchase ceased, ore reserves were greatly depleted, and further operation could only be continued on the basis of a large reduction in tonnage. To date such tonnage has been mined and milled at a satisfactory profit.

Since the month of August the entire ore tonnage produced by the Tonopah Belmont Development Company has been treated at this Company's mill at Millers, Nevada.

It is impossible to estimate for the future. The limited mineral area covered has produced to date an enormous tonnage, which resulted in payments of dividends to stockholders of \$15,475,000.00, in addition to providing for exploration expenses and a substantial reserve fund.

In accordance with the wishes of a large majority of the stockholders, your Board of Directors has continued to examine a number of new prospects. Several of these, which seemed to offer great possibilities, were taken under option for development work, but failed to produce desired results.

The Exploration Department has been divided in two sections, with Mr. H. C. Carlisle in charge of the Western Division and Mr. M. B. Huston in charge of the Eastern Division. On September 1, 1923, a Budget System was inaugurated, with a maximum expenditure during the year 1924 of a sum well within the income of the company. No substantial reduction of our reserve fund will be made without giving stockholders an opportunity to approve or disapprove of such policies as the Board may consider.

A statement of operating results and balance sheet are submitted herewith.

By order of the Board of Directors.

CHAS. R. MILLER,
President.

THE TONOPAH MINING COMPANY OF NEVADA

EASTERN OFFICE
572 BULLITT BUILDING, PHILADELPHIA, PA.PLEASE ADDRESS ALL COMMUNICATIONS
TO THE COMPANY, TONOPAH, NEVADA

TONOPAH, NEVADA,

San Francisco, Calif.
Aug. 17th, 1923.Mr. Chas. R. Miller, Pres.,
Tonopah Mining Co. of Nev.,
Philadelphia, Pa.

Dear Mr. Miller:

Re Tonopah Mine.

The following seems to be the situation
at the Tonopah mine:

The July tonnage was 2392 or 75 tons per day and gross value of ore \$15.15 per ton. This gave net profit of \$3279.64 for the month which would have been about \$3200. more except for a back adjustment in the books due to some ore in a bin at millers which Mr. Johnson will explain in a letter. Therefore about \$6400. was the actual profit and as fixed indirect charges of about \$5000. were paid by the operation, it really made a difference to the treasury of over \$11,000.

The good run showing came about largely because of a limited tonnage of good grade ore that was opened up on the 100 level of the Silver Top in a narrow hanging wall vein. This is nearly vertical and goes from the surface down to a junction with the Valley View at above the 200 level. There are several good grade streaks in this section that will make ore over limited lengths and for several months will probably act as a "sweetener" to the other tonnage.

The most hopeful outlook for future development is a block of ground between the Silver Top shaft and the town fire house from surface down to the 100 or 120 level, which will be a continuation to the south west of the present 100 level stopes.

Outside of this small vein on the 100 level the ore is coming from small blocks and pillars which may run out at any time and it will be necessary to replace them as result of development work. As to length of time the mine can operate on present basis, it is of course a question of continuing to find new small blocks and pillars which cannot be foreseen. Mr. Johnson feels however that the operation is fairly well assured for six months, and as long as they can find places that warrant development it has been the experience in the past that new small blocks are found now and then.

The critical period will be reached when they

THE TONOPAH MINING COMPANY OF NEVADA

INVESTMENTS CONSTITUTING A RESERVE FUND
DECEMBER 31, 1923

UNITED STATES GOVERNMENT, RAILROAD AND PUBLIC
UTILITY BONDS (ALL READILY MARKETABLE):

Par Value	\$1,745,900.00
Cost.....	1,553,809.51
Market Value.....	1,573,454.90

THE TONOPAH MINING COMPANY OF NEVADA

BALANCE SHEET AT DECEMBER 31st, 1923

ASSETS

Plant and Betterments	\$68,979.67
Stocks and Bonds owned	3,277,535.25
Loans and Advances to Subsidiary Companies.....	774,446.06

ACCOUNTS RECEIVABLE:

Miscellaneous	\$28,300.88	
Materials and Supplies	84,434.41	
Due from Smelters	93,294.92	
Absorption in Mill	30,000.00	
Ore Stock on Hand	9,227.86	
Loans on Collateral	10,100.00	
Cash Deposited with Nevada Industrial Commission	800.00	
Cash	63,181.74	
		319,339.81
Deferred Charges (Unexpired Insurance).....		403.09
		<u>\$4,440,703.88</u>

LIABILITIES

Capital Stock	\$1,000,000.00
Accounts Payable	\$21,580.73
Due Tonopah Belmont Development Company for bullion in transit.....	37,641.74
Estimated Taxes Payable	6,963.17
Total Current Liabilities	66,185.64
Surplus	3,374,518.24
	<u>\$4,440,703.88</u>

TO THE STOCKHOLDERS OF
THE TONOPAH MINING COMPANY OF NEVADA

The Board of Directors submit herewith a report of the business and condition of your company for the fiscal year ending December 31, 1928.

The operations of the Company's mine and mill at Tonopah, Nevada, were carried on continuously and profitably during the year.

71,561 dry tons of ore milled produced 18,315 ounces of gold and 1,574,336 ounces of silver. 28,898 tons of the total tonnage was produced from the Company's mine, and 42,663 tons was custom ore.

The development work in the mine at Tonopah during the year has placed in sight an ore reserve sufficient to assure a profitable operation of the mine for a period, the length of which it is impossible to determine.

* * *

Final payment was made in October, 1928, under the contract for sale of all the property of the Tonopah Placers Company located in Breckenridge, Colorado. This property was acquired December, 1913, and has never been a satisfactory investment to the Company.

The Company has liquid assets as set forth in the financial statement on Page 16, which can be used in the acquisition of other mining properties. Continued search is being made for desirable properties.

* * *

The Walsh and Miller Lake properties located near Gowganda, Ontario, Canada, of the Tonopah Canadian Mines Company, remained closed down during the year. This condition also applied to the Morrison property.

* * *

In the early part of the year 1928 the mining claims located in the Provinces of Manitoba and Saskatchewan in the Dominion of Canada, owned by the Tonopah Canadian Mines Company and the Mandy Mining Company, were sold to a new Company organized under the laws of the Dominion of Canada, known as the Mandy Mines, Limited. The Tonopah Canadian Mines Company and Mandy Mining Company now hold in their treasuries stock of the Mandy Mines, Limited, and cash, which were received in compensation for said claims. The Mandy Mines, Limited, is amply financed, and is now actively engaged in exploration work. Balance sheets of the Tonopah Canadian Mines Company, and the Mandy Mining Company are shown on pages 15 and 17.

* * *

The Company is the owner of 92½% of the capital stock of the Tonopah Nicaragua Company. This stock was acquired in December, 1916. The Tonopah Mining Company of Nevada has advanced to the Tonopah Nicaragua Company \$139,835.97 for the purpose of drilling and exploring the deposit of copper contained on the property of the Company. Former management of The Tonopah Mining Company of Nevada believed this investment to be absolutely worthless, and in accordance therewith it was charged off the books. Conditions, we now believe, have materially changed. The property of that Company is estimated to contain about 1,500,000 tons of copper ore averaging 5%. It is now within reasonable distance of transportation, and on the whole the situation is now being reviewed, and it is possible that this may prove an asset of very material value.

* * *

TWENTY-SEVENTH ANNUAL REPORT

THE TONOPAH
MINING COMPANY
of NEVADA

GENERAL OFFICE

Bullitt Building, Philadelphia, Pa.

Covering Operations for the Year Ending

December 31, 1928

Development work upon the property of the Vertex Mining Company, located near Silverton, Colorado, was resumed in June, 1928, and was continued throughout the year. The result of this work was very encouraging, but in order to carry on the work it was found necessary to raise funds for working capital, and 153,512 shares of preferred stock was issued at par, and the funds put in the treasury of the Company. If the development work continues to be as encouraging, it will be necessary to re-finance the company during the year 1929, for the purpose of raising funds to equip and operate the property. Financial statement of this company is shown on page 18.

* * *

Your Company is now in splendid financial condition, as may be seen by referring to the balance sheet. We are actively engaged in search for new properties, and are conserving our assets in a manner which we believe will accrue to the great advantage of the stockholders in the future.

The Directors desire to express their appreciation of the loyal services rendered by the employees of the Company and its subsidiaries during the past year.

By order of the Board of Directors.

P. S. BICKMORE,

Secretary.

Income and Surplus Statement
The Tonopah Mining Company of Nevada
For Year Ending December 31, 1928

Surplus, December 31, 1927.....\$2,616,291.40

Net Earnings and Income

for year ending December 31, 1928:

Gross Value of Ore Milled.....	\$1,404,024.37
Metal Loss in Milling and Refining.....	105,391.31
	1,298,633.06

Mining, Milling and Marketing Expenses.....	1,086,141.43
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Profit from Operations of Mine and Mill.	212,491.63
---	-------------------

Income from Investments.....	\$ 38,519.50
Interest on Loans.....	155,055.22
Profit from Sale of Securities..	19,731.53
Miscellaneous Income.....	3,468.09

216,774.34

Less: Bullion and Internal Revenue Taxes, Rental and Sundry Charges.....	53,582.69
--	-----------

163,191.65

Net Income for Year 1928	\$ 375,683.28
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Deductions:

Expenditures for examination of mining properties located in United States and Canada..	31,765.76
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343,917.52

\$2,960,208.92

Loss on sale of 835 shares of Tonopah & Goldfield Railroad Co. Preferred Stock.....	41,700.00
---	-----------

\$2,918,508.92

Dividends Paid:

No. 72 April 21, 1928, 7½%.....	75,000.00
No. 73 Oct. 20, 1928, 7½%.....	75,000.00

150,000.00

Surplus, December 31, 1928	\$2,768,508.92
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The Tonopah Mining Company of Nevada
 Balance Sheet
 December 31, 1928

ASSETS

Cash on hand and in bank.....		\$40,087.18
Demand loans, secured.....		75,000.00
Deposit with Nevada Industrial Commission.....		708.65
Accounts Receivable:		
Due from Smelters.....	\$ 95,521.06	
Miscellaneous.....	2,308.64	
		<u>97,829.70</u>
Securities, at book values:		
Public Utility & Industrial Bonds and Stocks...	522,657.00	
Railroad Bonds and Stocks.....	427,567.52	
(Market Values \$1,003,437.50)	950,224.52	
Miscellaneous Stocks.....	995,071.00	
		<u>1,945,295.52</u>
Inventory:		
Absorption in Mill.....	24,000.00	
Ore Stock on hand.....	15,020.09	
Materials and Supplies.....	55,851.68	
		<u>94,871.77</u>
Accrued Interest on Investments.....	8,952.36	
Accrued Interest on Demand Loans.....	387.50	
		<u>9,339.86</u>
		<u>\$2,263,132.68</u>
Stocks of Subsidiary Companies	715,004.79	
Loans and Advances to Subsidiary Companies	829,549.52	
Prepaid Insurance.....	417.28	
Shapley Process.....	2,801.70	
Deferred Accounts.....	500.00	
Mining Equipment—Exploration Purposes.....	6,193.38	
Plant and Betterments, Salvage Values.....	66,691.05	
		<u>\$3,884,290.40</u>

The Tonopah Mining Company of Nevada
 Balance Sheet
 December 31, 1928

LIABILITIES

Drafts in Transit.....	\$10,000.00
Accounts Payable.....	40,003.84
Accrued Wages.....	8,452.09
Accrued Taxes.....	17,527.98
Unclaimed Dividend Checks.....	4,316.19
Federal Income Tax for the Year 1928.....	35,481.38
	<hr/>
	\$115,781.48

CAPITAL and SURPLUS

Capital Stock, Authorized and Issued.....	\$1,000,000.00
Surplus.....	2,768,508.92
	<hr/>
	3,768,508.92
	<hr/>
	\$3,884,290.40
	<hr/>

The Tonopah Mining Company of Nevada
Securities Owned
December 31, 1928

RAILROAD BONDS AND STOCKS:

10,000.00	Buffalo and Susquehanna R. R. Co. First Mortgage 4s, 1963	\$ 8,170.00
20,000.00	Delaware Railroad Co., General Mortgage 4½s, 1932, Series A,	19,905.00
10,000.00	Louisville & Nashville R. R. Co. Equipment Trust 6s, 1932	9,987.50
10,000.00	Missouri, Pacific R. R. Co. Equipment 6s, 1929, Gold Notes	10,139.24
10,000.00	New York, Chicago & St. Louis R. R. Co., Equipment Trust 5s, 1936	10,000.00
1,000.00	Pacific Fruit Express Co. Equipment Trust 7s, 1935, Series A	1,087.69
5,000.00	Reading Company (Jersey Central) Collateral Trust 4s, 1951	4,237.50
30,000.00	Southern Railway Co. Development and General Mortgage 6½s, 1956	28,350.00
10,000.00	Western Maryland R. R. Co. 1st Refunding Mortgage 5½s, 1977	10,270.00
20,000.00	Western Pacific R. R. Co., First Mortgage 5s, 1946, Series A	15,807.50
520 Shares	Buffalo & Susquehanna R. R. Co. Preferred	26,724.00
300 Shares	Central R. R. Co. of New Jersey	94,420.00
100 Shares	Illinois Central R. R. Co.	13,825.00
600 Shares	Nashville, Chattanooga & St. Louis Ry. Co.	112,393.75
200 Shares	Norfolk & Western Ry. Co.	29,508.34
100 Shares	Pittsburgh & West Virginia Ry. Co.	13,025.00
100 Shares	Reading Co.	10,025.00
100 Shares	St. Louis-San Francisco R. R. Co. Preferred	9,692.00
(Market Value \$456,352.50)		<u>\$427,567.52</u>

The Tonopah Mining Company of Nevada
Securities Owned
December 31, 1928

PUBLIC UTILITY AND INDUSTRIAL BONDS AND STOCKS:

(PAR VALUE)	(COST)
25,000.00 American Railways Company Income 7s, 1940.....	\$24,770.00
25,000.00 American Railways Company Refunding Convertible 5s, 1931.....	25,437.50
23,000.00 General Asphalt Company Convertible 6s, 1939.....	23,667.00
60,000.00 Lehigh Coal & Navigation Co. Convertible Mortgage Sinking Fund, 4½s, 1954.....	58,509.00
25,000.00 Lehigh Power Securities Corp. Series A, 6s, 2026	23,737.50
15,000.00 Philadelphia Electric Co., 1st Lien and Refunding Mort- gage 5½s, 1953.....	14,775.00
5,000.00 Phila. Rapid Transit Co. Collateral Gold 5s, 1957.....	4,345.00
60,000.00 Pittsburgh Terminal Coal Co. 40 Year Sinking Fund First Mortgage 5s, 1942.....	59,527.50
10,000.00 Republic Iron & Steel Co. Refunding General Mortgage Sinking Fund, 5½s, 1953.....	9,128.75
83,000.00 Sun Oil Company Debenture 5½s, 1939	83,281.00
6,000.00 West Phila. Passenger Ry. Co. 5½s, 1956.....	5,790.00
500 Shares General Asphalt Co. 5% Preferred.....	56,675.00
450 Shares Lehigh Coal & Navigation Co.....	47,603.75
300 Shares Pittsburgh Terminal Coal Corp. 6% Cumulative Preferred	25,410.00
Participation in Investment Syndicate.....	60,000.00
(Market Value \$547,085.00).....	<u>\$522,657.00</u>

The Tonopah Mining Company of Nevada
Securities Owned
December 31, 1928

MISCELLANEOUS STOCKS:

9,889 3/5 Shares Tonopah & Goldfield R. R. Co. Common.....	\$988,760.00
8 Shares Tonopah Banking Corporation Stock.....	1,320.00
8,800 Shares Tonopah Crystal Water Co. }	3,241.00
29,920 Shares Tonopah United Water Co. }	
1,750 Shares Tonopah Mines Hospital Ass'n Stock.....	1,750.00
	<u>\$ 995,071.00</u>

STOCKS OF SUBSIDIARY COMPANIES:

55,500 Shares Eden Mining Co.....	\$ ———
7,500 Shares Esmeralda Power Company.....	7,500.00
9,250 Shares Mandy Mining Co.....	43,113.70
100,000 Shares Tonopah Canadian Mines Company.....	25,296.00
9,250 Shares Tonopah Nicaragua Company.....	9,250.00
950,000 Shares Tonopah Placers Company.....	245,055.00
1,434,458 Shares Vertex Mining Company, Common.....	236,337.09
148,453 Shares Vertex Mining Co. Preferred.....	148,453.00
	<u>\$715,004.79</u>

Tonopah Placers Company
 Balance Sheet
 December 31, 1928

ASSETS

Cash in Bank.....	\$ 16,079.00
Securities, at Book Values:	
Public Utility and Industrial Bonds and Stocks..\$	91,419.25
Railroad Stocks.....	36,490.00
Investment in Stocks of Other Mining Companies.	92,906.30
	<u>\$220,815.55</u>
Accrued Interest on Investments.....	1,354.10
	<u>238,248.65</u>
Keystone Drill and Equipment.....	383.77
	<u>\$238,632.42</u>

LIABILITIES

Accounts Payable.....	\$ 12.75
Deferred Income on Rental of drill.....	366.00
	<u>\$ 378.75</u>

CAPITAL AND SURPLUS

Capital Stock, Authorized and Issued.....	\$ 1,000,000.00
Deficit, January 1, 1928.....	\$ 17,707.45
Loss for year ended December 31, 1928	744,038.88
	<u>761,746.33</u>
Deficit, December 31, 1928.....	<u>\$ 238,253.67</u>
	<u>\$ 238,632.42</u>

Mandy Mining Company

Balance Sheet

December 31, 1928

ASSETS

Cash.....		18,804.84
Demand Loans, Secured.....		95,000.00
Securities, at Book Values		
Public Utility and Industrial Bonds.....	49,698.00	
Railroad Stocks.....	74,607.50	
Investment in Stocks of Other Mining Com- panies.....	106,746.25	
(Market Value \$962,240.00)		231,051.75
Accrued Interest:		
On Investments.....	1,031.63	
On Demand Loans.....	490.83	
		1,522.46
		<u>\$346,379.05</u>

LIABILITIES

Federal Income Tax for the Year 1928.....	23,333.40
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CAPITAL AND SURPLUS

Capital Stock, Authorized and Issued.....	\$ 10,000.00
Surplus:	
Balance, January 1, 1928.....	134,070.15
Profit for the Year Ended December 31, 1928.....	178,975.50
Balance, December 31, 1928.....	313,045.65
	323,045.65
	<u>\$ 346,379.05</u>