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which is designed most especially for close control of the grade of ore broken.....As we increase the proportion of blast hole stopes and reduce that of cut-and-fill stopes, we expect our tonnage of ore produced to rise and grade to drop.....Deep Level Development work is progressing on schedule. This will lead eventually to the opening of a series of 4 new mining levels between the 6800 level and the new proposed lowest level at 8000 feet. At present, the No. 6 shaft for deep access is down to 7216 feet. A Deep Level Drive to the southwest has been started on the 5300 level. It is designed to explore for new ore by crosscutting for over a mile and a half to the west beyond all present workings.....Ore reserves are formally calculated only at year-end. I have nothing new to offer in place of the reserves published as of January 1, 1973. Nevertheless, I must call to your attention that the high prices for gold may substantially increase our future reserves provided we can maintain reasonably low operating costs. I will add that for our own use, we look at two additional classes of ore reserves on which our information is not yet sufficiently representative to permit their inclusion with the principal ore reserve already mentioned. First, there is potential ore at depth in the western ledges in ground we have not yet penetrated near our new internal No. 6 Shaft. Second, in the higher levels of the older parts of the mine by careful reexamination of our diamond drill records, we are putting together low grade areas in large blocks which may be suitable for removal by blast hole stoping. Because some additional prospecting of such blocks may be required in order to draft stope plans, it will be several years before any substantial tonnage of this sort of ore can be included in our formal Ore Reserves.....

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Speaking of silver, Mr. Henshaw said: "At Creede, Colorado, in the first 6 months of 1973, the Bulldog mine has produced about 44,000 tons of ore which yielded concentrates containing 1-million ounces of silver. Profits are good, thanks to current silver prices. We hope to maintain this rate of production throughout the year. If we can do that, profits should be considerably improved from Creede for 1973. We continue to explore the Bulldog vein system underground. Ore showings are encouraging enough to indicate that we still have good prospects ahead of us on level, below us in depth, and on several different veins. With such showings, we expect to be able to maintain an appropriate ore reserve....."

FMC CORPORATION:- a diversified concern with machinery, chemicals, rayon, power transmission and material handling equipment, among other products, said its geologists found indications of gold deposits on 5000 acres of land east of Tuscarora, Nevada, while they were exploring for antimony. The company said the geologists "have determined from the geological and minerological attributes of the area and from chemical analysis of soil samples the existence of 2 anomalies which indicate the presence of an indeterminate amount of gold necessitating core drilling for further evaluation." The company said the exploratory program is "in very early stages, and it is likely that at least a year will be required to determine the size and quality of the deposit" and to decide whether it could support a commercial mining operation. FMC said it has drilled 5 core holes and 2 have yielded samples containing commercial grade mineral. The company said it will issue further reports "when meaningful conclusions can be reached."

FMC operates a barite property near Battle Mountain, Lander County, Nev.

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