

Willian Gerdner msq。,
Seo'y tyee Conper: Compeny,


 egre to meaure on shsolute eontrol in that holnung of the Alfsk Month Kest copper co. inctuning the gitney Intet property , flse \& growp of


To this quary I selvisen him to nose f finect sonlicetton to yourself.

The inside niatory of the fommstion and healinges by this compeny is as Collown:-

Fisst, the compeny wog organtzer to take over the 50 minemel clatm In the Copper River Distriot and marte gontroots or mpther entered into bonds of options for thase olsims and fumisher the whon cefr to for the remresentation womk in Iq0 And Tgo7. The lonftors of the el, ims waxa paid \& oertain gmount of stook (quentity unymom to ie) and in riditiion are to peopive gertfin sums in axsh in ingtenlents. The original agreament was marie by the commeny with Mr Thonfa mix fand sassex ites who hedd the oxiginal lootions. I visited this property during the summex of IGor and made f report $f$ gopy of which I sent to the late Mr demmont Jivingston,

Leter the Sidney Inlet groperty V as bonden Pom Mesang Springett and Dewdney as I undecstend for $\$ 50,000$ in afsh snd $\$ 25,000$ in stock. The prinoipal object of this deal being the resine of the compeny to Fsecure of producing peoperty in ordex to curntsh finds to thoroughly develon the Alaska pronerties and place them on s shtpoing beais by the time transportstion Psoilities were provided.

As none of the merabees of the Alaska North-West compar company had had eny previous experience in Copper winitg they soon gound out that it oost considenebly more to devslop o oopges raine than they hed been led to believe, conseguently when thes panic struck the united

Staten the lsttac aid of gutober last thay were unsble to seld stook An they had bean dotng previonsiy, shd as thay hed oblieations to mbet on exrengement was rade with Mx Mutton , President of s Baik in Tennessee to seoure fo, 1000 in oash for whton Kr Hatton was given a laxge block OL stook as \& bonus sme I sha informed the compsny's note bit one yerv
 Lounty puronesed han gorae blooks of gtock orned by his griends platsed
 promotors of the qumpeny erch conkted : ?stge blook of btook from his holdinge of pronotares stock, Als that I was given an option to present to the Tyee comperay on the geng bebis as that given to Mr Futton , but It was just at the time of ju Jivingston's cienth fand ras i5 ciavs vas the Iongest period they votale give me the option fox it was reseless to


Ovine to disnguotnthents relative to the gonstmotion work no oxe
 told me that st the pressent fine the gompany is hame ing for mands, and the ntrectors Are aspoota72y destbous of making pn foresngement that
 anc Dowdiney by kry next.

Thoy hact expeoted to heve this assuxad from procits dexievert from ore shipments which they expesten would oorachoe ehout tha firgt of neoember.

On the firgt of the yenc thay angrgad a anmotent mining ongineer to teke ohexge of the progerty. This whs something thrt shouln hava been done long before, becerxe oonstiexable monby has been whsteri ant the development of the mine hes not been orperar on in as systematios -manner as it should hove been.

Buring Decomber $M x$ Robert Pringle f nomber of the Chiesgo Borma Thof Trade investar $\$ 5000$ or rather I helieve relieved the Tenesseemem by teking up $\$ 5,000$ of the $\$ 20,000$ they had losner. He then rade o proposition to the company to tike over the gontrol t t a veluntion, the besis of Thich I sia macgurtnter with bat it ts agy donnession that he estimated the total value of the comgrny's holdings ft sbout $5 x 50,000$ and his proposition was to intexest sone Pittsinmg gspitelists, friends of his to $\frac{5 e c}{4}$ ure the control.

Mr Peinglets provosition was made to the company on wadnesdry the ninth of Januexy, just befoce he latt for the gast, and it was or that night that Mr muayee the Vioe. Prestrent of the gonian y had bhe conversation with ne retersed to at the uomaenoement of this gommanication. On my retum to Seattle on Mondey last he incorned me that Mr Bleck was over Et the Smelter rulative to samplilg the ship.aont rooentiy asas, and that the mirgotors had requested hira, hes being the treasurex of the Coupeny to bring the matter perore your ettention as I had sugeesteri thet they shomed no.

Accordine to Mx muryee's papostition the promotoxs peopose to again dongte a govtion os bhaix hodeings so thet they una bum over to milliton shanas of stook whicn vill represent the control of tha stook isslaed arr out of Sive militon Bhames still lesving one miluion De hundred thousand shaves in the Tse\&Bury, witioh of gourse oonk be dealt with acooviting to tho plarsmpe of tha pration holding the control of the stook alcaedy Laswer, and could be eithen lest in the Treasury inderinitedy ox doquitead by the holdexs of tha control ale e prioe rixad at a shaxaholdat's raeting, rhen the atock coild be sllotbel to the shareholderta in proyortion to theix holdings, and of avaras the rold-
 Gleven hundrad thousshi (IIDO, 000) shanes ellattocl. He surthax stated thet thi monoy geta coc the control would be used firgt to vay ofe the
 epproprtation to gus centea mough funds foz $2 \lambda$ developaent wow on the pronerty ani thixd to purohese a block of stook whioh I believe he steted to be 300, 200 sheces to make ug the two wilion shexe9.

The foregoing ststement of the history ant goncitions of this Compeny's oporstionc I have gleanad fron vorious convecsstions held
ferom time to time with ell the partias intexesterl, exegnt, hr hatton, Mr Fendricks spri Mr BLek, and I believe the statements I have nade here are substantially correct。


ASSAY CERTIFICATE


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\begin{aligned}
& \text { P.0.Box 7oI. } \\
& \text { Victoria } \mathrm{E}, \mathrm{C}, \\
& \text { June } 18 \mathrm{th} 1907
\end{aligned}
$$

Glemont Iivingeton Esqr, My dear Sir:-

I have recently mado an examination of the Indian Chief group of nineral clains situated in the rountains adjacent to sidney Inlet on the west coast of.

Vancouver Is. and distent about 150 miles from Victoria by mater.

This eroup of clains consists of tho followine:The Tinnicanun, Scotlet, Lesohi, Victor and Victor fraction all Cromn granted, also the Pirefly, Prinoe, Prince $\mathbb{N} 0.3$ Prince NO. , Dewdrop Praction, Brutis NO.2, and Vephistophles Fraction hell unger right of location. The last two naned oleims extend from the mineral zone to the beach, and it is across these that the proposed acrial tram-way will heonstructed, while the marf and bunkers will be built on the beach mithin the boundaries of the Eephistophles Peaction claim.

All the work so far performed has been bone of the Scotlet, Tinnicanun, and Victor olaims.

The summit of the mountain is located on the Victor Praction claim and trends in a general northmesterly 1 and southoasterly course.

## GEOIIOGY

The grological formation of tho mountainous
section in the neighborhood of the mineral locations above reforred ' 0 , apparently comprises tho followine series of rooks from the beach to the summit:-

Ist. Cranite to an elevation on tho trail of about 300 feot: next to this there is green stone, or to be more exact diorite or diabase which in my opinion is of more recent origin than the granite and really represents intrusive masses and dikes between the granito on one side, and garnotite on the other; the garnetito ocours on the nertherly side of the green stone, but on the southerly side of the summit of tie mountain. A portion of this summit at least is lime stone fully crystalline, and notamorphosed. Whether the garnetite is a resultant of tho contact between the lime stone and ereon stone, or whether it is an altered felsite is a question to be solved, at any rate there mould apocar to be no douht but that this garnetite has had a greater influence over the formation of the oro body, than has either the green stono or granite. In fact the most extensive ore bodies are in close association with the lime stone and garnetite rather than with the green stone or zrantte.

In my opinion which is based to a considerable extent on other ore bodies found under almost similar geolocical surroundines, as mell as on hurriod eoological survey in the inmediate vicinity of the group of claims
under discussion, the ore bodies will be found to maintain continuity to consilerable depth rather than to a shallow depth and lyine in a granito basin. In other pords I helieve the eroen stone masses and dikes are intrusions through tho manito, ant that these intrusions causedthe metamorphism of the lime stone mich I believe to be the oldest of thes, rook formationsprobably createous but poscibly carboniferous, too much altered however to properly classify because of the absence of fossils. CHARACTER OT ORR BODIES

The main ore body ocours on the southern side of the sumit of tho mountain, an outcrops at an olovation of about Ihoo feet above set level. The general line of strike from easterly to mosterly, and extends across nortions of the dip is towards the north, and almost vertical the Scotlet, and Tinnicanun mineral claims. Its out crop is found in a bold bluff with the ore itself usually cocurring between the contact of the garnetite and lime stono, but sometimes closely associated with green stone dike. In fact in sone places dikes of this material having a vidth of sovoral fost have cross cut tho mineralizone, in one place notwly near the Big Cut the dike is 26 fect wide with oro occurring on both sides. and the contacto between the dike rock and the garnetitenvery clearly defined with almost vertical dips, and the line of strike of the dike nearly at right angles to that of the ore body:-

Ore bodies have also been found on the northern side of the summit of the mountain with lime stone forming the southern boundwry, and the ore dipring to the scuth at an angle of about 45 degress. There is a marked difference though between thessocurrences of ore on the north sids of tho mountain and those on the south side, the most noticable heing the absence of the garnetite another heing the fact that the copper ore ocours either in a magnetite gangue, or else filling gashes in the preen stone which being very compact and hard warrants tho opinion that these lenses of ore will be found to possess quite inconsiderable extent notrithstandine that the ore itself is of hich erade in ooper values, 1 do not onsider the occurrences on the north side of tho mountain of sufficient importance to marrant any outlay for further work. Sone years back about 80 tons were mined from this side of the mountain, and the apoerance of the workirgs to-day from which this ore was mined sugeest that but very little more remains.

There ie a possibility that at some point nearer to the lime stone and at the contact between that rock With either groen stone or other igneous rock a body or bodies of ore may be discovered.

## DRVELOPITNT NORK.

On tho southerly side of the mountain the most easterly morkincs are situated about 300 fect, easterly from
the westerly line of the sootiet claim. In order to desisnate tho morkinse more clearly 1 will follow the systen in vozue on tio rroperty, and desoribs each morling by the desimation given by the foreman.
It mizht be woll to mention here that the total distance along the line of strike between the most eastorly merkines and nost westorly is I,000 feety-hent The
 the former beine tho altitude of tho lowest morkings and tie latter that of the Big Cut near the apor of the outcrop.
Sunday Opencut. This is the designation given to tho most enstorly workings which oonsist of stripring in tro places, one about I? feet batay, another comencing 50 feet mesterly and consisting of continuous stripring for 50 feet in length. Near tho posterly ond of this stripnine an open out far ben made to crosscut the ore body. At the time or ny visit, this open cut had only penetra ted into tho ore body a fem feot. A continucus body of ors is exposed throughout the leneth of the 50 foot of stripping. The apex of tho outcrop is 50 feet above the flocr of the opencut, and apparently the oro body is $\checkmark$ of quite considerable extent in vidth. Bluff Adit. This is located ahout $800 \mathrm{fe} \mathrm{o}_{\mathrm{t}}$ mosterly from the Sundey morkincs. The adit has beon driven a distanoe of about 30 feet to crosscut the ore body. The entire
length shows aterial of a mixed oharaoter partially ore in garnetito gangue, and partially dike material. Apparently the faco of tho bluff in which this adit has beon driven is tho romains of a partial ly oroded diko of greon stone whioh has thrust tho oro body soneWhat towards the north because in the face of the adit and close to the flo or more solid or of higher grade is exposed than at any othor point.

This bluff adit is quite near to tho wostorly line of the Scotlet claim.

No. 3 Adt. This adit ias been driven at a point alone the line of strike about 300 foot mestorly from tho bluff adit. After driving through about 30 feot of barren matorial, solid oro is exposed and is continucus for 10 foot or to the face as it was at the time of my examination on the loth of June. This adit has been drivon the first 30 feet through diko material, the dike beine the one reformed to as cross-cuttine the ore bo'y and having a tidth of ? fest. The last IO feet of tho adit has the dike for one mall (on the westerly side) but solia ore shons the entire width of the face of the adit, and was taken out for the entire width of the adit for tha leng th of 40 feet.

Apparently tho ore exposed in this adit is a contimuation in depth of tho or body opened in the

Big Cut at an elevation of about 100 foet above the level of tho odit.

NO.? Adit. This has boen driten a short distance restorly from the 10.3 , and on the practically the same level, but in the diko itself and consequently no ore is exrosed shoming ony considerable extent, although at a distanco of 65 foct from tho portal a short crossout has been driven to the yost showing streaks of good ore. An upraise has been started from this adit, and I was informed by the monseo ent that it had bean prooosed to continue thi upraise to connect with the floor of the Big Cut about 100 foet above tho loor of this adit, but this proposed mork had been abanloned when the ore mas exposed in the $M 0.3$ adit because all the indications pointed to that beine as 1 have stated, a continution of the ore body from the Big Cut.

West opencut. At a point about 100 feefostrom the NO. 3 adit and about 20 foot above the level of that an open cut has boen made exposinet the faco of about 5 feot squade considecate portion of thich is a zood grade of chalco-pyrite.

Big Cut. At on altitude of about 100 feet higher than tho NO. 3 adit and almost imodiately over the NO.? adit an open out has boon made in which a body of or e is exposed 100 foet in length, 35 feet in width and 20 feet in heigth. This out has beon driven back to the lime stone whioh forms

## (8)

the hanging wall of the ore body at this point.

General Summary. From the exposures in the workings just described it is at the present time impossible to measure up"ore in sight" except in the Big Cut. Outside of that point the workings have not as yet been carried far enough to show the width of the or body, neither has any drifting be an done to demonstrate whether the or o is one continuous body between the extreme easterly and westerly workings except There the dike mentioned, crosscuts it, or whether along the line of strike there are a series of detached ore bodies with lenticular structure. Neither have any upraises been made to shot that the ore is continuours from the levels of the various more? inge to the apioes of the various outoroprines.

Probable "Ore in sight". At a rough ostimate and taking for granted that the or o body exposed in the NO. 3 adit is the same as that exposed in the Big Cut, I should estimate that there is a probable tonnage of ore aggregating about 20,000 $\checkmark$ tons all of which can be mined at a minimum cost.

As well defined outcrop $p$ inge have been found down the mountain about I00 foot lower altitude than the lowest workings, it is quite possible in fact $I$ am inclined to think probable, that these outcroppings will be found to connect with the ore hodyealready open in other places.


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\mathrm{R} \in \mathrm{PORT}
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ON

INDIAN CHIEP MINB<br>Sidney Inlet,<br>Vancouver Island, B. C.

Jen. 5th, 1920.


> 418 Pemberton Building, Victoria, B.C.

## SUMAAR \& CONCLUSTONS

A geolocical reconneissance of the Indinn Chier uine oxposos a small roof pendant of sedimontary volcanics with interbedded limestone lyine on a basement of batholitbic granodiorite. The arsa of sedimentary rocks is roughly olliptical in plan, -3000' $x$ 1500'. In vertical section it is a tapared cone with a vertical axis of 750.

The volume of this cone Ifrits tho ore bearine formation.

It is found that an upper horizon of $11 m e s t o n e$, partly eroced, hifhly sllicified, and about 100 foot in thickness, is ore bearing. The remainder of the sedimontary rocks is composed of silicious volcanics thich do not carry ore.

The Ilmestona band conting five distinct shear zonss, of varying intensity, caused by normal stop faviting of the undariying ranodiorita.

The ore infections from the eranodionito havo penetrated the limestono on its footwall contact with the volcanics. The penotration belne confined to small areas in the nolehbournood of the shoertng.

In tho case of one shoar zone tho intongtty of infoction was such as to corm an ore body carrumg coppor, cheary as bomito, in sufeiciont quantity to mako it oconomically intoresting.
mis body has bas partly vorked out, tho rade of ore mined being 1.7 copper, providing that records in exiatence statine $20^{\prime}$ of tio ore was sortod ont and discaried as wasto rumning say 0.6 copper are correct.

The present investigation was uncertakon to prove (1) If any oxtension of the partiy worked out ore body e tonded to the south anst over a block of only partially explored ground. (2) Thether thoro was an extension of the ore body under tho ho. 3 level in eround which had not besn explored at all. (3) The chances olsowher in the sedimentarias for other and separats ore bodiss.

Aftor instituting sonemat oxtensiva repsirs on the property, which had bean ide since lu23, in order to put it into shape for both habitation and work, a programme of Investication by diamond drill was decided upon as the most logical way in Fhich to obtain the cesirad information.

It is my opinion that the diamond drilling has aforded the following conclustons. (1) There is a $3 m a l l$ unworked portion of the oricinal orobody in place, of crade running 2. Coppor, and amamtine to 34,350 short tons. There is further "possible" ore of 7,200 tons, of wich the grade is 3 comhat doubtrul.
(2) Thers is no likelihood of any furtieer extension of the ore body either in eip or rake, - beyond the small amount calculated in reserves iven, - below the No. 3 lovol. Tho granodiorite lies at about 100' below the No. 3 level, and, in tho noighbourhood of the ore body, and paralleling it to the north, rises abruptly on a fault plane to a heleht of 50' above the No. 3 level, whonce it proceeds north at an avoraeo olevation of 40 ' below the No. 2 levol, and aeain rises by anothor fanlt plane about $100^{\prime}$ to amorge on the northern "ace of the mountain spur at the level of what are called the "old north workings".

The dip and rake of tho orebody aro in such a direction that it is cut off in both diractions by the faultod granodioritos, - and at only a fov feot below the lo. 3 lovel.

The orobody itsolf is classod as a contact replecomont in Ilmostone. Too point of magmatic injection is the contact plano of limastono and volcavic rocks whoro this in turn $1 s$ cut by the shoaring duo to fanlting.

玉o area of oro doposition 13 badiy brokon, hiehly altored, ane is accoannied by the formation of many seconcary minerals as, carnot (and radits), opldoto, calcito, actinolits, magnotito and quartz.

Thasa soconcary minerals largoly atsappoar as the neighbourhood of tho shaaring and consaquont alteration is loft. The amount in which thoy aro prosent forms a rouch guide to tha aroa in which ore may possibly be found.

Thila tho main orebody undoubtedly occuples the shoared limatone-volcanics contact aroa, stringors of ore are found penatrating the formation in slip-plones, jointine and beddine plarm to some distance from the main zono. These stringers are evidences of fading and are not leads which, if followed, might lead to furthor ore bodies.

Investiration of tho othor shoar zonos shows no important indications. The one to the oxtrere south has had work done on it proviously. Ore was minod but was obviously of too low a erade to pay its way. possibly about 4000 tons of material averaring loss than 1 coppor remains.

The Bonthron Fault ahear zone has been worked out.
The shoar zone at the eranito contact near the north end of the Creen Tunnel has prospective possibilities for the devalopment of a srall oreoody, but tho indications at the lovel and on surface, with the 1 imited backs betwoen, negative the findings of any tonna which would make operation worthwile.

The shoar at sureace at tho north workines is urimportant and workod out.

The idea propounded that the proporty mikht be worked econosically on a small scalo by usine wator pomar has bean invosticated and tha storage racilitios for continuous oporation could only bo orectoc at a very ince exponse wilch la ontirozy unfustifisd.

Detall of possible noturns from oparation will bo found in section hoaded "Operating costs". A summary is as follows:-

Net raturna Irom 34,350 tons 4.43-152,170
Total cost of production on a bas 13
of milling 260 tons per day.


Operating on a smaller basis than 250 tons par day would not provo succesaful. Te capital oxpoxdture involved to put the property in sheps would not be very much less, costs of operation would bs highar, and even at 150 tons per day continuous oporation by wator power is not possiblo without very lares expenditures. It should be borne in mind when figuring on above costs that they are toveloped for porfoct operation. In practice, delays due to breakdoms, relintre mills, crusher ropains, tram ropairs, otc., would tond to incroase the cost por ton.

Under the circumstanes it is rot pos ivio for mo to recommond that any furthor oxpenditures bo rade for the account of the Indian Chlef Wine.

The roport horowith presonted is fully dotailod for the purpose of putting on permenont record informstion concerning a somewhat isolatod property.

# REPORT <br> ON <br> INDIAN CHIEF MINE <br> Sidney Inlet, Vancouver Island, B. C. 

## Jan. Fth, 1929.

## 418 Pemberton Building, Victoria, Br.

## SUMMARY \&c CONCLUSIONS

A geological reconnoissance of the Indian Chief Mine exposes a small roof pendant of sedimentary volcanics with interbedded limestone lying on a basement of batholithic granodiorite. The area of sedimentary rocks is roughly elliptical in plan, $-3000^{\prime} \mathrm{x} 1500^{\prime}$. In vertical section it is a tapered cone with a vertical axis of 750'.

The volume of this cone limits the ore bearing formation.

It is found that an upper horizon of limestone, partly eroded, highly silicified, and about 100 feet in thickness, is ore bearing. The remainder of the sedimentary rocks is composed of silicious volcanics which do not carry ore.

The limestone band contains five distinct shear zones, of varying intensity, caused by normal step faulting of the underlying granodiorite.

The ore injections from the granodiorite have penetrated the limestone on its footwall contact with the volcanics. The penetration being confined to small areas in the neighbourhood of the shearing.

In the case of one shear zone the intensity of injection was such as to form an ore body carrying copper, chiefly as bornite, in sufficient quantity to make it economically interesting.

This body has been partly worked out, the srade of ore mined being $1.7 \%$ copper, providing that records in existence stating $20 \%$ of the ore was sorted out and discarded as waste running say $0.6 \%$ copper are correct.

The present investigation was undertaken to prove (1) If any extension of the partly worked out ore body extended to the south east over a block of enly partially explored ground. (2) Whether there was an extension of the ore body under the No. 3 level in ground which had not been explored at all. (3) The chances elsewhere in the sedimentaries for other and separate ore bodies.

After instituting somewhat extensive repairs on the property, which had been idle since 1923, in order to put it into shape for both habitation and work, a programme of investigation by diamond drill was decided upon'as the most logical way in which to obtain the desired information.

It is my opinion that the diamond drilling has afforded the following conclusions. (1) There is a small unworked portion of the original orebody in place, of grade running $2 \%$ Copper, and amounting to 34,350 short tons. There is further "Possible" ore of 7,200 tons, of which the grade is somewhat doubtful.
(2)

There is no likelinood of any further extension of the ore body either in dip or rake, - beyond the small amount calculated in reserves given, - below the No. 3 level. The granodiorite lies at about l00' below the No. 3 level, and, in the neighbourhood of the ore body, and paralleling it to the north, rises abruptly on a fault plane to a height of 50' above the No. 3 level, whence it proceeds north at an average elevation of $40^{\prime}$ below the No. 2 level, and again rises by another fault plane about $100^{\prime}$ to emerge on the northern face of the mountain spur at the level of what are called the "old north workings".

The dip and rake of the orebody are in such a direction that it is cut off in both directions by the faulted granodiorites, - and at only a few feet below the No. 3 level.

The orebody itself is classed as a contact replacement in limestone. The point of magmatic injection is the contact plane of limestone and volcanic rocks where this in turn is cut by the shearing due to faulting.

The area of ore deposition is badly broken, highly altered, and is accompanied by the formation of many secondary minerals as, garnet (and radite), epidote, calcite, actinolite, magnetite and quartz.

These secondary minerals largely disappear as the neighbourhood of the shearing and consequent alteration is left. The amount in which they are present forms a rough guide to the area in which ore may possibly be found.

While the main orebody undoubtedly occupies the sheared limestone-volcanics contact area, stringers of ore are found penetrating the formation in slip-planes, jointing and bedding plans to some distance from the main zone. These stringers are evidences of fading and are not leads which, if followed, might lead to further ore bodies.

Investigation of the other shear zones shows no important indications. The one to the extreme south has had work done on it previously. Ore was mined but was obviously of too low a grade to pay its way. Possibly about 4000 tons of material averaging less than $1 \%$ copper remains.

The Bonthron Fault shear zone has been worked out.
The shear zone at the granite contact near the north end of the Green Tunnel has prospective possibilities for the development of a small orebody, but the indications at the level and on surface, with the limited backs between, negative the findings of any tonnage which would make operation worthwhile.

The shear at surface at the north workings is unimportant and worked out.

The idea propounded that the property might be worked economically on a small scale by using water power has been investigated and the storage facilities for continuous operation could only be erected at a very large expense which is entirely unjustified.

Detail of possible returns from operation will be found in section headed "Operating Costs". A summary is as follows:-

Net returns from 34,350 tons @ 4.43-\$ 152,170
Total cost of production on a basis of milling 250 tons per aay.

$$
\begin{aligned}
& \text { Capital Expenditure - } \$ 100,000 \\
& \text { Costs of Operation } \\
& \text { @ } 3.54 \text { per ton }-121,599
\end{aligned} \underline{221,599} \begin{aligned}
& \text { Net Loss . . . . . . } \$ 109,427 .
\end{aligned}
$$

Operating on a smaller basis than 250 tons per day would not prove successful. The capital expenditure involved to put the property in shape would not be very much less, costs of operation would be higher, and even at 150 tons per day continuous operation by water power is not possible without very large expenditures. It should be borne in mind when figuring on above costs that they are developed for perfect operation. In practice, delays due to breakdowns, relining mills, crusher repairs, tram repairs, etc., would tend to increase the cost per ton.

Under the circumstances it is not possible for me to recommend that any further expenditures be made for the account of the Indian Chief Mine.

The report herewith presented is fully detailed for the purpose of putting on permanent record information concerning a somewhat isolated property.

