

level this seam will run out of the hillside toward the East at about 100 ft. further, it is advised that work be continued until this point is reached as the labor will be greatly lessened by the discharge of ore and waste material from the mouth of the tunnel on the hillside instead of having to raise it by the horse-whim now used at the mouth of the shaft. Then the sinking of a winz at any desirable point on the seam can be carried on with comparatively little expense.

From this working there has been taken about 40 tons of fine ore of a minimum value of \$30.00 per ton and some of it running over \$60.00 per ton, and as in three days some eight tons of ore were taken from the shaft, this at a value of \$30.00 per ton, would represent \$240.00 for three days work at a cost of production of, say, \$23.00, and if this ore was milled at an additional expense of one dollar per ton, the entire cost of reclaiming \$240.00 would be \$31.00, leaving a profit of approximately \$200.00 for three days work, which we consider as a very fair profit for the amount of expenditure, and considering further that the 40 tons of selected ore have a value of from \$1200.00 to \$2500.00 the profit that would be derived from the milling of this ore would more than warrant the apparent great estimate of Mr. Young as the ore in place between the working level and the surface, at the time of our visit would be worth by actual calculation at a value of \$30.00 per ton, \$3000.00.

This seam that is at present being worked in a very small way is on the "Italian" claim and is an up-thrust through, and directly across the formation of rock forming the hill on which the Derby camp is situated and as its general direction is parallel to the vein on which the original Derby workings have been done on the "Puritan" claim and the dip of this seam and the