PE-078-00

March 14, 1962

78 Nabesna
Nabesna
mining
corp

Mr. George A. Moerlein
Bear Creek Mining Company
Box 5-245
Anchorage, Alaska

Dear George:

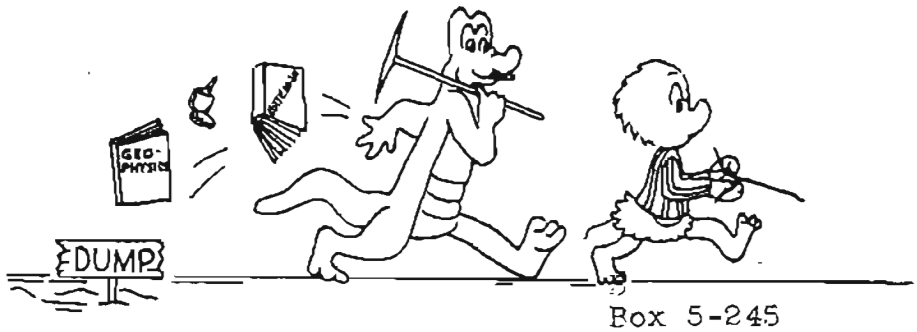
Re: Use of State Lands and Buildings

In answer to your question of March 9, the Division of Lands is the place to go. Probably Herb Lang is the best one to talk to.

Sincerely,

James A. Williams, Director
Division of Mines and Minerals

JAW:je



Box 5-245
Anchorage, Alaska
March 9, 1962

78 Nabesna
Nabesna Mining Corp.

Mr. James Williams
Division of Mines and Minerals
P. O. Box 1391
Juneau, Alaska

Dear Jim:

It is my understanding that lands and buildings belonging to the Nabesna Mining Corporation have reverted to the State through nonpayment of taxes. In the event a few of these buildings are still in good repair, I would like to use one or two this summer to house a few men.

If you have no jurisdiction over this, perhaps you could get the necessary permission for me from the appropriate State agency or let me know to whom I should write.

Thanks for your help in this matter.

Sincerely,

George Moerlein

George Moerlein

Division of Lands
Herb Lang

78- Nabesna
Nabesna Mines

August 12, 1960

Mr. Harold Burgess
Bache & Company
Logan Building
500 Union Street
Seattle 1, Washington

Dear Mr. Burgess:

Re Nabesna Mining Corp. - Nabesna Quad

We have your letter of August 1. The company is defunct. There are two possibilities of people who were members of the corporation who may be able to answer your inquiry.

O. A. Nelson, Chitina, Alaska was listed as Vice President. I understand he has had a stroke and is now in very poor health.

Mrs. Bertha Stewart was listed as Secretary or Treasurer. I presume she is the widow of Claude Stewart, former President, who was recently killed in an auto accident. I do not know her address. Possibly our mining engineer with whom you have already corresponded, Mr. Martin Jasper, may be able to learn her address by inquiry among people who knew Mr. Stewart.

If we can be of further help, please advise.

Very truly yours,

James A. Williams
Director

JAW:ds
cc - Martin Jasper

SEATTLE OFFICE
MAIN 4-8680

GIRTON VIERECK
RESIDENT MANAGER

BACHE & CO.

Founded 1879

MEMBERS NEW YORK STOCK EXCHANGE
AMERICAN STOCK EXCHANGE TORONTO STOCK EXCHANGE
AND OTHER LEADING STOCK AND COMMODITY EXCHANGES
36 WALL ST., NEW YORK 5, N. Y.

BRANCH OFFICES AND CORRESPONDENTS
THROUGHOUT THE COUNTRY

ADDRESS REPLY TO
LOGAN BLDG., 300 UNION STREET, SEATTLE 1, WASH.

August 1, 1960

Mr. J. A. Williams, Director
State Division of Mines
Juneau, Alaska

Dear Mr. Williams:

Mr. Martin Jasper of the State of Alaska Division of Mines and Minerals has suggested we write you regarding Nabesna Mining Corp. Would you please send us all information you may have regarding this company.

Thank you.

Very truly yours,
BACHE AND COMPANY

Harold Burgess

Form SA 1a

78 - Nabesna
Nabesna Mng Co

MEMORANDUM State of Alaska

TO : Jas. A. Williams

DIVISION OF
MINES AND MINERALS

JUL 28 1960
DATE :

RECEIVED
JUNEAU, ALASKA

DATE : July 27, 1960

FROM: Martin Jasper

SUBJECT: BACHE & CO. INQUIRY
RE NABESNA MINING CORP.

Enclosing copy of inquiry recd yesterday from Mr. Burgess of above Co., plus copy of my reply to him.

Ffom the letters you can determine whether it is worthwhile to send him any additional dope you may have or wait for his inquiry.

Regards-
M J

Sending Jean a tentative field trip schedule for the next month of so as you suggested.

M J

78 - Nabesna Mng Co

C
O
P
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C
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P
Y

BACHE & CO.
* * * * * *

36 Wall St. New York 5, N. W.

Address Reply to

Logan Bldg., 500 Union Street,
Seattle 1, Wash.

July 22, 1960

Department of Mines
329 2nd Avenue
Box 2139
Anchorage, Alaska

Gentlemen:

Please send us any information you may have regarding the Nabesna Mining Corporation, whether it is still in operation and in good standing, and any of the latest developments, if any.

Thank you.

Sincerely,

BACHE AND COMPANY

/s/ Harold O. Bugess

HB/b

78-Nabesna
Nabesna Mng.

July 27, 1960

Mr. Harold O. Burgess
Bache & Company
500 Union Street
Seattle 1, Wn.

Dear Sir:

RE: Nabesna Mining Corp.
REF: Your July 22nd Inquiry

With regard to the status of the above company please be advised that this property has been shut down for 15 years or more.

The company property is composed of a certain number of patented lode claims, plus a certain number of unpatented lode claims. The undersigned is not informed as to the number of claims in each classification.

The unpatented claims were kept in good standing through the performance of the the required Annual Assessment work, which was paid for by personal funds of Claude Stewart, Sec.-Treas., of the company for many years, and an oldtimer who resided in the Copper River valley for 40 years.

Mr. Stewart was killed in a car accident late last year. With his wife, who passed away in early 1959, Mr. Stewart was reputed to be one of the largest (if not the largest) stockholder in the company. Since his death it is not known to us what disposition has been made of his interest, or the name of individual who is authorized and/or responsible for the interests of the Nabesna Mining Corporation's property and corporate affairs.

It is suggested that you write to -

Carl Eden, Mining Recorder
Copper River Precinct
Copper Center, Alaska

for any and all information he may have on the Nabesna Mining Corp.s property as of now. Copy of this letter is also being sent to our Juneau office, who may have additional data on this subject. It is suggested that you write -

Jas. A. Williams, Director
State Divisinn of Mines
Juneau, Alaska - P. O. Box 1391

for any information he may have on this matter.

Yours truly-
Martin Jasper

cc:JAW

SOUTHWEST POTASH CORPORATION
718 GRANVILLE STREET
VANCOUVER 2, BRITISH COLUMBIA

A SUBSIDIARY OF
AMERICAN METAL CLIMAX, INC.

EXECUTIVE OFFICES
61 BROADWAY
NEW YORK 6, N.Y.

February 9, 1960.

T S Nabesna
Alaska Nabesna Mining Corp.

Mr. J. Williams, Director,
Division of Mines & Minerals,
Juneau, Alaska.

Re. Alaska Nabesna Corp. Mining Claims
Nabesna Quad.

Dear Jim:

Many thanks for your letter of January 28th regarding the above-mentioned mineral claims.

Our reason for suspecting the claims were in good standing stems from the Van Alstine & Black report, "Mineral Deposits at Orange Hill, Alaska", a U.S.G.S. publication.

The extent of our interest in the area is at present debatable, but it could be we may wish to test some possibilities there in the future.

At present, we are following up the Hayes Glacier Prospect, although what will come of all the discussions is hard to say.

I will probably be up your way before too long and will be in to see you then.

Best regards,

Yours very truly,
SOUTHWEST POTASH CORPORATION

P. O. Hachey

poh/vb

P. O. Hachey

DIVISION OF
MINES AND MINERALS

FEB 15 1960

RECEIVED
JUNEAU, ALASKA

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
BOX 1391
JUNEAU

January 19, 1960

78 Nabesna Mine
Nabesna Camp

Mr. John Bufvers
P. O. Box 941
Seattle 11, Washington

Dear John:

We will attempt to reply satisfactorily to yours of January 2, 1960. As you may know, Jim Williams is now Director of the Division of Mines and Minerals and would normally handle matters of this type. However, the undersigned was active in the Nabesna operation from 1931 to 1937 and can bring you up to date on the activities there.

In the Seattle Public Library you should be able to find a copy of U. S. Geological Survey bulletin 933-B, which includes a rather comprehensive report on the Nabesna mine and the surrounding country. The summary of the report on page 195 of the bulletin entitled "Future of Mining" is a rather realistic approach. The actual area of production has been quite thoroughly explored without any indications of minable bodies of ore. There is always the possibility, however, that exploration of nearby favorable geologic structures may produce new ore bodies.

The massive sulphide deposit on the Eagle claims is very refractory in nature as well as being low grade. I rather doubt that this block of ore can be mined at a profit.

For many years after the mine was finally shut down, they kept a watchman on the property to take care of things. However, several years ago they abandoned that practice and we just heard recently that somebody had been into the camp ransacking various buildings.

It is rather difficult to know just what actual conditions are in the mill proper. When the mine shut down, the mill consisted of a 9" x 15" Telsmith crusher; a 60-ton fine ore bin; a Challange feeder; a ϕ64½ Marcy ball mill; 2 Dorr classifiers; 1 Diester sand table; 1 Denver sub-A and 4 Fagergren rougher cells; 1 Fagergren cleaner, and 1 Fagergren scavenger cell. Presumably all of the milling equipment is still at the property, although some of the trucks and other equipment we know have been sold throughout the years.

The only living official of the company that we know of today is O. A. Nelson of Chitina, Alaska. You might wish to contact him for futther details.

We wish we could believe these rumors about raising the price of gold. There seems to be a new flurry in several parts of the country. We are sure, however, that the present administration (at least the Treasury Department) is not in favor or in support of an increase in the price of gold.

Kindest personal regards.

Sincerely,

Phil R. Holdsworth
Commissioner

PRH'cm

cc - Mr. Jas. A. Williams

January 28, 1960

Mr. P. O. Hachey
Southwest Potash Corporation
718 Granville Street
Vancouver 2, British Columbia

Dear Oz:

Re Alaska Nabesna Corp. Mining Claims,
Nabesna Quad

The claims you mention in your letter to Martin Jasper are all included within U.S. Mineral Survey 1414 which was patented August 17, 1923. The Alaska Nabesna Corp. was stricken from the corporate records in 1937, but have been operating in some phase as a company since that time. They filed a declaration of ownership on the claims under the land registration law on September 9, 1954. This makes the claims in good standing as far as we know from our records. Since Claude Stewart, who was president of the company, was killed in an auto accident, I do not know who to tell you to contact regarding the claims. I may be able to dig up more information on this a little later and if so, I will certainly send it to you. As it stands right now, it does appear that you will have to deal with some representative of the company to do anything with the claims. It might be that Martin Jasper knows who some of Stewart's partners might have been.

Very truly yours,

James A. Williams, Director
Division of Mines and Minerals

JAW:eg

cc: Martin Jasper

Form SA 1

MEMORANDUm State of Alaska

FROM: Martin Jasper

DATE : January 26, 1960

TO : James A. Williams

SUBJECT: Alaska Nabesna Corp. Status of Patented M.C.s
Ref: P. O. Hachey, S.W.Potash Corp Inquiry

Enclosing Mr. Hachey's inquiry concerning status of -

1. California Group
2. Camp Bird Group
3. Glacier Claim
4. Lemon Group
5. Nabesna Claim
6. North Star Group
7. Orange Hill Group
8. Mill Site

It is my impression that Claude Stewart made every effort to comply with requirements to keep the Nabesna Company alive, but thought it advisable to forward Hachey's inquiry to you to get the actual current data upon it.

MWJ:bb

MWJ

DIVISION OF
MINES AND MINERALS

JAN 27 1960

RECEIVED
JUNEAU, ALASKA

SOUTHWEST POTASH CORPORATION
718 GRANVILLE STREET
VANCOUVER 2, BRITISH COLUMBIA

A SUBSIDIARY OF
AMERICAN METAL CLIMAX, INC.

EXECUTIVE OFFICES
61 BROADWAY
NEW YORK 6, N.Y.

January 22, 1960

District Director,
Division of Mines and Minerals,
Federal Building,
Anchorage, Alaska.

Dear Sir:

I am interested in determining whether the following patented mining claims originally held by Alaska Nabesna Corporation are still in good standing.

1. California Group
2. Camp Bird Group
3. Glacier Claim
4. Lemon Group
5. Nabesna Claim
6. North Star Group
7. Orange Hill Group
8. Mill Site

I would appreciate receiving this information as soon as possible.

Yours very truly,

SOUTHWEST POTASH CORPORATION

P.O. Hachey

POH/vm
Encl.

P.O. Hachey

January 26, 1960

COPY

Mr. P. O. Hachey
Southwest Potash Corporation
718 Granville Street
Vancouver 2, British Columbia

Dear Mr. Hachey:

Re: Your Jan. 22nd Inquiry
Ref: Status Alaska Nabesna Corp. M.C.'s

Your above inquiry was received this morning.

With regard to whether or not the patented mineral claims you listed, including Mill Site, are in good standing, it is my belief that they are.

However, to get actual confirmation, your letter is being forwarded today to our Director, James A. Williams, at Juneau, who will have a check made to determine their true status. Mr. Williams will advise you direct from his office within a few days.

Yours truly,

MWJ:bb

MARTIN JASPER
Mining Engineer

cc: J.A.W

78 - Nabesna

March 5, 1959

Mrs. Leise G. Robbins
New York-Alaska Gold Dredging Corporation
2503 Smith Tower
Seattle, Washington

Dear Mrs. Robbins:

In answer to your inquiry of February 11, 1959, we rather doubt that stock in the Nabesna Mine has much present day value. We have not had an opportunity to discuss this with any of the present officers, but if you would like to know the actual status of the stock at this time, we would suggest that you contact Claude Stewart, Copper Center, Alaska, as he is President of the corporation.

Throughout the history of operation the stock sold all the way from 10 cents per share to something over $1.00 per share. Most of the original stockholders held on to their stock and received several times its value in dividends throughout the period of operation.

The company still has some assets in the way of camp and milling equipment at the mine. Just what value is placed on these assets is not known by the undersigned. We rather doubt that there is a chance of resuming mining operations on this property as the limits of the ore body were very thoroughly explored by diamond drilling prior to the shut-down of the mine.

Very truly yours,

Phil R. Holdsworth
Commissioner of Mines

PRH'cm

78-D

NEW YORK-ALASKA GOLD DREDGING CORPORATION

2503 SMITH TOWER, SEATTLE, WASHINGTON

February 11, 1959

Mr. Phil Holdsworth
Commissioner of Mines
Alaska Office Building
Juneau, Alaska

Dear Mr. Holdsworth:

I am wondering if you can give me any information about the Nebesna Mine operation, which I understand is now inactive. Glenn Carrington advised me that at one time you were manager of the mine.

In addition, do you know if the stock has any marketable value at the present time. Do you recall at what price the stock traded when it was active in the market? I realize that the trading figure would vary through the years but thought perhaps you could give me a representative figure, together with the high and low in trading history.

Thanking you in advance for any information you may be able to supply, and with kindest personal regards, I am

Yours very truly,

NEW YORK-ALASKA GOLD DREDGING CORPORATION

Leise G. Robbins

LGR/s
Airmail

(Mrs.) Leise G. Robbins, Secretary

18 Nabesna

February 28, 1957

Mr. Harold O. Burgess,
Walston & Company,
515 Union Street,
Seattle 1, Wn.

COPY

Dear Sir:

RE: Nabesna Mining Corporation

Your February 19th letter, addressed to the local U. S. Bureau of Mines was passed on to this office for attention yesterday.

The Nabesna company is still in good standing so far as we know at this office, although it has been inactive since issuance of the gold mining closure order in 1942.(L208).

The company joined with a number of other gold mining operators in an appeal for damages to the Court of Claims, Washington, D. C., about two years ago. The Court awarded Nabesna - and a number of other companies - substantial damages. The government appealed the awards to the Supreme Court, but to date I do not believe a decision has been given by it upon the Claims Court awards.

It is suggested that you write to-

Claude Stewart, President
Nabesna Mining Corporation
Copper Center, Alaska

for additional information concerning that organization.

Yours truly,

Martin Jasper
Territorial Mining Engineer

cc:Claude Stewart

cc: PRH

February 28, 1957

Mr. Claude Stewart,
Copper Center, Alaska.

Dear Claude:

RE: Nabesna Mining Corp. Inquiry

The following is complete copy of letter received from Harold O. Burgess concerning the Nabesna company, Quote-

> We have in our possession certificates of Nabesna Mining Corp., dated 1935 and 1945, par value of 20¢. As these certificates show the the Corporation in Alaska, will you kindly advise us as to whether this corporation is still in good standing; or if defunct the year in which it became so.
>
> Very truly yours,
> Walston
> [redacted] & Co., Inc.
>
> (signed) Harold O. Burgess

Unquote.

As you will guess Walston & Co. are a brokerage firm, and their letterhead states them to be Members of New York Stock Exchange and other principle stock and commodity exchanges. From that information it would appear that they should be a responsible firm.

Enclosed you will find copy of my reply to Mr. Burgess.

With kind personal regards to Mrs. Stewart and yourself,

Sincerely yours,

Martin Jasper

cc: PRH

Nabesna - 78

Office Memorandum . Territorial Department of Mines

To : Phil R. Holdsworth — Office: Anchorage

From : Martin Jasper — Date : April 6, 1956

Subject : NABESNA MINING COMPANY. Nabesna Quad.

Mrs. Fred Bronnicke was in this morning with couple samples from their Ahtell Creek Au-qtz prospect.

While talking about various items in the upper Copper River valley, she mentioned that Fred (her husband) probably would not be doing the assessment work at Nabesna this year.

Reason - Claude Stewart advised Fred that he could not see his way clear to continue carrying the cost of doing the assessment work alone anymore on the 12 unpatented claims.

MJ

APR 9 1956

PHIL R. HOLDSWORTH
Commissioner of Mines

DEPARTMENT OF MINES
RECEIVED
APR 9 1956
JUNEAU, ALASKA

78 Nabesna

October 20, 1955

Mrs. George L. Eder
914 West 60th Street
Seattle 7, Washington

Dear Mrs. Eder:

In reply to your inquiry of October 10, 1955, the Nabesna Mining Corporation has been inactive for many years. No reports have been sent out since the last year of intermittent operation, which was around 1947. No production resulted which might have gone into dividends after 1938. Most of the stockholders are still in Alaska, and the acting president is Claude Stewart, Copper Center, Alaska.

Unless something rather drastic happens to the price of gold, it does not appear that this company will ever operate again. The installed plant and equipment might some day be sold, but it would hardly cover the cost of maintaining a watchman at the property these many years.

If you need any more detailed information, would suggest you contact Mr. Stewart.

Very truly yours,

Phil R. Holdsworth
Commissioner of Mines

PRH'cm

78 - Nabesna

Seattle, Wash
10-10-55

My dear Mr. Holdsworth

Can you tell me anything about the Nebesna mining Co,?

Are the mines being worked at all & what is the standing of the Company?

Even tho' they may not be operating at present, is there any hopes for the future?

We own some stock of the Co, but they are not listed on the N. Y. stock exchange & we receive no dividends.

I would appreciate any information you could give us —

Thank you very much,

Respectfully,
Pearl Eder

Mrs. Geo. L. Eder
914 - W. 60th ST,
Seattle - 7 - Wash

(78 -)

NABESNA MINING CORPORATION

July 1, 1937

Quarterly report to stockholders on operations at Nabesna Mine from April 1, to and including June 30, 1937.

MINE WORK:

Lineal feet drift driven, 350 level	104
Lineal feet drift driven, 450 level	175
Lineal feet drift driven, 550 level	64
Lineal feet drift driven, Nugget Vein	20
Total lineal feet underground work	363
Lineal feet diamond drill holes put in	446
Tons ore mined and trammed to mill	1295

MILL OPERATION AND ESTIMATED PRODUCTION:

Total number hours operated	1151.00
Total number tons mine ore treated	1295.00
Total number tons tailings retreated	2095.00
Average value per ton of ore treated	$20.83
Average value per ton of tailings retreated	$11.15
Recovery, Mill	74.11%
Tons shipping concentrates produced	72.34
Average value per ton shipping concentrates	$370.21
Gross value shipping concentrates	$26,744.08
Tons cyaniding concentrates produced	647.64
Average value per ton cyaniding concentrates	$16.31
Gross value cyaniding concentrates produced	$10,559.65
Mill production from mine ore	$25,456.12
Mill production from retreatment tails	$11,848.61
Gross value mill production from mine ore and retreatment tails	$37,303.73
Bullion produced from cyaniding concentrates	$5,072.59

GENERAL:

The mill was forced to close down the latter part of April and for the greater part of May owing to failure to get our spring supply of diesel fuel delivered over the railroad from Cordova to Chitina, the railroad being tied up by a strike of its employees. A supply of fuel oil was again on hand shortly before June first and milling operations were resumed. Ore from the mine was milled for a few days and treatment was then begun on the impounded tailings from previous years operation. At present 75 to 80 tons per 24 hours is being treated producing a table and flote concentrate for smelter shipment and gold bullion from the cyanide unit, sold directly to the U. S. Mint. Mill recovery while operating on mine ore was about 94%. The poor recovery made when treatment of the tailings began brought the general average for the quarter down to 74.11%. While the tailing recovery has been improved since milling of them started June first it is not to be expected that recovery will approach very close to that made on mine ore. Oxidation caused by several years exposure to surface agencies make them much harder to recover values from than the unoxidized mine ore.

The 1295 tons of ore delivered to the mill during this quarter was mined from the several stopes on the 350 and 450 mine levels. No stope mining of ore will be done this summer. It is desired to keep the mill operating to its fullest capacity on the impounded tailings and stored cyaniding concentrates during the summer months when warm weather and ample water supply makes this work feasible. This allows the use of all the mining equipment for development and preparatory mining work. The 350, 450 and 550 drifts are being driven further ahead, drilling with the diamond core drill is being done mostly testing the sides from the main ore zone contact for parallel ore veins. The Nugget Vein tunnel is being driven further ahead towards the vein exposures of good ore that outcrop on the surface a short distance to the South and West.

While no new ore bodies of any importance have been driven into in the development work done this quarter the mine as a whole is in much better condition as to the quantity of ore in sight and ore values than it was a year ago.

Respectfully submitted,

Carl F. Whitham,
President and General Manager

NABESNA MINING CORPORATION

MINING PROPERTY, NABESNA VALLEY, ALASKA

CAPITAL STOCK 1,000.00 SHARES FULLY PAID, NON-ASSESSABLE
NO PAR

MAIN OFFICE
CHITINA, ALASKA

2/9/32

FEB 15 1932

MR B D STEWART
SUPERVISING MINING ENGINEER
DEPT. OF INTERIOR, GEOLOGICAL SURVEY
JUNEAU ALASKA

Dear Sir :

As per H.B. 26, chapter 51, approved May 3, 1917, I am giving below certain statistics for 1932 as required in section 10, of said Act:

Name of operator:	NABESNA MINING CORPORATION
Manager's name :	CARL F. WHITHAM.
Name & location of property:	Nabesna Mine; on White Mountain, North Wrangell Mountains, between Jack and Jacksina Creeks approx. 5 miles above their confluence.
Probable number of men to be employeed in 1932:	24, including manager .

We ran about 1300 tons thru our mill last summer before cold weather stopped us. Mill heads averaged a little over $90.00 per ton. Actual smelter returns for 1931 will run about $50,000.00, which we do not consider unfavorable for the 1st year. Tailings and retreatment concentrates have been stored for further handling . We hope to take out about $180,000.00 in 1932. Tacoma Smelter is getting the shipping grade concentrates .

The usual income return will be reported to the Territorial Treasurer in the near future.

We had a couple of minor accidents in 1931 as follows:
N.P.NELSON: Two ribs fractured on March 18 ~~xxxx~~ by falling tree when getting out logs. Disabled March 18 to April 8-22 days.

ALEX BERARDINI: Hand broken by falling rock while operating jack-hamer on August 25. Disabled 50 days.

Settlement in full has been made with both of these men in accordance with Employees' Compensation Act of Alaska. I overlooked reporting these cases to you last season. Both men fully recovered.

Yours very truly,

Sec.-Treas.

Mabesna
178 —

Juneau, Alaska, February 23, 1932. BDS/S

Mr. D. H. Kelsey,
Secretary-Treasurer,
Mabesna Mining Corporation,
Chitina, Alaska.

Dear Mr. Kelsey:

Receipt is acknowledged of your letter of February 9, 1932, which gives a report of your mining operations for the past year and a statement of the probable number of men to be employed in 1932. Your report on the two accidents which occurred in 1931 has been noted. In that connection there is being forwarded to you under separate cover a small supply of forms upon which to report mining accidents. Will you kindly fill out one of these for each of the men injured in 1931 in order that we may have them for our files?

I was pleased to note the fine record made by your company for the year 1931 and wish you all success in connection with your future operations. If my office can be of assistance to you in any way please advise me.

Very truly yours,

B. D. STEWART,
Supervising Mining Engineer.

NOTED

MAY 1- 37

B. D. STEWART
Commissioner of Mines

Nabesna
(78 —)

NABESNA MINING
CORPORATION

April 1, 1937

Quarterly report to stockholders on operations at Nabesna Mine from January 1 to and including March 31, 1937.

MINE WORK:	
Lineal feet stope raise driven (350 level)	15
Lineal feet drift driven (350 level)	90
Lineal feet stope raise driven (450 level)	210
Lineal feet drift driven (450 level)	60
Total lineal feet underground work	375
Tons ore mined and trammed to mill	3534

MILL OPERATION AND ESTIMATED PRODUCTION:	
Total number hours mill operated	2011.00
Total number of tons mine ore treated	3534.00
Tons tailings	2387.50
Average value per ton, tailings	$2.64
Average value per ton ore treated (heads)	$22.62
Recovery	92.09%
Tons shipping concentrates produced	82.69
Average value per ton, shipping concentrates	$644.35
Gross value, shipping concentrates	$53,281.41
Tons cyaniding concentrates produced	1063.81
Average value per ton, cyaniding concentrates	$19.12
Gross value, cyaniding concentrates	$20,340.04
Gross value, mill production from mine ore	$73,621.45
Bullion shipped to mint from cyaniding concentrates	$6,625.87
Bullion on hand from cyaniding concentrates	$4,887.72

GENERAL:
During this quarter both the mine and mill have been in good effieient working condition. No loss of time occured in the mining work and the mill operation was continuous with the exception only of the short time required for the usual replacement of wearing parts in the ball mill and other equipment. Water supply for milling purposes has been ample and steady all winter.

The quantity of ore being treated in the mill was, beginning March first, increased by approximately ten additional tons per twenty four hours. This being done without causing any loss in the amount of recovery being made.

The 3534 tons of ore trammed to the mill for treatment was mined from the stopes on 350 and 450 levels. Underground work mainly consisted of stope and preparatory mining. The development work done consisted of the driving further ahead of the 350 and 450 drifts.

Ore of good milling grade is being mined from two additional stopes lately opened up, one on 350 and one on the 450 level, both are further on in the drifts (deeper in the mountain) than any previous ore stoping has so far been done. Ore values and ore widths in the stopes that we have been mining this winter continue to be of the same general grade and size as in the past. With our present milling capacity, treatment process and the percent of recovery we are now making, mill heads of $15.00 per ton can be profitably mined and milled.

The highway from the mine to Chitina, which has been for over two months blocked for traffic by deep snow, was early in March plowed out from Chitina to Nabesna by the Alaska Road Commission and is in good condition for truck traffic. The shipping concentrates produced and stored at the mine during the winter are being freighted to Chitina and will be shipped from there to the smelter when the railroad again resumes train service to Cordova, probably some time early in April.

Respectfully submitted,

Carl F. Whitham,
President and General Manager

Sam

Nabesna
(78-)

Nabesna Precinct 1932.

Nabesna Mining Corporation.

The Nabesna Mining Corporation operated its mine throughout the summer season resulting in a very successful year. Development work located the lead at over 200 feet depth which shows good values and insures sufficient ore for the coming season. All ore mined and milled during the season was obtained from above the upper tunnel level. This part of the vein is a triangle roughly 175 feet along the base or tunnel and 80 feet high at the apex of the vein on a sharp ridge. At the surface the vein was found to have broken over and a considerable tonnage of ore was found lying along the surface under a light covering of grass and moss. Sufficient ore still remains above the tunnel level to keep the mill supplied for a goodly part of the next season.

The lower tunnel 160 feet lower in elevation which was driven in to a distance of over 400 feet presumably along the same contact was connected with the upper tunnel by a surveyed direct raise. This raise was in limestone the whole distance and failed to show values. A short crosscut into the hanging wall from a point in the raise 60 feet below the upper tunnel struck the ore shoot when in only a few feet. Sampling of drift along the shoot by means of drill holes showed a width of over 12 feet and values of about $ 50.00 per ton. The ore here shows a lime- quartz gangue with large amounts of pyrite, small amounts of chalcopyrite, and galena. The ore is more solid, crumbling less upon exposure to the atmosphere than it does in the vein higher up. A lower crosscut 40 feet above the lower tunnel, driven into the hanging wall, encountered the ore at a depth of 10 feet. It here showed the same high pyritic character with good values. This point is 200 feet vertically below the apex of the vein on the surface.

Late in the season the upper terminal of the tram was moved down to the lower tunnel portal in preparation for the next seasons operations. The compressor was also dismantled and lowered to the lower tunnel through the raise and reassembled at the portal of the tunnel.

Operations of the consentrator were very satisfactory for the season. Considerable improvements in the plant are however planned

for the coming season. A 135 horsepower Washington S- Step direct connected deisel-electric 440 volt 60 cycle power plant was purchased, also motor equipment to change all mill drives to electric, and a 16 foot diameter door thickener with a 4 cell Kraut flotation unit, United Filters Corporation 2 leaf American Filter, and several direct connected motor driven Wilfley sand pumps for tailings and concentrates. The flotation part of the concentrator will have a capacity of 60 tons per 24 hours or about double that of the ball mill, thus giving and available treatment capacity for the flotation plant of 30 tons per 24 hours for retreatment of impounded tailings during the next season and for the addition of another grinding unit the following season. It is also probable that a cyanide plant for treatment of the concentrates to produce bullion will be added the following season.

The Alaska Road Commission cooperated with financially by the Nabesna Mining Corporation graded a road,for caterpillar tractor use, from the present end of the highway to the mine late inthe summer of 1933. This road was used early in the winter,before the snow had reached a depth sufficient to interfere greatly, to haul the greater part of next seasons freight from Chitina to within 30 miles of the mine by truck. The corporation freighted in over 200 tons of freight including new machinery, deisel oil, gasoline and food.

In 1931 Tommy Jackson located a group of claims about 6 miles south of the Nabesna Mining Corporation camp and about 2½ miles west of the NabesnaRiver on a steep ridge between the river and Jacksina Creek on the side sloping towards the river. The property is reached by trail from the Nabesna Landing Field which follows the trail to White Mountain for about 5 miles then turns south crossing Jacksina Creek and following along the foothills for about 5 miles to Jackson's camp at the base of the long high ridge . The camp is at an elevation of 3,365 feet. The Gold Hill No. 1 and No. 2 claims have been located along a southwesterly direction extending up and over the summit of the ridge. At an elevation of about 4,540 feet a cut about 10 feet deep has been dug on the lead which is exposed on the steep slopes for several hundred feet. The lead shows about 6 feet wide of crushed and

brecciated countryrock with much gouge, some quartz, pyrite, chalcopyrite and oxidized copper minerals. A number of samples have been taken by Jackson and others along this outcrop and in the cut which show it carries from $ 1.00 to $ 3.00 per ton in gold. A rough examination of the wall rocks on both sides of the lead for some distance show it to contain considerable pyrite and chalcopyrite crystals which leads one tp believe that possibly this wall rock will also contain values almost as high as the lead cutting it. The wall rock id a dark colored igneous rock probably diorite. The vein strikes N. 52° E. and stands almost vertical.

Charles Elwood was prospecting in the Nabesna Basin during the summer of 1932 and had several veins located none of which were examined by the writer and none of which were reported by Elwood as containing high valued. Very little work was done on the Gercken-Brown property on the east side of the valley. There were no other prospectors in the visinity of Nabesna Valley during the season.

Respectfully Submitted,

Earl A. Pilgrim

Feb. 9, 1933.

Nabesna
(78 —)

Annual Report

NABESNA MINING CORPORATION

1934

Main Office: Chitina, Alaska
Mine Office: Nabesna, Alaska

Officers

Carl F. Whitham, President and General Manager
R. J. Shepard, Vice-President
D. H. Kelsey, Secretary-Treasurer
E. B. Kluckholn, Assistant Secretary

Report of Board of Directors to Stockholders

In the absence of Carl F. Whitham, President and General Manager, who on December 8th sustained serious injuries and is now in the Fairbanks Hospital, the following Annual Report is submitted by the Directors of the Corporation.

We are pleased to announce that Mr. Whitham has been making a rapid recovery and is expected to return to Nabesna and resume active management within a few weeks.

GENERAL STATEMENT

During the year the management has successfully carried out a comprehensive program of development and expansion. Living quarters have been provided for a crew of 50 men. Additions have been made to the mill building and by the installation of a larger grinding unit and other improved ore dressing machinery the production has been stepped up from thirty tons to sixty tons per day. The present milling machinery, however, has a capacity of over 100 tons per twenty-four hours and production can, at any time, be increased to that amount by the installation of another diesel unit. Power supply is now the limiting factor in mill production. In this region where winter temperatures range down to sixty degrees below zero very careful and detailed preparation was required to insure year around operation. All essential buildings, including those at the tunnel portals, were banked and then lined with Celotex. A central heating plant, with a capacity of 5000 square feet of radiating surface, was installed and thoroughly insulated steam lines laid to all the principal buildings. A system of water reclamation was installed in the mill which reduced the quantity of fresh water required to less than 15 gallons per minute. A large spring on which winter flowage records had been kept for several years was selected for a water supply and an electrically operated pumping plant installed at that location. From the pump a double pipe line, 2500 feet in length to provide delivery of water directly to the mill, was laid below the surface of the ground and insulated with sawdust. Provision was made at the mill to heat the fresh water supply; first by circulation through the water jacket of the diesel and second by circulation through a waste heat boiler heated by the exhaust of the diesel. This provides a warm water feed into the mill circuit. By means of the double pipe line hot water can be returned to the spring if necessary. Camp water supply lines were laid along the steam mains and enclosed within the same insulating covering. A small gas electric unit was installed to supply auxiliary

power for handling the water supply pump and the camp lighting system when the diesel engine is shut down.

This winter the temperature has not gone lower than forty degrees below zero and the heating plant has been operated at not more than half capacity. Cordwood has been used for fuel, but a diesel burner is available for use in case it becomes necessary.

While the installation costs necessary to prepare for winter operation have been high, winter operating costs should not be greatly in excess of summer operating costs. Snowfall in this region is very light and periods of low temperatures are usually of short duration. Road conditions between Chitina and Nabesna, to date, have been excellent, and truck freighting costs this winter are the lowest ever obtained. From the experience gained this winter it is apparent that year round operation is feasible and that it can be profitably carried on at extreme winter temperatures.

Milling operations this year were started on May 15th and continued with only minor interruptions until December 9th, when a shut down occurred due to the breaking of the crankshaft on the diesel engine. A new crankshaft was brought in by air and plans completed to resume operations before the first of February.

Underground development work has been carried on as rapidly as the limited air supply will permit. A 950 foot tram, between the tunnel portal on the 650 foot level and the mill, with upper and lower ore bunkers was constructed. This tram will be used for transporting to the mill all ore drawn from ore bodies between the 650 foot and the 250 foot levels.

It is planned to continue mill operations during 1935 at the present capacity and to continue underground mine work and the blocking out of ore as rapidly as conditions will permit.

Below is a tabulated summary of work accomplished during the year:

Mine Work:

Linear feet of drift and tunnel driven (650 foot level)	1,010
Linear feet of stope raise driven (250 foot level)	830
Linear feet of stope raise driven (650 foot level)	28
Total linear feet underground work	1,868
Linear feet diamond drill holes put in	585
Tons of ore mined and trammed	9,955

Mill Operations and Production:

Total number of hours operated	4,090.5
Total tons of ore treated	9,955
Average value per ton of ore treated	$ 32.86
Percentage of value recovered in concentrates	74.6
Tons of concentrates shipped to smelter	226.428
Tons of concentrates stored in Chitina	103.524
Total tons of concentrates produced	329.982
Average gross value per ton of concentrates produced	$ 739.62
Gross value of concentrates shipped to smelter	203,785.19
Gross value of concentrates stored in Chitina	40,288.50
Total gross value of concentrates produced	244,073.69
Total net returns from concentrates sold	192,986.97

Note: Concentrates stored in Chitina were produced after the Copper River and Northwestern Railroad had closed for the winter. Shipment is therefore necessarily delayed until spring.

New Buildings Constructed:

Main office building	16 x 40 feet
Mill office building	16 x 20 feet
Three staff quarters	16 x 16 feet
Concentrate storage shed	16 x 32 feet
Mill addition	14 x 40 feet
Garage and central heating plant	24 x 52 feet
Warm storage building	16 x 20 feet
Tailing thickener house	22 x 22 feet

Mill Equipment Installed:

One Marcy Grinding Unit
One Dorr Classifier
One Denver No. 250 Sub-A Unit Flotation Cell
One 7½ KVA Auxiliary Gas-Electric Unit
One Diesel Exhaust Heat Boiler
Two 6000 Gallon Water Storage Tanks
One 18 foot Dorr Thickener and Diaphragm Pump for Water Reclamation

Mine and Tram Equipment Installed:

One 120 foot Worthington Portable Compressor
One 950 foot Two span Aerial Gravity Tram
One Upper Ore Bunker, Capacity 20 tons
One Lower Ore Bunker, Capacity 80 tons

Heating and Water Supply Equipment Installed:

One 5000 foot Birchfield, low pressure, Steam Heating Boiler
One 3 Horsepower Triplex Pump
6100 Lineal feet water supply pipe
1820 Lineal feet steam lines
1500 Square Feet Radiator surface

Miscellaneous Work:

80,000 Feet Board Measure, Mine Timbers and Lumber cut
240 Cords Fire Wood Cut
¼ Mile Road graded

R. J. Shepard
Vice-President
For the Board of Directors

Report of Secretary-Treasurer

Statement of Profit and Loss
Year 1934

Income			
Sales: Concentrates			$196,788.67
Commissary: Net profit for the year			912.79
Interest earned			908.41
Total Income			$198,609.87
Operating Expense			
Hospital Fund		$ 781.03	
Interest paid		255.09	
Federal and Territorial Taxes		4,710.04	
Shipping and handling concentrates		23,878.55	
Officers' Salaries		3,300.00	
Milling		32,553.84	
Mining Costs:			
Current	$34,932.29		
Intermediate Tunnel Adjustment	9,586.86*		
Intermediate Raise Adjustment	3,512.92*	48,032.07	
Repairs to Machinery and Buildings		21,079.79	
Diamond Drilling		1,494.73	
Fire Insurance		1,130.00	
Miscellaneous Expense		11,601.65	
Office Expense		1,507.33	
Office Rent		112.50	
Loss on Forage Account		200.00	150,636.62
Gross Profit			47,973.25
Less Depreciation of Equipment for 1934		27,178.68	
Less Depletion charge for 1934		11,891.30	39,069.98
Net Profit to Surplus			8,903.27
Surplus as of January 1, 1934			42,640.13
Surplus Adjustments in 1934			48,127.39
Surplus December 31, 1934			99,670.79

*1934 proportion of cost of Intermediate Tunnel and raise.

BALANCE SHEET as of DECEMBER 31, 1934

Assets

Cash	$ 38,444.47	
Supplies Inventory	50,800.53	
Concentrate on Hand, net	36,259.65	$125,504.65
Accounts Receivable		1.33
Prepaid Taxes		15.00
Mining Claims	100,001.00	
Patenting Costs	3,781.79	103,782.79
Equipment	168,435.06	
Less Depreciation Reserve	72,358.20	96,076.86
Preparatory Mining Balances:		
Intermediate Tunnel	4,815.16	
Intermediate Raise	1,764.46	
Tower Knob Tunnel	21,683.75	28,263.37
Advances to Employees		49.39
		353,693.39

Liabilities

Accounts Payable	2,602.89	
Wages Payable	888.08	
Accrued Federal Income Taxes	2,988.02	6,478.99
Reserve for Depletion		47,993.61
Capital Stock Outstanding (876,400 shares)	187,190.00	
Donated Working Capital	12,360.00	199,550.00
Surplus		99,670.79
		353,693.39

Reflection of Surplus in Balance Sheet

Cash and Inventory	$125,504.65	
Machinery and Buildings (Less Depreciation)	96,076.86	
Accounts Receivable and Advances to Employees	50.72	
Mining Claims and Tunnels (Less Depreciation)	84,052.55	
Prepaid Items	15.00	305,699.78
Less: Current Liabilities	6,478.99	
Outstanding and Donated Stock	199,550.00	206,028.99
Surplus as per Balance Sheet		99,670.79

D. H. Kelsey
Secretary-Treasurer

Nabesna Mining Corporation

GENERAL MANAGER'S
EIGHTH ANNUAL REPORT TO STOCKHOLDERS

YEAR 1937

Return to
B. D. Stewart
COMMISSIONER OF MINES

Eighth Annual Report To Stockholders Year 1937

MILL OPERATION time lost this year was for the usual general maintenance and repair work and for installation of new equipment. An additional month's operating time was lost on account of a strike situation on the railroad which made it impossible to get shipment of diesel fuel oil as expected. Of the total 284 operating days, 90 during the summer were given to milling and retreatment of stored cyaniding concentrates and tailings, mine ore being milled the rest of the time.

Recovery made on the combined mine ore and tailings tonnage milled average 68.33%. The recovery made milling mine ore was better than that made in milling the more refractory tailings. This recovery difference was, however, largely made up for by the cheaper cost per ton of the tailing retreatment. Mining and underground development work was kept going steadily. Practically all the ore trammed to the mill was mined from the stopes of the 350 and 450 levels. An ore body near the end of the 450 level drift has been opened up and ore blocked out with stope raises for a vertical height of 160 feet, work continuing in ore. This body of ore lays farther to the north, deeper in the mountain, than any ore heretofore developed in the mine. Vein widths average about four feet. Some exceptionally high grade ore has been found in developing this vein and the value is expected to average over $30.00 per ton.

In extending further the Nugget Vein Tunnel additional ore of good milling grade value was found at a vertical depth of 150 feet below the surface outcroppings. A cross cut is being driven from the 250 foot mine level to develop these ore bodies at an additional depth of over 200 feet. This cross cut when completed will make available the tram facilities of the intermediate tunnel for transporting ore mined to the mill.

Mill and mine equipment are in good repair and efficient working condition. Ample supplies are on hand to carry on operations until about June 1. Concentrates produced are being stored at the mine during the winter, shipments to the smelter will be resumed in the spring when the railroad is again open for traffic.

Production was begun seven years ago at Nabesna Mine. A mill capable of treating a small daily ore tonnage was erected and operated 60 days that summer.

Since that beginning as a producing mine the mill plant has been more than doubled in size and tonnage capacity. Equipment has been installed to make ore treatment more efficient. A yearly increase in possible operating time of about eight months has been made by equipping for and successfully placing the mill on a continuous year-around operation basis. Mine development has progressed steadily each year with good results as to ore developed. Substantial mine camp buildings have been built suitable for winter use.

These improvements and developments made since the mine first became a producer seven years ago have been done at a cost total of several hundred thousand dollars, all of which has been paid for out of money earned from mine production. The Nabesna Mine has now been built up, improved and developed into a well equipped producing property. Future profitable operation can now be expected without such major reinvestments of mine-earned money that have been necessary in building up the Nabesna Mine in years past.

1938 PROGRAM

Continuous operation and production is planned for the mine and mill. Mine ore will be milled the greater part of the year. The few months during the summer when such work can be done, stored cyaniding concentrates and tailings ponded from past years' operations, will be pumped back to the mill and retreated. Operating cost is much less per ton for retreating of tailings than for the milling of mine ore. With the new type agitators now in use and other equipment it is planned to install this spring, better overall recovery can be expected and a larger daily tonnage of tailings retreated than was done last summer.

Plans are being made to install a classifier to more efficiently return the coarse overflow from the concentrating table back to the ball mill for finer grinding. This will nearly double our present tabling capacity and increase the amount of table concentrates produced. In the cyanide plant alterations will be made in one of the thickener tanks to increase capacity and efficiency.

Ore will be drawn from the several mine stopes and delivered to the mill over the 650 foot level tram line. Development work on the mine levels, consisting of drifts, stope rasies, etc., will be continued as in the past and additional ore prepared for stope mining. Work will be continued driving the Nugget Cross Cut farther ahead as rapidly as feasible. It is expected to increase the diamond core drill footage put in this year. Drilling will be done on the 350, 450 and 550 mine levels. When the Nugget Cross Cut, now being driven, opens up the Nugget Vein Ore Zone at several hundred feet depth, diamond drilling will be done there to explore at depth the ore deposits that show on the surface.

MINE WORK ACCOMPLISHED YEAR 1937

350 foot Level Workings:		
Drift, lineal feet driven	368	
Stope Raise, lineal feet driven	75	
450 foot Level Workings:		
Drift, lineal feet driven	376	
Stope Raise, lineal feet driven	582	
550 foot Level Workings:		
Drift, lineal feet driven	161	
Nugget Cross Cut, lineal feet driven	255	
Nugget Vein Tunnel, lineal feet driven	163	
Total Underground Work, lineal feet		1,980
Diamond Drill Holes Put In, lineal feet		695
Tons Ore Mined and Trammed to Mill		8,790
Tons Tailings and Cyaniding Concentrates Pumped to Mill		7,327

NEW CONSTRUCTION, EQUIPMENT INSTALLED, ETC.

Wash and Change Room, 16 feet by 24 feet.

Two Wallace Super Agitators, Low Head Type.

Two Seven-Compartment Zinc Boxes for Gold Precipitation.

Supplies and equipment freighted to mine from Valdez and Chitina: 802 tons at a landed cost of $18.68 per ton.

MILL OPERATIONS AND ESTIMATED PRODUCTION FOR THE YEAR 1937

Total number days operated	284.71
Total tons of ore treated	8,790.00
Average value per ton of ore treated	$ 20.93
Gross value of ore treated	$183,980.08
Total tons of tails and cyaniding concentrates retreated	7,327.00
Average value per ton of tails and cyaniding concentrates retreated	$ 14.49
Gross value of tails and cyaniding concentrates retreated	$106,165.89
Total gross value mill heads	$290,145.97
Tons shipping concentrates produced	405.77
Average gross value per ton	$ 411.05
Tons concentrates shipped to smelter	375.77
Gross value concentrates shipped	$152,997.61
Tons shipping concentrates stored	30.00
Gross value shipping concentrates stored, estimated	$ 13,796.17
Gross value bullion produced and shipped to U. S. Mint	$ 29,399.39
Gross value bullion produced, on hand	$ 2,055.87
Total estimated gross income from 1937 production	$193,249.04
Overall recovery percent, mill and cyanide plant	68.33

BALANCE SHEET as of December 31, 1937

ASSETS

CURRENT ASSETS:			
Cash on Hand	$ 333.85		
Cash in Banks	1,632.67	$ 1,966.52	
Inventories:			
Concentrates*	27,871.90		
Bullion	3,449.44		
Supplies	65,069.42	96,390.76	
Accounts Receivable:			
Employes' Advances	93.33		
Sundry	595.91	689.24	
Total Current Assets			$ 99,046.52
FIXED ASSETS:			
Plant and Equipment	212,596.99		
Less Reserve for Depreciation	142,058.16	70,538.83	
Land		3,798.29	
Total Fixed Assets			74,337.12
MINE PROPERTY:			
Mining Claims	100,001.00		
Less Reserve for Depletion	76,276.65	23,724.35	
Unamortized Development Costs		114,606.38	
Total Mine Property			138,330.73
PREPAID EXPENSES:			
Fire Insurance Premiums		125.00	
Taxes		15.00	
Total Prepaid Expenses			140.00
TOTAL ASSETS			$311,854.37

*Does not include cyaniding concentrates stored at mill for further treatment.

BALANCE SHEET as of December 31, 1937

LIABILITIES

CURRENT LIABILITIES:			
Notes Payable to Bank	$ 30,000.00		
Accounts Payable	8,504.22		
Taxes Payable	6,874.05	$ 45,378.27	
Accrued Wages Payable		5,717.34	
Total Current Liabilities			$ 51,095.61

CAPITAL AND SURPLUS

CAPITAL STOCK:			
Authorized 20c par value:			
Common	1,000,000 Shares		$200,000.00
Less Unissued	61,800		12,360.00
Total Issued	938,200		187,640.00
Less Treasury Stock	61,800		12,360.00
Outstanding	876,400 Shares		175,280.00
SURPLUS:			
Paid in	11,910.00		
Donated	12,360.00		
Earned	61,208.76	85,478.76	
Total Capital and Surplus			260,758.76
TOTAL LIABILITIES			$311,854.37

STATEMENT OF INCOME AND PROFIT AND LOSS, YEAR 1937

GROSS SALES:			
1937 Production			$198,249.04
OTHER INCOME:			
Interest Earned		$ 10.17	
Stock Transfer Profit		13.24	
Commissary Profit		1,368.92	
Equipment Sales Profit		893.50	2,285.83
TOTAL INCOME			200,534.87
EXPENSES:			
Milling		62,219.96	
Mining		39,977.05	
Marketing Concentrates		17,720.32	
Smeltering		11,034.92	
Repairing:			
Buildings	$ 266.01		
Machinery	11,867.62		
Heating Plant	283.71		
Water System	246.68	12,664.02	
Taxes:			
Social Security	2,294.18		
Capital Stock	976.00		
Federal Income	275.24		
Territorial License	40.00		
Other Taxes	5,947.47	9,532.89	
Salaries of Officials		3,300	
Heating Plant Operation		2,799.95	
Diamond Drilling		1,615.03	
Office Expense		4,356.13	
Hospital Fund Deficit		2,060.48	
Fire Insurance		750.00	
Interest Paid		1,285.02	
Miscellaneous Expense		2,132.42	
Office Rent		180.00	
Fire Loss		324.79	
Telephone & Telegraph		548.32	
Water System Operation		593.29	
TOTAL EXPENSES			173,094.59
NET PROFIT BEFORE DEPRECIATION AND DEPLETION			27,440.28
DEPRECIATION		23,903.37	
DEPLETION		1,906.07	25,809.44
NET PROFIT AFTER DEPRECIATION AND DEPLETION			$ 1,630.84

Historical Summary of Operation

Year	Tons Milled	Recovered Gross Value	Mill Heads Value Per Ton	Ore Milled Gross Value	Recovery Per Cent	Mill Operation Days	Underground Work Lin. Ft.	Diamond Drill Work Lin. Ft.
1930							150	
1931	1,302	$ 60,759.53	$90.00	$ 117,180.00	50.99	60	617	
1932	2,022	131,978.54	83.68	169,200.96	81.67	86	412	-
1933	2,874	141,649.68	53.54	153,873.96	81.40	119	532	
1934	9,955	244,073.69	32.86	327,121.30	74.60	170	1,868	585
1935	16,443	*247,259.38	19.52	320,967.36	77.03	295	2,232	1,045
1936	11,653	†190,513.11	17.99	209,637.47	90.88	223.7	3,203	1,292
1937	16,117	198,249.04	18.00	290,145.97	Overall 68.33	284.71	1,980	695
Totals	60,366	$1,214,482.97	Average $26.31	$1,588,127.02	Average 76.47	1238.41	11,085	3,617

*Not included, bullion from stacked middlings, $10,233.57.
†Not included, bullion from stacked middlings, $15,934.70.

Main Office: Chitina, Alaska

Mine Office: Nabesna, Alaska

Officers

Carl F. Whitham, President and General Manager, Nabesna, Alaska

Claude Stewart, Vice President, Chitina, Alaska

D. H. Kelsey, Secretary-Treasurer, Chitina, Alaska

E. B. Kluckhohn, Assistant Secretary, Seattle, Wash.

Nabesna Mining Corporation

GENERAL MANAGER'S
NINTH ANNUAL REPORT TO STOCKHOLDERS

YEAR 1938

Return to
D. D. Stewart
COMMISSIONER OF MINES

Ninth Annual Report To Stockholders
Year 1938

COMPARISON with last year shows that the most distinctive features of 1938 Nabesna operation have been: increase of actual mill operating time, larger tonnage treated, better recovery and a gross production value more than double that of any previous year's record.

The steady and the efficient working of the power plant and mill equipment with only a comparatively small amount of time needed for making repairs, general overhaul and maintenance work, made possible the increase in operating days and the larger tonnage milled.

Better recovery was made by efficient mill operation and alterations in the set-up of the flotation unit and of the reagents used. The closing down of the cyanide plant operation has also contributed to a better overall recovery and has made possible a considerable saving in operating costs. All of these increases and improvements, together with the higher value of the ore milled combined to give the larger gross production amount for the year.

Mining and development work were carried on continuously during the year. Work was accomplished on all levels of the mine from the 250- down to the 650-foot level. The Nugget Crosscut on the 250-foot level and the 350-foot level drift received the greater part of the development work. No new ore bodies of any importance have been found during the last few months of the year. During the year as a whole, however, mining development has shown very satisfactory results as to quantities and grade of ore developed. Especially has this been the case with the No. 49 ore body, which was found to extend for over 300 ver-

tical feet above the 450-foot level. Ore has been mined from 53 Stope on the 550-foot level in ore that is the downward extension of the No. 45 ore body from levels above. A vein of medium grade ore three feet wide has lately been found while extending the Nugget Crosscut farther ahead toward the main line diorite contact.

The winter production of concentrates is being stored at the mine. These will be hauled to Valdez and shipped to the smelter as soon as the road to the coast is open for traffic in the spring.

While the permanent closing of the Copper River & Northwestern railroad will shorten the season in which supplies can be freighted to Nabesna mine by about two months, it will otherwise cause no great inconvenience to the operation, as freight can be handled over the Valdez route at less cost than was formerly done via the railroad routing.

1939 PROGRAM

Continuous operation of mine and mill is planned for 1939. Ore will be mined and delivered to the mill from the stopes on the 350-, 450- and 550-foot levels and from such additional new stopes as are opened up during the year.

Work will be continued on the Nugget Crosscut drift. It is expected this will be completed through to the main lime diorite contact by early spring. Surface ore exposures indicate that at this main contact the principal ore bodies in the area being developed by the Nugget Crosscut will be found. Drifts on several of the mine levels will be driven farther ahead along the contact ore zone to the North. Stope raises will be driven preparing additional ore for mining. Diamond drill exploration work will be carried on as has been the practice in the past.

A new electrically-driven compressor, to replace the one destroyed by fire, will be installed in the spring as early as the opening of the highway makes freighting from Valdez possible. During the summer supplies and equipment to carry on operations will be freighted in and an ample supply stored at the mine for use during the winter months.

MINE WORK ACCOMPLISHED YEAR 1938

250 foot Level Workings:	
Nugget Crosscut, lineal feet driven	820
Nugget Crosscut Stope Raise, lineal feet driven	40
350 foot Level Workings:	
Drift, lineal feet driven	754
Stope Raise, lineal feet driven	398
450 foot Level Workings:	
Drift, lineal feet driven	132
550 level Workings:	
Drift, lineal feet driven	199
Stope Raise, lineal feet driven	120
650 foot Level Workings:	
Stope Raise, lineal feet driven	126
Total Underground Work, lineal feet	2,589
Diamond Drill Holes Put In, lineal feet	1,840
Tons Ore Mined and Trammed to Mill	12,225
Tons Tailings Pumped to Mill	5,801
Total Tonnage Delivered to Mill and Treated	18,026

NEW CONSTRUCTION: Equipment Installed, etc.

Jaw Crusher, 9 in. by 16 in., at mill.
Electrically-driven Compressor at 650 Tunnel Portal.
Machine Lathe and Drill Press at Mill Machine Shop.
Dorr Classified, 24 in. wide by 18 ft., 4 in. long, at Mill.
Automatic Tailing Sampler at Mill.

Supplies and equipment freighted to mine from Valdez and Chitina, 848.8 tons at a landed cost of $19.19 per ton.

MILL OPERATIONS AND ESTIMATED PRODUCTION FOR THE YEAR 1938

Total number of days operated	312.75
Total tons of mine ore treated	12,225.00
Average value per ton of mine ore treated	$ 42.65
Gross value of mine ore treated	$521,393.27
Total tons of tails retreated	5,801.00
Average value per ton of tails retreated	$ 14.69
Gross value of tails retreated	$ 85,236.52
Total gross value of mill heads	$606,629.79
Tons shipping concentrates produced from tails	169.21
Average gross value per ton	$ 285.01
Gross value of concentrates produced from tails	$ 48,227.34
Recovery from tails retreated, per cent	56.58
Tons shipping concentrates produced from mine ore	426.11
Average gross value per ton	$ 1,109.35

Gross value of concentrates produced from mine ore	$472,704.46
Gross value of bullion produced from mine ore	$ 4,758.18
Total gross value of concentrates and bullion produced from mine ore	$477,462.64
Recovery from mine ore, per cent	91.57
Tons concentrates shipped to smelter	516.77
Gross value of concentrates shipped	$437,291.05
Tons concentrates stored	78.55
Gross value of concentrates stored, estimated	$ 83,640.75
Gross value bullion produced and shipped to U. S. Mint	$ 4,478.03
Gross value bullion produced, on hand	$ 280.15
Total estimated gross income from 1938 production	$525,689.98
Overall recovery per cent, from mine ore and retreated tailings	86.66

BALANCE SHEET as of December 31, 1938

ASSETS

CURRENT ASSETS:			
Cash on Hand	$ 1,351.05		
Cash in Banks	32,718.39	$ 34,069.44	
Inventories:			
Concentrates	77,534.98		
Bullion	278.75		
Supplies	56,662.89	134,476.62	
Accounts Receivable:			
Employes' Advances	115.72		
Sundry	2,260.63	2,376.35	
Total Current Assets			$170,922.41
FIXED ASSETS:			
Plant and Equipment	193,493.61		
Less reserve for Depreciation	114,983.19	78,510.42	
Land		3,798.29	
Total Fixed Assets			82,308.71
MINE PROPERTY:			
Mining Claims	100,001.00		
Less reserve for Depletion	100,001.00		
Unamortized Development Costs		121,203.02	
Total Mine Property			121,203.02
PREPAID EXPENSES:			
Fire Insurance Premiums		125.00	
Taxes		15.00	140.00
TOTAL ASSETS			$374,574.14

BALANCE SHEET as of December 31, 1938

LIABILITIES

CURRENT LIABILITIES:			
Accounts Payable	$ 4,738.42		
Taxes Payable	50,554.92	$ 55,293.34	
Accrued Wages Payable		6,928.75	
Total Current Liabilities			$ 62,222.09

CAPITAL AND SURPLUS

CAPITAL STOCK:			
Authorized 20c par value:			
Common	1,000,000 Shares		$200,000.00
Less Unissued	61,800		12,360.00
Total Issued	938,200		187,640.00
Less Treasury Stock	61,800		12,360.00
Outstanding	876,400 Shares		175,280.00
SURPLUS:			
Paid In		$11,910.00	
Donated		12,360.00	
Earned		112,802.05	137,072.05
Total Capital and Surplus			312,352.05
TOTAL LIABILITIES			$374,574.14

STATEMENT OF INCOME AND PROFIT AND LOSS
YEAR 1938

GROSS SALES:			
1938 Production			$525,689.98
OTHER INCOME:			
Interest Earned		$ 10.42	
Stock Transfer Profit		54.39	
Commissary Profit		1,135.99	1,200.80
TOTAL INCOME			$526,890.78
EXPENSES:			
Milling		54,053.04	
Mining, Current		41,779.89	
Development Amortization		22,403.65	
Marketing Concentrates		21,530.56	
Smeltering		22,512.43	
Repairing:			
Machinery	$ 24,550.63		
Plant	2,284.47	26,835.10	
Taxes:			
Social Security	3,286.04		
Capital Stock	2,750.00		
Federal Income	28,366.65		
Territorial	15,016.88	49,419.57	
Salaries of Officials		3,550.00	
Heating Plant Operation		3,103.66	
Diamond Drilling		2,042.07	
Office Expense		4,826.67	
Hospital Fund Deficit		428.97	
Insurance		1,554.27	
Interest Paid		1,259.42	
Miscellaneous Expense		5,366.71	
Office Rent		180.00	
Telephone and Telegraph		532.02	
Water System Operation		362.30	
Loss on Equipment Sold and Abandoned		27,859.01	
Officers' Travel Expense		376.95	
Engineering		635.08	
TOTAL EXPENSES			$290,611.37
PROFIT BEFORE DEPRECIATION AND DEPLETION			$236,279.41
DEPRECIATION		13,431.23	
DEPLETION		78,853.50	92,284.73
NET PROFIT			$143,994.68

Historical Summary of Operation

Year	Tons Milled	Recovered Gross Value	Mill Heads Value Per Ton	Ore Milled Gross Value	Recovery Per Cent	Mill Operation Days	Underground Work Lin. Ft.	Diamond Drill Work Lin. Ft.
1930							150	
1931	1,302	$ 60,759.53	$90.00	$ 117,180.00	50.99	60	617	
1932	2,022	131,978.54	83.68	169,200.96	81.67	86	412	
1933	2,874	141,649.68	53.54	153,873.96	81.40	119	532	
1934	9,955	244,073.69	32.86	327,121.30	74.60	170	1,868	585
1935	16,443	247,259.38	19.52	320,967.36	77.03	295	2,323	1,045
1936	11,653	190,513.11	17.99	209,637.47	90.88	223.7	3,203	1,292
1937	16,117	198,249.04	18.00	290,145.97	68.35	284.71	1,980	695
1938	18,026	525,689.98	33.65	606,629.79	86.66	312.75	2,589	1,840
Totals	78,392	$1,740,172.95	Average $28.00	$2,194,756.81	Average 79.29	1,551.16	13,674	5,457

Main Office: Chitina, Alaska

Mine Office: Nabesna, Alaska

Officers

CARL F. WHITHAM
President and General Manager, Nabesna, Alaska

CLAUDE STEWART
Vice President, Chitina, Alaska

D. H. KELSEY
Secretary-Treasurer, Chitina, Alaska

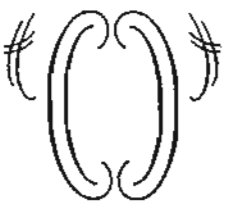
E. B. KLUCKHOHN
Assistant Secretary, Seattle, Wash.

TENTH

ANNUAL REPORT TO STOCKHOLDERS

NABESNA MINING CORPORATION

YEAR 1939



Tenth
Annual Report To Stockholders
1939

THE 5,029 tons of mine ore treated in the mill this year were mined from stopes on the 350, 450 and 550 levels of the mine. In addition to this tonnage of mine ore, 729 tons of tailings, stored below the mill from previous years, were pumped back into the mill and retreated. This is apparently the final remaining tonnage of tailings carrying sufficient values to be profitably milled at present production costs.

On June 12th, the ore reserves were practically depleted, the mill was closed down and all facilities were placed on active exploration and development work. This work consisted of diamond drilling, drift, raise and crosscut work carried on in the Nugget Crosscut area and on the several different levels of the mine. Such ore bodies as were found in doing this work were either unimportant as to size or low grade in value.

Early in June the corporation was fortunate in securing the services of Mr. Ira B. Joralemon, mining engineer and geologist, who made a careful examination and report on Nabesna Mine for us, outlining in his report a comprehensive, practical plan for mine development and exploration work. Embodied in the conclusions of his report, Mr. Joralemon stated that: "although nothing is certain in limestone replacement districts, it seems highly probable that very valuable ore bodies will be found in at least some of the four places suggested above. If Nabesna District agrees with experience in many other limestone replace-

ment districts, the quantity of new ore should be greater than that of ore already mined."

Mr. Joralemon further advised us that our exploration development work be continued until we had accumulated an ore reserve for two or three years supply in sight. While in the work so far accomplished we have not been successful in locating new ore bodies of any importance, considerable work to fully carry out this development program as planned remains to be done, and, as the report advised, the work outlined was to a large extent only the preliminary stage of the plan, that any small ore showings or deposits of marginal value should be further explored and developed by diamond drilling and other work, as these might very likely lead to valuable important ore bodies.

Mine work was closed down on September 10th. This was done in order to avoid the higher costs of carrying on the operation during the cold, freezing weather of the winter months. Work will be resumed in the spring, probably by the latter part of May, when weather conditions have become more favorable. The mill may also be put into part time production at the same time, milling such ore as is readily available from development work, without to any extent retarding the mine development being carried on.

MINE WORK ACCOMPLISHED, YEAR 1939

Nugget Crosscut, drift drive, lineal feet	538	
Nugget Crosscut, raise driven, lineal feet	85	
350 Level, drift driven, lineal feet	499	
350 level, stope raise driven, lineal feet	196	
450 Level, drift driven, lineal feet	69	
550 Level, drift driven, lineal feet	83	
550 Level, stope raise driven, lineal feet	160	
Total Underground Work, lineal feet		1,630
Diamond Drill Holes Put In, lineal feet		3,364
Tons Ore Mined and Trammed to Mill		5,029
Tons Tailings Pumped to Mill		729
Total Tonnage Delivered to Mill and Treated		5,758

NEW CONSTRUCTION, EQUIPMENT INSTALLED, ETC.

Compressor Building, 18 ft. by 20 ft., at 650 Tunnel Portal.

Electric Motor Drive Compressor, at 650 Tunnel Portal.

Supplies and equipment freighted to mine from Valdez, 209 tons at a landed cost of $17.00 per ton.

Concentrates freighted from mine to Valdez, 287 tons at a freighting cost of $9.50 per ton.

MILL OPERATIONS AND ESTIMATED PRODUCTION FOR THE YEAR 1939

Total number of days operated		124.30
Total tons of mine ore treated		5,029.00
Average value per ton of mine ore treated	$	19.38
Gross value of mine ore treated	$	97,467.19
Total tons of tails retreated		729.60
Average value per ton of tails retreated	$	12.59
Gross value of tails retreated	$	9,185.67
Total gross value of mill heads	$	106,652.86
Tons shipping concentrates produced from tailings		21.78
Average gross value per ton	$	253.24
Gross value of concentrates produced from tailings	$	5,515.53
Recovery from tailings retreated per cent		60.05
Tons shipping concentrates produced from mine ore		135.75
Average gross value per ton	$	649.71
Gross value of concentrates produced from mine ore	$	88,198.30
Gross value of bullion produced from mine ore	$	378.36
Total gross value of concentrates and bullion produced from mine ore	$	88,576.66

Recovery from mine ore, per cent	90.88
Tons concentrates shipped to smelter	157.53
Gross value of concentrates shipped	$ 93,713.88
Gross value bullion produced and shipped to U. S. Mint	$ 378.36
Total estimated gross income from 1939 production	$ 94,092.24
Overall recovery per cent, from mine ore and retreated tailings	88.22

BALANCE SHEET
NABESNA MINING CORPORATION
DECEMBER 31, 1939

ASSETS

CURRENT ASSETS:			
Cash on Hand	$ 521.66		
Cash in Banks	102,503.79	$103,025.45	
Inventory-Supplies:			
Accounts Receivable:			
Employes' Advances	109.72		
Sundry	3,071.69	3,181.41	
Total Current Assets			$138,214.67
FIXED ASSETS:			
Plant and Equipment	198,094.10		
Less Reserve for Depreciation	198,094.10		
Land		3,798.29	
Total Fixed Assets			3,798.29
MINE PROPERTY:			
Mining Claims		100,001.00	
Less Reserve for Depletion		100,001.00	
PREPAID EXPENSES:			
Fire Insurance Premiums		125.00	
Taxes		15.00	
Total Prepaid Expenses			140.00
TOTAL ASSETS			$142,152.96

BALANCE SHEET
NABESNA MINING CORPORATION
DECEMBER 31, 1939

LIABILITIES

CURRENT LIABILITIES:			
Accounts Payable	$ 1.51		
Taxes Payable	22,849.10	$ 22,850.61	
Accrued Wages Payable		407.25	
Total Current Liabilities			$ 23,257.86

CAPITAL AND SURPLUS (DEFICIT)

CAPITAL STOCK:			
Authorized 20c par value:			
Common	1,000,000 Shares	$200,000.00	
Less Unissued	61,800 Shares	12,360.00	
Total Issued	938,200 Shares	187,640.00	
Less Treasury Stock	61,800 Shares	12,360.00	
Outstanding	876,400 Shares	175,280.00	
SURPLUS DEFICIT:			
Earned Surplus (Deficit)		80,654.90	
Less:			
Paid in Surplus	$ 11,910.00		
Donated Surplus	12,360.00	24,270.00	56,384.90
Total Capital and Surplus			118,895.10
TOTAL LIABILITIES AND CAPITAL			$142,152.96

NABESNA MINING CORPORATION
STATEMENT OF SURPLUS
YEAR ENDED DECEMBER 31, 1939

BALANCE December 31, 1938		$112,802.05
DEDUCT:		
Additional Depreciation Lear 1938	$ 70,231.38	
Additional Development Amortization, Year 1938	112,038.33	
	$182,269.71	
Less: Reduction in Reserve for Federal Income Tax	21,274.99	160,994.72
ADJUSTED BALANCE (Deficit)		$ 48,192.67
ADD: Loss Year 1939		$ 32,462.23
BALANCE (Deficit) December 31, 1939		$ 80,654.90

NABESNA MINING CORPORATION
STATEMENT OF INCOME AND PROFIT AND LOSS
YEAR ENDED DECEMBER 31, 1939

GROSS SALES:			
1939 Production			$ 94,092.24
OTHER INCOME:			
Interest Earned		$ 323.16	
Stock Transfer Profit		23.75	
Commissary Profit		186.71	
Hospital Fund Excess		33.22	
Equipment Sales Profit		1,000.00	1,566.84
TOTAL INCOME			$ 95,659.08
EXPENSES:			
Milling		20,820.98	
Mining		26,087.60	
Development Amortization		26,704.82	
Marketing Concentrates		7,160.86	
Smeltering		4,272.14	
Repairing:			
Buildings	$ 83.17		
Machinery	3,079.67		
Heating Plant	461.14		
Water System	345.96		
Air Lines	61.77	4,031.71	
Taxes:			
Social Security	1,872.17		
Capital Stock	2,629.00		
Territorial	1,785.61	6,286.78	
Salaries of Officials		3,400.00	
Heating Plant Operation		3,142.33	
Diamond Drilling		4,235.00	
Office Expenses		3,009.07	
Insurance		990.93	
Interest Paid		376.66	
Miscellaneous Expense		3,491.09	
Office Rent		120.00	
Telephone and Telegraph		183.32	
Water System Operation		143.29	
TOTAL EXPENSES			$114,457.08
LOSS BEFORE DEPRECIATION			$ 18,798.00
DEPRECIATION			$ 13,664.23
LOSS AFTER DEPRECIATION			$ 32,462.23

HISTORICAL SUMMARY OF OPERATIONS

Year	Tons Milled	Recovered Gross Value	Mill Heads Value Per Ton	Ore Milled Gross Value	Recovery Per Cent	Mill Operation Days	Underground Work Lin. Ft.	Diamond Drill Work Lin. Ft.
1930							150	
1931	1,302	$ 60,759.53	$90.00	$ 117,180.00	60.99	60	617	
1932	2,022	131,978.54	83.68	169,200.96	81.67	86	412	
1933	2,874	141,649.68	53.54	153,873.96	81.40	119	532	
1934	9,955	244,073.69	32.86	327,121.30	74.60	170	1,868	585
1935	16,443	247,259.38	19.52	320,967.36	77.03	295	2,323	1,045
1936	11,653	190,513.11	17.99	209,637.47	90.88	223.7	3,203	1,292
1937	16,117	198,249.04	18.00	290,145.97	68.33	284.71	1,980	695
1938	18,026	525,689.98	33.65	606,629.79	86.66	312.75	2,589	1,840
1939	5,758	94,092.24	18.52	106,652.86	88.22	124.30	1,630	3,364
Totals	84,150	$1,834,265.19	Average $27.35	$2,301,409.67	Average 79.70	1,675.46	15,304	8,821

Main Office: CHITINA, ALASKA
Mine Office: NABESNA, ALASKA

Officers

CARL F. WHITHAM
President and Treasurer

CLAUDE STEWART
Vice President and Secretary

Directors

CARL F. WHITHAM, Nabesna, Alaska
CLAUDE STEWART, Chitina, Alaska
THOS. M. DONOHOE, Cordova, Alaska
HAROLD L. SCOTT, Seattle, Wash.
O. A. NELSON, Chitina, Alaska
ARNE SUNDT, Gakona, Alaska
M. N. CHASE, Chitina, Alaska