SPIES-VIRGIL MINE ANNUAL REPORT YEAR - 1956

Because of the termination of mining operations at the Spies Mine on June 2, 1955, there was no production for 1956.

The first ore shipped from the Spies Virgil Mine was 314 tons of development ore in 1916. The total life production from the Spies-Virgil property was 4,060,630 tons.

For tax purposes, a stockpile figure of 23,732 tons of ore was shown on hand as of January 1, 1956. A total of 32,893 tons of ore was shipped by July 1, 1956 to clean out all of the remaining stockpile ore at the Spies Mine. This would indicate an overrun of 9,161 tons. However, the entire 32,893 tons plus 11,820 tons of overrun from the preceding year was the total overrun which had been accumulated at the Spies Mine in 1953, 1954, and 1955. This accumulation of 44,713 tons had occurred because the last time both of the Spies stockpiles had been entirely cleaned out was in 1952.

The Caspian Construction Company was again contracted to load out the remaining stockpile ore for \$.07 per ton. Additional equipment was hired from them for scraping up the last few trains of ore that the shovel operation couldn't manage alone.

Two men were retained on the Spies payroll to do the sampling and send loading reports to Ishpeming.

When the stockpile loading operations were completed, these two men were used on various clean-up, dismantling, and repair jobs. All the old buildings were dismantled and anything salvable was trucked up to Ishpeming. They helped and supervised the dismantling of the idler stands and the headframe. They also erected and repaired fences around the caved area and the old shafts.

Due to a prior agreement with the Andreski farm occupants, it was necessary for The Cleveland-Cliffs Iron Company to run a new water line from the Spies Location to the farm. This terminated the Company's liability to supply water to the Andreski's. It, therefore, eliminated the necessity to maintain a water line into the Spies property.

This brief annual report will write the close of the Spies Mine. All the stockpiles are shipped; the shafts are all capped with concrete reinforced with steel rails and are fenced; all the usable equipment is shipped to Ishpeming operations; the headframe and idler stands are scrapped; and the buildings are all dismantled.