

HISTORY OF MAGNET MINE

The Magnet Silver Mining Company N.L. was formed in 1895 with capital of £1024., in 4096 shares of 5s. each, to work the lode. Developmental and other works were pushed ahead and in 1898 the capital of the Company was increased to £2500. in 25,000 shares of 2s. each.

Up to the end of 1900 only first class ore was sent to market and the poorer second-grade ore left in the mine. Cheaper means of transport were required in order to render the marketing of the second grade ore profitable. The capital was increased to £4000. in 40,000 shares of 2s. each, in order to construct the present tramline from Magnet to Waratah. This tramway was completed in 1902, and with the erection of a crusher and drying plant, considerable quantities of first class ore and gossan were sent away. By the end of 1904 a concentrating plant was erected to treat the otherwise unprofitable second-class ore, which was accumulating. The mine began to yield dividends although these were not as great as might have been, owing to the expenditure on mine and plant. Shaft sinking had now to be resorted to to develop the ore bodies, and involved pumping and winding appliances. The mill had also to be enlarged in order to efficiently handle larger tonnages.

A dam was constructed on Arthur River, and races to bring the water to the mine. This additional water supply was required for milling and power purposes. In 1908 capital was further increased to £5000. in 50,000 shares of 2s. each. From this time until 1914, the mine just about paid its way without providing dividends, several calls being necessary. The war interfered with operations in 1914 and capital was further increased to £10,000 in 50,000 shares of 4s. each. The dividend paying stage was entered again in 1916 and 1917, but this was not continued. The construction of the present hydro-electric plant and of No. 2 dam involved a large expenditure and, in conjunction with high costs following the war, the working of the mine was not profitable. The capital was increased to £24,000 in 60,000 shares of 8s. each and several calls made.

Assistance to the extent of £3,500 was granted to the Company by the Government in 1931 but success was not achieved and, from 1933 to 1935 the mine was let on tribute to Magnet Prospecting Syndicate N.L. who also obtained £4,185 as assistance from the Government.

During 1936 the mine was on tribute to New Magnet Prospecting Syndicate N.L. who were granted assistance to the extent of £2,567.15.7 by the Government.

The total production from Magnet Mine amounts to 36,803 tons of lead and 7,611,903 ozs. of silver valued at £1,718,137.

ACTING GOVERNMENT GEOLOGIST

Mines Department,  
Hobart.

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