

Reserve for ore depletion and plant deprec.....	1,256,267
Total deductions	2,606,229
Surplus June 30, 1917	9,434,038

The following letter was sent a few days ago from the Consolidated Co., to shippers of lead ore to Trail, restricting receipts of that kind of ore till further notice:

Trail, B. C., 6th Oct., 1917.

To Shippers of Lead Ores—In anticipation of the continued needs of the Imperial Munitions Board, we have accumulated approximately 15,000 tons of lead ores in addition to about 2,000 tons of lead matte. The board now informs us that owing to a reduction in the shrapnel program, they are unable to take more than approximately 1,000 tons of lead per month until January 1st, and that they cannot say definitely what they will take after January 1st.

In order to meet the situation, it is necessary to restrict shipments. We have stopped mining lead ore in the Sullivan mine, and have to notify you that we can only accept such customs ores and concentrates as carry four per cent. or less zinc content. By adopting this policy, we will be able to put more ore through the furnaces, and in this way clean up the large accumulation, and get ready for a possible further falling off of munitions orders after January 1st.

We should really shut off all shipments for the present, but we realize that this might seriously embarrass you. The policy of accepting ores and concentrates carrying not more than four per cent. zinc will enable you to market a large part of the highest grade of your product immediately, and in this way finance your mining operations. Such of your products as cannot be graded down to four per cent. zinc content, can be stored for the present.

We need not say that we regret that we are compelled to take this step, but the Munitions Board find themselves unable to give us sufficient assurances to warrant our taking all ores offered, which has been our policy up to the present.

All shipments of lead ores made on and after the 15th October, will be covered by the terms of this letter.

Please acknowledge receipt.

JAMES J. WARREN,
Managing Director.

Charles F. Caldwell and J. A. Poyntz have taken a lease and bond on the Index mine, on the South Fork of Kaslo Creek. This property is looked upon as being one of the most promising up that way and has been under development by Frank Helme for a number of years. Mr. Helme was interested with other parties in the Index and a short time ago secured a lease and bond on the interests of his associates, and has now made a deal for the transfer of the entire property to the Caldwell-Poyntz combination. Almost single-handed the Index has been developed to a point where it is a producing possibility and Mr. Helme deserves great credit for the tenacity he has shown in staying with the proposition in the face of some severe handicaps and discouragement, not the least of which was lack of capital.

British Columbia mining dividends for the first nine months of 1917 total \$2,367,652.

Consolidated Mining and Smelting company has paid \$734,567; Granby company, \$1,124,886; Hedley, \$180,000; Le Roi No. 2, \$29,199; Rambler-Cariboo, \$35,000; Standard, \$200,000; Utica, \$64,000.

The net value of ore shipped from the Galena Farm mine, Silvertown, B. C., during the four months ended Aug.

31, was \$140,000, according to an official estimate. The lead-silver product had a net value of \$112,000 and the zinc \$28,000. These figures embrace concentrates only, the crude ore having been retained at the mine.

The mill dressed 12,402 tons, from which 1136 tons of zinc and 994 tons of lead concentrates were produced. The average value of the feed was 13 per cent. zinc and 8 per cent. lead. The zinc concentrates contained an average of 42 per cent. zinc, 6 per cent. lead and about 21 ounces of silver to the ton. The lead concentrates contained 60 per cent. lead, 12 per cent. zinc and 60 to 80 ounces of silver to the ton. The net value of the zinc product was \$24 to the ton and the net value of the lead concentrates \$109 to the ton.

The performance of the mill has been satisfactory, but its operation has been handicapped recently by a shortage of water. This has been overcome by taking in another stream. Development has been proceeding steadily. Residents of Spokane have a large interest in the property. Its development is being directed by P. W. Clark, manager.

Five carloads of ore were shipped during September by the Cork-Provence mine, near Kaslo. Four cars contained concentrates and one car was loaded with crude ore. It is estimated that the earnings for the month were about \$20,000, after paying freight and treatment charges.

Construction of an 1150-foot pont tramway will commence shortly at the Eureka mine, on Fortynine and Eagle Creeks, near Nelson. By means of this tramway a bad stretch of heavy grade road will be cut off and the cost of transporting ore from the mine to the railroad will be about cut in half. Need for passing over an elevation of 400 feet will be obviated as a result of the construction of the tramway. Shipments are to be made throughout the winter, stated J. J. Malone, president of the company operating the mine.

A. J. Curle of Kaslo, has received word from Ottawa to the effect that he has permission of the government to ship for export 200 tons of ore from his manganese claims. On account of the quantity being so limited he has decided for the present not to export any of the manganese ore, as it would not be worth while.

Driving of a 150-foot tunnel at the Silver Cup mine, 15 miles from Kaslo, on the Kaslo & Slocan line, has been completed and the vein indications are favorable, stated W. A. Buchanan of Spokane, who has been supervising the development of the property on behalf of Spokane people.

The Silver Cup is a silver-lead prospect, but the ore carries some gold. A strong and clearly defined vein is exposed on the surface. The 150-foot tunnel has been run in on the vein.

The tonnages received at Trail for each month thus far in 1917, together with the receipts for the same months in 1916 :

	1916	1917
January	39,986	36,570
February	37,863	40,967
March	43,810	42,949
April	41,771	25,909
May	43,031	15,969
June	42,252	17,129
July	40,268	20,744
August	46,814	38,134
September	42,838	39,293
Total	375,633	277,664

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