

CANADA'S BIGGEST MINE Nelson-Poorman Gold Mining Co.

LIMITED LIABILITY. INCORPORATED UNDER THE LAWS OF BRITISH COLUMBIA, MAY 25, 1897. "COMPANIES ACT, 1897."

History of the Wonderful Le Roi From Its Discovery to the Present Day.

HAS PAID \$525,000 IN DIVIDENDS

It Was First Found in 1886 from the Description of a Clairvoyant in Colville—Discovered for the Second Time in 1890—Col. Topping's Connection With It, and Its Acquisition and Development by the Present Owners—The Enormous Ore Bodies Opened Up in the Lower Levels—Some Facts and Figures Regarding Its Present and Prospective Output.

No mine in Canada now fills so conspicuous a place in public attention as the Le Roi. This arises from the marvellous extent and richness of the mine, and from the additional fact that much discussion has arisen over the location of the plant which is to treat its ore. It is not the purpose of this article to enter into any of the controversial questions which have of late arisen concerning the Le Roi, but to take this great property as it is and describe it for the benefit of the readers of THE MINER.

But few gold mines in the world have made a record like the Le Roi. Some may be richer and many have paid a greater aggregate of dividends, but we doubt if any one of its class has made a better record in the same length of time.

Romantic History of the Mine.

The early history of the Le Roi is full of romance. It was discovered by Joe Moris and Joe Bourgeois, two French-Canadian prospectors, in July, 1890. At the same time they located the War Eagle, Centre Star, Iron Mask and Virginia. They placed only one stake on the Le Roi ground and used some other name than the one by which the property is now known. They took some samples of ore from the Virginia ore to Nelson and got \$10 in gold. This discouraged them, and they made up their minds not to record the claims and not to complete the staking of the Le Roi.

While in this frame of mind they went to E. S. Topping, who then lived in Nelson. They described the claims to him and told him of the assay they had got from the Virginia. He told them they were foolish to abandon anything which would run \$10 on the surface, and advised them to perfect their titles. However, they declined, but agreed to give him an option on the Le Roi if he would go over and complete the staking of it and pay for recording the entire lot. This Topping agreed to do, and it was he who adopted the kingly name Le Roi, one of the happiest names ever chosen for a mine.

He took samples from the Le Roi, War Eagle and Centre Star. The Le Roi ran \$37 in gold, the War Eagle \$25 and the Centre Star \$23. The Le Roi sample was taken from a shallow cut on the hill, two or three hundred feet west of the present working shaft of the mine.

How Red Mountain Was First Prospected.

This cut has a history of its own. It was made long before the Le Roi was located. Back in 1888 an old lady in Colville, Washington, who had the power of clairvoyance, had, while in a trance, described accurately what is now known as Red Mountain, and said it was a mountain full of gold. She described certain trails which led to the mountain so that it could be easily found. An old man and his two sons, who heard the story of the clairvoyant, came up here in the autumn of 1886 and dug pits all over Red Mountain, hoping to find free gold. They found none, and went away disgusted. Still the clairvoyant was right, and after ten years there are many to rise up and call her blessed. Prospectors who came to the camp after it became famous found many of the pits dug by the gold hunters of 1886, and in one place on the Giant ground found some of their old picks and shovels. These were left by the diggers of the pit in the Le Roi, from which Topping got an assay of \$37 in gold. Little did they suspect when they abandoned the ground that many millions in gold lay beneath them. They returned to Colville to heap reproaches on the poor old prophetess, and she later on died in disgrace.

Topping's Second Visit and What Came of It.

After Topping had got his assays he returned to the Le Roi ground to take more samples for tests. He ran an open cut seven feet deep across the big outcrop of the vein, a little east of where the first shaft was afterwards put down, and the assays ran from \$16 to \$120. This thoroughly convinced him of the value of the discovery. He secured the option which had been promised him, and started to Spokane with it. At Colville, on the way down, he met Col. Ridpath and George Foster, two Spokane lawyers, and offered sixteen-thirtieths of the property for \$30,000 on a long bond. They became interested and asked Topping to go on to Spokane with them. There they laid the matter before Judge George Turner, Col. Turner, his brother, Billy Harris, Oliver Durant, Col. J. N. Peyton, John A. Henley, Major Armstrong, L. F. Williams, and Harry E. Stimmel, the latter being agent for the Northern Pacific railroad. Col. Peyton not only took a large interest for himself, but something for his brother-in-law, J. G. English, of Danville, Illinois. A company was incorporated, with 500,000 shares of the par value of \$5 each.

First Shipment From the Mine.

Oliver Durant, being a mining man of experience, was chosen from among the shareholders of the new company to undertake the opening of the mine, and he came up here with E. J. Kelly for that purpose in November, 1891. It was then an arduous undertaking to get into this district. The Spokane & Northern railroad ran no further north than Little Dalles, Washington, and there was very hard travelling to a large extent on game. Mr. Durant built the first cabin on Red mountain and lived there all winter. He sank a shaft about 30 feet and in the spring loaded some of the ore on pack horses and sent it down to the Little Dalles, where he shipped it to a smelter at Butte. He got good returns and the company felt encouraged, but those were hard times in Spokane and the company had many struggles in continuing work.

Peyton Assumes the Management.

Mr. Durant shortly afterwards sold out his interest, purchasing the adjoining Centre Star and Idaho mines with the proceeds, and Col. Peyton became manager. He advanced money out of his own pocket to the extent of many thousands of dollars, and kept things moving. In the summer of 1893, on the completion of the wagon road from Trail to Rossland, he shipped 700 tons of ore, which he had taken out during the winter of 1892-93, by steamer from Trail to American smelters, and got very profitable returns. This made a sensation in the local mining world and it began to be believed the Le Roi would be a big mine. From that time to the present its fame has grown with each successive month.

Heinze's Contract and the Trail Smelter.

It had assumed such proportions in the spring of 1895, that its owners felt at liberty to make a contract with James Breen and F. Aug. Heinze for the delivery of 75,000 tons of ore at a smelter to be erected at Trail, and it was upon the strength of this contract that the magnificent Trail plant with its railroad to Rossland was built. Over 50,000 tons have been delivered under the contract and the remainder will be delivered inside of three months. In the meantime the mine has supplied many thousands of tons of ore to the American smelters.

Dividends and the Fight for Control.

In the month of October, 1895, the company paid its first dividend, the amount being \$25,000. About this time when it began to look as though the property would be a bonanza, there arose a fierce struggle in the company for control. Col. Peyton was manager, and he and his brother-in-law, Mr. English, owned nearly half the stock. Col. Ridpath was very hostile to him and the Turner interest also went against him. George Foster was a Peyton man, and the Turner side, through the help of F. Aug. Heinze, raised \$55,000 and bought Foster's stock. This gave a clear majority interest to Judge Turner and his friends. Col. Peyton was turned out of the management and Judge Turner put in his place.

For some time there was a bitter feeling between the Turner and Peyton factions, but Judge Turner soon wearied of the vexatious attendant upon the conducting of a business foreign to his training and inclinations, and in the winter of 1896-7 he became a candidate for the United States senate before the Washington state legislature and was elected. Previous to this he and Colonel Peyton arrived at a friendly understanding, and soon after Judge Turner's election to the senate Peyton once more became manager of the mine and now holds that position, very much to the satisfaction of everybody concerned. The company has paid \$500,000 in dividends since the first one in October, 1895, amounting altogether to \$525,000, and it is expected to pay \$50,000 a month regularly from July of the present year. All the original stockholders have been made rich men. Colonel Peyton owns 100,000 shares on which he receives \$10,000 a month. Mr. English owns about the same amount of stock. Colonel Turner, president of the company, owns 50,000 shares on which he receives \$5,000 a month, and Senator Turner owns 40,000 shares on which he receives \$4,000 a month. Billy Harris has nearly \$5,000 a month and Colonel Ridpath about the same. The stock sells, when it sells at all, for about \$8 a share, so that the man who owns 100,000 shares is worth close on to a million dollars. Harry Stimmel, who origi-

Capital Stock \$250,000.

In One Million Shares of the Par Value of Twenty-Five Cents Each.

PROVISIONAL DIRECTORS: A. L. DAVENPORT, Nelson, Miner, President; J. FRED HUME, Esq., M. P. P., Nelson, Vice-President; ROBERT EWART, Nelson, Miner, Secretary-Treasurer; J. FRED RITCHIE, Rossland, Surveyor; HECTOR McRAE, Rossland, Miner.

BANKERS: Bank of Montreal.

SOLICITOR: John Elliot, Nelson, B. C.

HEAD OFFICE, - - - NELSON, B. C.

PROSPECTUS

This company has been organized for the purpose of acquiring the Poorman group of gold-bearing properties, containing the Poorman, White Horse, Hardacre, Hardup, Blacorn and Mymer, covering about 130 acres and situated in Nelson mining division of West Kootenay, B. C., and of vigorously prosecuting further development and enlarged workings of these valuable properties.

TERMS OF PURCHASE.

It is proposed to purchase said properties with mill, water rights and other plant, tools, etc. for the sum of Two Hundred Thousand Dollars (\$200,000), the vendors accepting 500,000 fully-paid shares of the company's stock of cash in payment.

WORKING CAPITAL.

The remaining 200,000 shares are to be set aside as working capital for development purposes.

TITLE.

The Poorman mineral claim was crown granted, February 7, 1891. Preliminary steps have been taken for obtaining a crown grant for the Hardacre. Crown grants for the remaining claims will be obtained as quickly as possible.

EXPENSES AND COMMISSIONS.

The estimated amount required as preliminary expenses is placed at \$5,000, and a commission of 25 per cent is allowed to the promoters out of which the preliminary expenses and all other expenses in floating the company will be paid.

APPLICATIONS FOR SHARES.

Subscriptions are invited for an issue of one million shares of the company's stock of the par value of Twenty-five cents each. Applications are to be made to the company's secretary and no application for less than 500 shares will be received. Shares are to be fully paid on allotment to applicants. The provisional directors have each subscribed for 500 shares, excepting J. Fred Hume, who has subscribed for 1,000.

REPORT ON THE POORMAN.

The following are extracts from the very full report of Messrs. Bewick, Moring & Co., mining engineers, of London, Eng., dated the 25th of August, 1897. The Poorman is situated on the northern flanks of Toad Mountain about two miles west of Nelson, and with an altitude of 1,500 to 2,500 feet above sea level. It consists of five claims with an area of about 130 acres.

GEOLOGICAL FEATURES AND VEINS.

The rock occurring throughout the property is a hard mica-schist, traversed in several directions by eruptive dykes. The rocks are mostly concealed by heavy accumulations of detrital matter so that the outcrop of veins make very little display on the surface. There are three known quartz veins intersecting the property, but only two of them have been operated on to any extent. One of these occurs on the Poorman, and has been proved, partly by mining and partly by trenching for a length of about 1,000 feet; but the property on the line of the vein has a length of 4,000 feet. Where proved, the thickness of quartz varies from three inches to five and a half feet, and averages about two feet three inches.

The other vein alluded to is in the White. Where worked it has a thickness of about seven feet, including country rock, and contains a rib of quartz varying from six inches to eighteen inches in thickness, and on the foot wall is a similar rib ranging from six to twenty-four inches. The intervening area is composed mainly of country rock, traversed by stringers of quartz, which are some times so numerous and valuable that the vein is worked on wall to wall.

CHARACTER OF ORE.

The ore in all the veins has the same general character, and consists of silky quartz, mostly traversed by threads, stringers and bunches of auriferous pyrite with a little galena and chalcocite. In some places the quartz is perfectly white and free from pyrite. Occasionally, when jointy, this white quartz carries a considerable amount of visible gold. The more important parts of this metal, however, is the pyrite and other sulphides existing in the ore, which, when taken alone, run very high in gold. The gold is mostly "free." Only about 15 per cent of concentrates are produced in milling. These have an average value of \$84.00 per ton, or 25 cents per ton of ore milled. With the present machinery there is a loss of nearly 40 per cent in the tailings. Much of this doubtless could be saved economically with additional plant.

Assays made of the ore in the Poorman mine at 24 ozs. per ton of gold and 45 ozs. per ton of silver. In the White, 93 ozs. of gold and 5 ozs. of silver.

WORK DONE ON THE VEINS.

Most of the ground in the Poorman above the top level, affording about fifty feet of "backs," has been stoped away, but below that level very little stoping has been done, the late owners,

For further information or shares apply to

ROBERT EWART, Secretary of Nelson-Poorman Gold Mining Co., Nelson, B. C.

nally owned 13,000 shares, sold out a year ago to Jimmie McLaren of Toronto for \$66,000.

How the Mine Was Developed.

The practical development of the mine has been full of interesting features. The present superintendent, Captain William Hall, assumed his position about one year ago. He found the old working shaft, started by Oliver Durant in November, 1891, down to the 500-foot level. A new double-compartment shaft for skips had been started and was well along, but every ton of ore had to be raised with buckets through the old shaft. At that time about 70 tons of ore a day were being raised. Very little drifting had been done on any of the levels and the mine was little better than a prospect. The mine, however, had made a splendid record. It had paid the cost of its own development, and had paid in addition large dividends to its stockholders.

Vast changes have been made in the mine within the year past. The old shaft has been continued from the 500-foot level to the 600-foot level, and the skip shaft has been completed and put in working order to the 500-foot level and the work started on its continuance to the 600-foot level.

The west drift on the 300-foot level has been extended till it is now 350 feet long. On the 400-foot level the west drift has been extended until it is 400 feet long. About the same has been done on the 450-foot level, and on the 500-foot level the west drift has been extended to 550 feet.

The old shaft was sunk only about 300 feet from the east end of the property, and the new skip shaft was started near it, but a little nearer the east end line, so that nearly all the ground of the property lies to the west. It is over 1,100 feet from the old shaft to the west end line, consequently the longest drifts have been run west.

Width of the Ore Bodies and Their Values.

The old shaft was started on the ore body at the surface, and it has been sunk to the 600-foot level, through ore all the way, and on the dip of the vein. The angle was at first about 60 degrees, but in the deeper workings it is about 90 degrees. Enormous ore bodies have been opened in all the drifts. In the west drift on the 450-foot level, the width of the ore body reached 28 feet, which is the maximum so far in the mine. The vein contracted at the 500-foot level and went down to within 25 feet of the 600-foot level at a uniform width of seven feet, when it began to expand and on the 600-foot level the solid ore is 22 feet wide by actual measurement, seven feet of it averaging \$80 per ton in gold, 15 feet of it \$35 and all of it 10 per cent in copper. It is one of the largest and richest chutes of sulphide ore ever found in any mine.

The Showing in the Bottom.

Of course the bottom of a mine is always the most interesting part of it. It is the trunk of the tree. If it is big and strong the remainder of the tree is all right. At the bottom of the Le Roi shaft a chamber has been cut out 22 feet wide and 30 feet long, all in solid high grade ore. It is one of the finest sights that ever greeted the eye of any mining man.

On the 500-foot level the west drift has been run over 500 feet in solid pay ore nearly all the way, varying in width from six to 15 feet. On the 450-foot level one of the stopes is about 20 feet wide and fully 100 feet long, with a broad calcite band running through the ore from end to end and carrying on either side of it several inches of ore averaging \$300 per ton in gold.

Two Hundred Men on the Payroll.

All the stopes of the mine are now full of miners and machine drills. There are employed in and about the mine 200 men and there are being raised every 24 hours nearly 300 tons of ore. From the 300-foot level down to the bottom it is a scene of wonderful activity. Twenty machine drills are at work day and night, and these are cutting away the rock and the ore in every direction. The skips rush up and down the shaft carrying over a ton of ore at a time with break-neck speed, making one tremble at the thought of getting in their way, and every now and then a dynamite shot makes the everlasting walls of the mine vibrate under the deafening shock like the leaves of a tree. Here, hundreds of feet under the ground, is a city of bustle and activity—a world to itself—with its own streets, its own dim, flickering lights, and from this under world there comes more than a million and a half of gold every year.

The Scene Above Ground.

Hardly less striking have been the changes on the outside of the mine within the year past. A new hoist, capable of raising 1,000 tons a day, has been erected and put into service. A new 40-horsepower compressor, the largest one in British Columbia, and as large as any in Canada, has been built at a cost of \$40,000, and a machine shop has been set up. Besides this, a smelter capable of treating 300 tons a day has been commenced at Northport, and arrangements are completed for a mill and concentrator capable of treating 500 tons of second class ore per day.

Expenses and Profits of the Company.

One does not at first grasp the meaning of a great mine like the Le Roi. It now pays out in wages alone about \$20,000 a month. It distributes \$50,000 a month in dividends. It pays out about \$15,000 a month for carrying its ore to the smelter and about \$50,000 a month for treatment charges, to say nothing of large amounts paid out for improvements, machinery and supplies of all kinds. It requires 12 car loads or 120,000 feet of timbers and lumber per month to supply the internal requirements of the mine, and it keeps a small army of men busy cutting cord wood for the 500-horsepower boilers. In a year from now the mine will probably be producing over 1,000 tons of ore a day, and will be giving employment at the mine, smelter and concentrator to over 800 men.

being men of little capital, having been unable to set aside a sufficient amount from the profits of stoping to enable them to keep their development work sufficiently advanced, so that they ultimately arrived at a stage at which the available stopes were nearly exhausted and nothing but development work could be done for some time. That appears to be the reason for parting with their property. At any rate it is a perfectly good reason for men in their position. Before an adequate output of ore can be obtained, it is necessary to continue a tunnel which has been commenced about 150 feet vertically below the upper tunnel. To the date of our inspection this has been driven about twenty fathoms, but it needs to go fifty fathoms further; and this will cost about \$7,000. It will then be necessary to drive right and left along the vein to open up stoping ground, so that on the Poorman an expenditure, underground, of about \$4,000 is required to make a profitable output can be obtained. To work the vein by means of the shaft commenced in the mine is quite out of the question in view of the possibility of reaching a lower level by means of the tunnel alluded to; not because the cost of opening up ground by sinking would be much greater, and secondly, the working costs would be increased by hoisting and pumping. At the White the only work done is a short drift put into the hillside at an altitude of about 450 feet above the tunnel, and 70 tons of ore have been extracted. Of this quantity 50 tons were put through the mill, the remainder was on the ground at the mouth of the drift at the time of our visit. Here a deeper tunnel should be driven, the cost of which would be about \$3,000.

MILL.

There is a 10-stamp mill in good order, but poorly housed. It stands about 250 feet vertically below the Poorman lower level. It contains: One Blake crusher, 11x11 inches; ten 300-pound stamps; two "Challenge" feeders; three vanes. This machinery is actuated by a four-foot Pelton wheel driven by water, having about 250 feet head. The capacity of this mill should be doubled. To do this it will be necessary to make some addition to the water supply. This can be done quite easily. It will be necessary to introduce an improved tailings plant, so as to save some of the gold that now goes down the stream.

OTHER MACHINERY AND PLANT.

In addition to the mill there is on the ground: One air compressor and receiver for driving three drills, and about 200 feet of two-inch pipe leading up to the mine. This machinery is driven by the Pelton wheel. One rock drill; one hoist, 30 inches, with 6-inch drum geared 5 to 1; one vertical boiler, 33 feet diameter; one Knowles sinking pump, 10x14 inch steam and 6-inch ram, with 6-inch suction and 3-inch delivery. Both hoist and pump are arranged to work either by steam or compressed air. Also a considerable length of rails and pipes of various sizes, from one-half to one and a half inches, and all necessary cars and tools to work the mine on the small scale it has hitherto been worked. The mine is equipped with a sufficiency of wooden buildings.

FUTURE WORKING.

Besides completing the lower tunnel at Poorman, a deeper tunnel should be made at White. These works, with the necessary drifting along the lodes, which will take about six months, will render it possible to obtain an output of fifty tons per day or 15,000 tons per year. The development work suggested would (provided no unforeseen occurrence interferes with the yield of the vein), with this rate of extraction, serve for between three and four years' output at least. The lower tunnel at Poorman is about 250 feet vertically above the mill, and the White tunnel about 700 feet above it, so that there are abundant "backs" for years to come that can be reached in the most advantageous manner.

ESTIMATED COST OF WORKING.

When the suggested new works are completed, we estimate that the cost of working will not exceed the following, and probably will be less: Mining, \$4.00; Milling, \$1.00; Superintendence, \$4.50; Sundries, \$3.50; Total \$8.00 per ton. Taking the net value of the ore at only \$14.00 per ton to allow for deterioration, there will be a profit of \$5.00 per ton, or \$120,000 a year on an output of 15,000 tons.

COST OF NEW WORKS, ETC.

The cost of the extensions to the mill, and other works needed to enable the before mentioned output to be obtained, is estimated at \$22,000, as detailed as follows: Mine development, \$7,000; Ten stamps and accessories, with new building, \$3,000; Flume from Sandy creek, \$3,500; Sundry works and payments, \$1,500; Total, \$22,000.

VALUE OF MINE.

From a consideration of the foregoing figures and of the circumstances surrounding the mine we are led to the conclusion that the value of the property may be safely taken at \$250,000. In fixing upon this value we make sample allowance for all the risks attendant upon this class of mining. (Signed) BEWICK, MORING & CO.

MAILS FOR KLONDIKE Canadian Pacific Railway.

United States and Canada Join Together for a Monthly Service. POST OFFICES IN YUKON

Dawson City and Dyea to be Made International Exchange Offices—Mail Service Will be Under Police Supervision. WASHINGTON, D. C., Aug. 19.—Canada's proposition for carrying the mails one round trip a month between Dawson City and Dyea was formally accepted this afternoon by Acting Postmaster General Shallenberger and the Canadian government notified of the action. In this communication this government is stated to be in readiness to assume its share of the responsibility, and Canada is urged to put the service into operation at the earliest possible moment.

Dyea, which is 100 miles above Juneau on the Lynn canal, and Dawson City will be declared international postal exchange offices. The British mails will be carried by the United States from Victoria to Dyea. The service will bring about the creation of a postoffice at Dawson City and also at Fort Oudaby, Forty Mile and probably at other points, although those mentioned are beyond Dawson. The service will be under the immediate supervision of the Canadian mounted police. The carriers will be equipped with dogs and sledges and have Indian drivers. The first contract at least, will be for one year. Whenever the British mails can be expedited by carrying them over the present Circle City route between the dates of the new service, this will be done.

Telegraph Line to Klondike. OTTAWA, Ont., Aug. 19.—The government has taken no definite steps as to building a telegraph line to Klondike. It is almost decided though, that the line will be only over the pass from Dyea to a place where dog trains will take up the communication to the upper Yukon. It is most likely to be a cable and will not need to be more than 60 miles long to serve the purpose of this season.

Government After the Gold. OTTAWA, Aug. 17.—The Dominion government is arranging a plan so as to compel all the gold miners in the Klondike to bring to the bank or treasury house to be located at Dawson City, all their gold, where they will get government drafts for the same. The gold will probably be melted into large pieces or bars so that it will be impossible to carry it away by robbery. Dominion policemen will guard the bank and treasury house securely. This means that the royalties will be easily collected and that the miners will have no trouble in taking their pile along with them when they are leaving the country. When they strike civilization the miners can have Dominion notes or gold for their drafts.—Vancouver News-Advertiser.



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