

## THE BRITISH COLUMBIAN MINING LAW.

IMPORTANT CHANGES IN THE ACT NOW  
BEFORE THE LEGISLATURE.

ONE of the most important measures that have occupied the attention of the British Columbia Legislature is the bill relating to mining corporations. It amends and consolidates all the Acts now on the statute books bearing on the incorporation of joint stock companies, cancels all former Acts, and contains in itself all the law on the subject. The amendments are chiefly based on the Imperial Acts, and on the measure recently passed by the Ontario Legislature.

One of the new clauses fixes the number of persons necessary to form a company at five. Hitherto it has been lawful for three persons to organize a joint stock company under the provisions of the Provincial Act, while in England it is necessary for seven persons to sign the memorandum of association. It has been thought that a middle course between these two would meet the necessities of the case, and the number has been fixed at five.

## CASH DEPOSIT CLAUSE.

In the draft measure, clause 20 required that before a company could commence business 10 per cent. of its capital must be paid up in cash, besides any amount payable otherwise than in cash. This provision was taken from Lord Dudley's bill, now before the Imperial Parliament. There is a great diversity of opinion on the matter, even in England. It is a requirement which can be nominally complied with, but practically evaded by dishonest promoters, while it may frequently be a source of embarrassment and difficulty to bona fide and legitimate enterprises. The provision has been accordingly omitted from the revised draft of the bill.

## NON-ASSESSABLE SHARES.

One of the most important subjects with which the House had to deal was the question as to whether mining companies should be allowed to issue shares at a discount, without any liability attaching to the purchase of them for the difference between the issue price and the nominal par value of the shares, in case of the company becoming unable to meet its obligations. Most of the companies incorporated to carry on mining operations have issued their capital in this manner, and it is of great importance to them and their shareholders that the status of such shares should be defined by law. The House has made it lawful in the bill for mining companies to issue shares at a discount, but has introduced provisions in regard to the matter for the purpose of protecting investors and the public from fraud in connection with shares issued in this manner. Share certificates of companies issuing shares at a discount must bear on their face a statement that they are issued under the provisions of section 56, the clause dealing with that matter. All documents issued by such a company must also bear the words "Non-Personal Liability" after the name of the company. Companies incorporated previous to the passage of the Act, and which have issued shares at a discount, can remove any doubt as to any liability attaching to them by re-registering themselves under the provisions of the new Act.

The bill provides that for the future all joint stock companies carrying on business in the province will be divided into two kinds—provincial and extra-provincial. The latter, which, as the term implies, are those

incorporated outside of the province, are again divided into two classes. One of these will consist of companies organized under the laws of Great Britain and Ireland; of the Dominion of Canada; the old Province of Canada, or of any of the provinces of the Dominion. The laws of all these places in regard to joint stock companies are very similar, being based on one model. Such companies can obtain a license to carry on their business in British Columbia. The second class will comprise companies organized elsewhere, and before they can do business in the province they must be registered under the Act. Extra-provincial companies doing business in the province before the passage of the Act will have until January 1, 1898, to comply with its provisions.

There is also a new provision inserted in the bill in regard to the transfer of shares. Extra-provincial companies issuing or disposing of their shares in this province, will be required to designate an office within the province where shares can be transferred, and where a register of the shareholders must be kept.

## HOW GOLD VEINS ARE FORMED.

## IS THE IMPORTANCE OF FISSURE VEINS EXAGGERATED?

MR. T. A. RICKARD, State geologist of Colorado, is to visit the Algoma district in the interest of English capitalists. Apart from the effect which his visit may have on the mining industry of the Ontario north-west his views of the formation and deposition of gold are of considerable interest. In a paper read before the American Association of Mining Engineers last year he very frankly discussed the conditions of vein formation, and takes the "true fissure vein" down a peg or two from the eminence it so long has held. He does not, however, accept the theory that the gold has floated in from the country rocks, contending that the metals have been carried up by water and deposited in crystals along the protruding points of crushed and parted rocks, and that all the indications favoring the other theory can be satisfactorily explained.

"From time immemorial," he says, "the fissure vein has been held the simplest form of ore deposit. The prominence given to it by Cotta and his disciples is impressed upon technical literature, and, in consequence, the ores which carry the valuable metals have been supposed to occur mainly in fissures cleaving the rocks in diverse directions, and the noblest type of vein has been deemed that which cut across the country, independent of its structure, whether evidenced as bedding, foliation or cleavage, and which was identified with rents produced in the rocky crust of the earth. . . . These primary conceptions have become modified by the experience of modern mining in widely separated regions." Later, he gives many instances which go to show that a too great regard for the "true fissure" has its economic drawbacks: "In many veins only one vein is exploited, and cross-cutting the country rock in search for parallel lodes is entirely neglected. In others a cross-cut is stopped as soon as it reaches the further wall of the particular vein it was started to reach. Both these unwise practices are founded upon a misconception of lode-structure, due to a narrow interpretation of economic geology, which lays a misleading emphasis upon the definition and clean-cut boundaries of so-called 'true fissure veins.'

## WALLS WITHIN WALLS.

The fact is, as daily observation proves, there are walls within walls, and walls beyond

walls, and that to follow closely any particular hard, smooth rock-surface, with the idea that it is the utmost limit of ore occurrence in any particular mine, is to be blind to the realities of geological structure."

As an example of this Mr. Rickard gives a drawing representing the face of a drift in the Canton mine, New Zealand, which shows two veinlike spaces lying between larger masses of rock: "It was not possible to say where the lode ended or where it began. The whole width was known to be gold-bearing, the foot wall serving as a guide in following the gold-bearing channel. Nevertheless those who were working the mine had little comprehension of the formation, particularly of its essential lack of definition, and while admitting that there were several 'false hanging walls,' insisted that there was only one foot wall, which was stated to be of a different kind of rock and exceptionally hard. On examination I found that the rock of the supposed foot wall was similar to that of the rest of the gold-bearing country rock forming the lode, and on a sample of it being crushed and tested in a prospector's pan it was discovered to be richer than that which was being actually mined. It was scarcely necessary after that to insist that a cross cut should be made in to the foot wall."

## ALTERED COUNTRY ROCK.

He refers also to the existence of veins whose filling is "readily recognized as simply altered rock, containing only an insignificant percentage of material foreign to the composition of the original granite. Nor is this an abnormal type of vein structure. The rich gold mines of Cripple Creek afford numerous examples of it. Of such is the Independence vein, whose richness is such as to cause its commercial value to obscure its scientific interests. It illustrates very aptly this part of our inquiry because the ore is so very evidently only altered country rock. In 1893, when the workings had not penetrated far from the surface, the car loads of ore sent from this mine to the Denver smelters gave the impression that some one had blundered and either shipped waste from a cross-cut or else switched cars of ballast into the place of loads of ore. One could see that it was the normal Pike's Peak granite, with its big pink feldspar, but it required a trained eye to note that the mica had been largely removed, leaving small iron-stained patches. It was ore by courtesy, because there was enough gold present to give it a certain commercial value, but it was clearly granite, not much altered and but slightly mineralized."

## SACKING IN THE SHAFT.

THE Duluth *Herald* says that some time ago the report became current that at the Ferguson property, near Seine river, the ore was so rich that the owners would not allow outsiders to touch it, but were sacking it up in the shaft. Now the report is current that in their efforts to preserve secrecy the owners of the Ferguson have gone a step further, and now have their precious ore hedged about by a circle of precautions that would protect the United States treasury. The story is that the managers of the mine will allow no one to work at the stamp mill, except the office force, and that no one outside of the men necessary for the operation of the mill is allowed to step within its doors.

The idea is that the ore is so precious that they dare not trust any outsiders with it. Those on the outside who know of the wonderful rich ore which was struck at the Ferguson do not know whether it held out or not. It may not have exceeded 500 pounds, but the fact that these precautions are kept up would indicate that the rich find still holds out.