

of the latter. Results during the two succeeding years (to May, 1905) changed the position so materially that there was at the close of that period a cash surplus of nearly \$33,000 as compared with a deficit of \$21,000 three years earlier. We have, therefore, pleasure in calling attention to this changed position, which is the direct result of a clear realisation of local conditions and requirements, together with management fully competent in other respects. While operations in this instance have not been extensive, their later results have been of such a nature as to in some measure encourage those directly interested to continue to give attention to mining in this province, which is a step in a direction distinctly desirable, especially from a local point of view.

NEW RAILWAYS IN MINING DISTRICTS.

RAILWAY construction which when completed, will benefit several mining divisions in the province, is in progress. In N. E. Kootenay grading has been commenced on a line known as the Kootenay Central, and which is understood to be an enterprise under the control of the Canadian Pacific Railway Co., between which company's main line, at Golden, and its Crow's Nest line at south of Fort Steele it is intended to give direct connection, following the valleys of the upper Columbia and upper Kootenay rivers *en route*. In the mountains bordering these valleys are mineral deposits that, with the provision of suitable transportation facilities, can be profitably worked, notably several silver-lead mines in the Windermere mining division that have during recent years shipped to Kootenay smelters sorted ore in quantity.

In South-east Kootenay a line is being built between the Canadian Pacific Railway Co's Crow's Nest road, at Yakh, and Spokane, Washington. This branch will be in competition with the Great Northern Railway Co's line between Spokane and the coal-fields of the Crow's Nest Pass.

A commencement has been made, on a small scale, to grade a line from Grand Forks, Boundary district, where is situated the Granby Co's big smelter, northwards up the north fork of Kettle river. This work, though, is understood to be but preliminary, pending an application to the provincial legislature for a subsidy. The line is designed to eventually provide an outlet for the ores of Franklin camp, in which occur, on the McKinley, Glouster, and other properties, ore bodies known to be of considerable size and value.

The construction of the road known as the V. V. & E. (Victoria, Vancouver & Eastern), the charter of which has been acquired by the Great Northern Railway Co., is at last being proceeded with in earnest. This is an extension of the Great Northern Co's branch line from Marcus, Washington, on that company's Spokane Falls & Northern railway (between Spokane and the British Columbian towns of Nelson and Rossland, respectively), to Republic, Washington, and Grand Forks, B.C. Grading from Curlew, Washing-

ton, to Midway, B.C., was completed some time ago, and the rails are being laid on this section. Contracts have been let for grading and rock-work between Midway and Oroville, Washington, and thence to Keremeos, B.C. Engineers are making final location of the route from Keremeos up the Similkameen river to Hedley, where the Daly Reduction Co's 40-stamp mill is reducing gold ore from the Nickel Plate mine, on Twenty-mile creek, also owned by the Marcus Daly estate. The Great Northern Co's announced plans include the continuation of this railroad up the Similkameen river to Princeton, in the neighbourhood of which town are seams of coal of commercial value, and, on Copper mountain, bornite and other copper ores of much promise. One group of mineral claims on this mountain is under bond to the British Columbia Copper Co., of New York, which, after having established a profitable copper mining and smelting enterprise at Greenwood, Boundary district, is seeking to extend its operations to the Similkameen country.

From the northward the Canadian Pacific Railway Co. is building a branch from its main line at Spence's Bridge to Nicola, in which extensive district are coal measures and occurrences of copper and other metaliferous minerals, in addition to a comparatively large area of agricultural and pastoral lands. An extension of this branch southwards to Princeton and Hedley, and, later, connection with the company's Columbia & Western system in the Boundary, are understood to be included in its plans for securing its share of the big traffic it is believed will develop in the Similkameen as transportation facilities shall be provided.

Still another mining section in which a beginning has been made towards railway building, is that part of the Boundary district through which the west fork of Kettle river flows. The absence of transportation — of even a good wagon road until recently — has prevented in this locality development adequate to demonstrate on a fairly large scale the production capabilities of the west fork mining camps. In 1901 one mine, the Carni, shipped 885 tons of silver-gold ore, half the distance over a snow-road, 50 miles to Midway, whence it was taken by rail to the British Columbia Copper Co's smelter at Greenwood. Returns from this ore gave an average value of between \$40 and \$50 per ton, but the cost of hauling to the railway was so high that the mine was closed down until transportation conditions should be less unfavourable. Last year a small stamp mill and a concentrating table were put in and experimental work was done for guidance as to future operations. Other properties in this neighbourhood that have shipped sorted high-grade ore are the Sally, Rambler and Butcher Boy. Prospecting work has indicated the occurrence of shoots of ore of payable grade on other mineral claims in this district, which will probably prove a good mining camp when means for shipping ore at moderate cost shall have been provided. It is stated that the banking firm of Kuhn, Loeb & Co., of New York, are arranging to finance this undertaking, which is known as the Midway-Vernon railway project.