New discoveries of placer gold were reported to have been made, respectively, on the benches of O'Donnell river and on four creeks south of Teslin lake. Much new ground on the former stream was staked in claims and leases, while the gold that Indians showed in Atlin as having been found by them near Teslin lake led a number of white men to proceed to investigate, although it was late in the season when news of the Indians' discovery was made known.

Quartz-mining had little attention except on Taku arm, where further prospecting and development were done on both the *Northern Partnership* (formerly the *Engineer*) and *Ben McChree* groups. A small quantity of very rich quartz was taken from the former.

Skeena and Portland Canal Divisions.

The most important mining developments of the year in the Skeena Division were those of the Granby Consolidated Co. in the vicinity of Granby bay (formerly known as Goose bay), on Observatory inlet. This company's *Hidden Creek* mines, on Alice arm of the inlet, were described in the last Annual Report of this Department. During 1912 much progress was made in the further development of the mines and toward providing the considerable surface equipment requisite for working the property on the extensive scale for which financial provision has been made. Briefly, it is claimed by the company's representatives that underground developments have already proved the occurrence there of between 5,000,000 and 6,000,000 tons of ore having an average copper-content of between 2 and 3 per cent., and that diamond-drilling warrants the belief that as much more ore will be developed later. A liberal appropriation has been made by the directors of the company for continuation of underground work, while the carrying-out of surface works is already well advanced. The latter include dam, pipe-line, power-station, and transmission lines for a hydro-electric power system; copper-smelting works, to have a capacity of 2,000 tons per diem; railway for transportation purposes between mines and smelter and shipping dock; construction of dock and erection of many buildings, and much complementary work. Grading has been done, materials got together, contracts for the supply of machinery and plant entered into and arrangements well advanced for the establishment at Granby bay of an important copper-mining and smelting plant.

The Granby Co. has also been doing development-work on the *Bonanza* group, situated not far from the *Hidden Creek* mines. Several other properties have had work done on them, but, as a rule, operations on the latter were of comparatively small importance.

In the Portland Canal Division, the more prominent features of the year were the shipment of about 1,261 tons of copper-ore from the *Red Cliff* mine, the commencement to drive a 2,000-foot low-level adit to prospect at depth a group of claims on Glacier creek, and the encouraging results of work done in the Bear river-Cascade creek part of the division, where the *Indian Mines*, *Cascade Falls*, and *Red Reef* properties were being developed.

Omineca Mining Division.

Unofficial reports are to the effect that additional development done in 1912 on some of the mineral claims on Nine-mile and Glen mountains has resulted in the respective owners making provision for doing more work, and in one or two instances for power equipment to facilitate underground work. Not having railway connection early in the year, the shipment of ore was not practicable, so that, with the exception of a trial shipment from the *American Boy*, commercial production has not yet been commenced.