

Balance sheet of the Granby Consolidated as of June 30, 1916, compares as follows:—

Assets and Liabilities.

Assets.		
	1916	1915
Mine properties	\$15,123,568	\$14,468,898
Cost mine purchases.....		633,773
Real estate, machinery, equipment, etc.	5,242,748	4,863,084
Shares of other Cos.	575,643	430,518
Materials and supplies	1,041,012	568,465
Materials and ores	2,782,868	1,589,224
Cash	144,448	167,319
Total	\$24,910,288	\$22,721,281
Liabilities.		
Capital stock	\$14,998,520	\$14,998,515
Bonds	3,042,300	3,390,000
Loans		
Accounts payable	280,775	663,625
Liquidator dividends	1,222	1,055
Surplus	6,587,471	3,668,087
Total	\$24,910,288	\$22,721,281

President William H. Nichols of the Granby Consolidated Mining, Smelting & Power Company, Limited, in his remarks to stockholders, said, in part:—

"The output of Anyox was unfavorably affected, both as to volume and costs, by the serious curtailment of water-power, due to an unusual winter. The danger of a possible recurrence of this difficulty will be obviated by the installation of an auxiliary steam power plant, which is nearing completion.

"As affecting the question of costs, allusion might also be made to the high cost of labor and supplies prevailing throughout the year, and it is extremely gratifying to note that in the face of these conditions the cost of blister copper at Anyox for the year was 8.58c as against 10.59c for the previous year, indicating that considerable progress will yet be made in the line of further reduction of costs. The assessment for the purpose of war tax is in process of adjustment, and it appears to be the policy of the Government to avoid making the tax unduly burdensome. We have every reason to be gratified at the present condition and the future prospects of the company."

During the fiscal year there were mined and treated at the several plants 1,897,251 tons of ore, producing 42,198,083 pounds of copper, 487,845 ounces of silver, and 33,848 ounces of gold. Reserves of ore at the various mines amount to 23,156,000 tons of from 1 per cent. to 2½ per cent. copper. This increase in ore reserves bears out the prediction made by Dow, Jones & Company early in July, and is the result of the increased development work started by Granby Consolidated some time ago.

E. P. Earl, chairman of the meeting, stated that the company has enough cash and ore on hand to retire all the outstanding bonds, which at the present time amount to less than \$3,000,000, but that \$1,500,000 of these bonds are not yet callable.

It was also stated that Granby Consolidated shared in the recent order for 448,000,000 pounds of copper placed by the Allies to a considerable extent.

A contract was closed with the Consolidated Mining & Smelting Company recently by A. G. Larson, receiver for the Lucky Jim mine, for the treatment of 600 tons of Lucky Jim zinc concentrates monthly at the electrolytic zinc plant at Trail. It is the first contract for customs ore made by the Consolidated.

The terms are slightly better than those of the last contract under which the Lucky Jim has been shipping zinc concentrates to American smelters, the Lucky Jim concentrate being an exceptionally favorable product from a smelting viewpoint.

It is expected that the M. S. Davys zinc concentrator at Kaslo will be in operation some time this month. The

magnetic separator has been working for some weeks with excellent results in the reduction of iron contents, and it is the concentration section, with flotation process, which is now nearing completion.

When this plant is in full operation, as well as the Rosebery concentrator, where the Lucky Jim ore is now being treated, it is expected that the output will exceed the 600 tons a month for which the contract has been made with the Consolidated Company. The contract is for one year. Four carloads of concentrates have been shipped and tested at the plant. Two others are being loaded.

Just how the concentrates will run is not known, but it is understood that they will not exceed 10 per cent. in iron and that they will run from 43 to 45 per cent. in zinc.

Negotiations for the bonding of the Canadian Pacific group of claims in the Ymir district by John Arbuthnot, of Victoria, and New York associates have virtually been completed by Edward Peters, of Nelson, one of the owners of the claims. Papers will be signed, Mr. Peters expects, this fall. The price is \$75,000.

The Canadian Pacific group is four miles from Ymir and near the Wilcox mine. It is a big low-grade gold proposition, on which surface work has exposed four veins, from four to 30 feet in width, for a distance of about a mile. Assays show values to run from \$1.80 to \$14 in gold, and with silver values up to 10 ounces to the ton.

Among those associated with Mr. Peters in the group are George F. Motion, Dr. L. E. Borden, George H. Colwell, G. G. Peters and Robert Smillie, all of Nelson.

A syndicate of Nelson men has taken up the \$100,000 bond held by W. R. Salisbury, of Salmo, on the Spokane group in the Bayonne country and, with Mr. Salisbury as one of its members, will continue to ship ore from the mine throughout the fall and winter. First payment on the deal, which was a substantial one, was made through a Nelson bank recently.

Shipments which have been made by the Laib brothers, owners of the mine, have given net smelter returns of about \$100 a tons, and the syndicate members anticipate that if they make heavier shipments, with less selective sorting, the returns will easily average \$90 a ton.

Among the members of the syndicate are I. G. Nelson, Dr. W. O. Rose, M.P.P., Mayor J. J. Malone, L. K. Larson, Dr. L. E. Borden, Denis St. Denis, Al. Irwin, A. G. Carpenter, George F. Motion and W. R. Salisbury.

Values are in silver, lead and gold. Packing via the Motherlode mine and the Sheep Creek route will continue until the snow is sufficiently deep for rawhiding over the new four-foot trail which is being built through the Bayonne country out of the \$200,000 special appropriation secured by Hon. Lorne A. Campbell last session. By the middle of this week it is expected 20 men will be employed on the Sheep Creek end of the trail, while another force is working up Cultus Creek from the Kootenay Lake end. Four additional men were sent out to work on the Sheep Creek end recently.

When rawhiding begins, the syndicate expects to maintain shipments at the rate of 300 tons a month. The mine has been reported on for the syndicate by Arthur Lakes, Jr.

The bond is for 34 months, of which about one month has elapsed since it was first secured by Mr. Salisbury.

There are six claims in the Spokane group, which was staked five years ago by the Laib brothers. The claims are located on a steep hillside, which rises up from the creek at an angle of 35 to 40 degrees. The vein cuts the hillside obliquely, or running at an angle of about 45 degrees in the general direction of the creek. As the vein also dips slightly out of the hill, it only takes a short crosscut tunnel to reach it.

The vein is a well-defined and quartz-filled fissure, occurring in granodiorite and striking east and west with a slight dip to the south. It is exposed for several hundred feet by open cuts and stripping, and appears to have been traced for a distance of 2,000 feet. The gangue-filling is quartz and the ore minerals are iron pyrite, galena, a slight amount of chalcopyrite and occasionally free gold.