

BIG DEAL CLOSED UP

Shareholders Ratified Sale of Homestake, Gopher, Lee and Maid.

MEETINGS HELD MONDAY

Advantages of the Transfer to the London Company Explained—Shareholders Get 12 1-5 Cents a Share or Its Equivalent in Stock.

Monday was the day appointed for meetings of the Homestake, Gopher and R. E. Lee companies to consider the proposal to transfer these properties to a London company. The shareholders of the Homestake met in the rooms of the B. C. syndicate, with W. G. Johnson, president of the company, in the chair. It was reported that holders of 800,000 out of the 1,000,000 shares of the company were present in person or by proxy. The president then made the following explanatory statement:

The President's Address.
"Before pointing out the advantages of a London company as compared with a local organization, I will briefly refer to the group of claims, viz: The Homestake, Gopher, R. E. Lee and Maid of Erin. I am assured by men of large experience, both miners from the United States and experts who have seen the great gold fields of Africa and Australia, that our surface showing on the Homestake is one of the chief features of the camp. So strong and well defined is the Homestake lead that it can be easily traced for over a mile through our claims, viz: the Homestake, Gopher, Lee and Maid of Erin."

"Neither the Columbia and Kootenay nor any other of Rossland's best mines had more brilliant surface indications, but mines of pronounced value of very great promise. Over \$50,000 has been expended upon them in machinery and development within the past few months. Over 1,000 feet of tunnel and shaft work has been done, opening up large ore bodies, thus proving that we were not deceived by the surface indications."

"We do not see our way to obtain the necessary capital elsewhere than London, and it is of the first importance for many reasons that we merge this group of three companies into one London corporation. London is not only the largest mining market in the world, but larger by far than all the markets of Europe together. The solid advantages of a London company to the shareholders are always a ready sale in London for shares in a property, even before the dividend paying stage is reached, if such properties are properly managed. We all know the wide difference between these in a local company, good but quite unmarketable, compared with certificates on the London market that can be exchanged for cash at any time, without having to lose time hunting for the buyer."

"With respect to the policy of rolling the three companies in which we are interested into one corporation, the advantages are so obvious and transparent that comment is unnecessary. These properties can be developed together, both more economically and more scientifically than if worked separately, requiring only one office, one staff, and one general manager."

Terms of the Transfer.
After Mr. Johnson had concluded his address the holder of the Homestake company, A. H. MacNeill, read the terms of the agreement made with the representative of the London company. These terms provide for the organization of a London company to be known as the Homestake Consolidated Gold Mines, limited, with a capital of £100,000, or \$800,000, which shall take over the Homestake, Gopher, Maid of Erin and R. E. Lee, all adjoining. These properties were owned by the three companies with an aggregate capitalization of \$4,000,000. Holders of shares in the old companies are to receive new fully paid shares in the new London company, and will get one pound share for every 40 shares of old stock in the old companies. That is, the new company is paying 12 1-5 cents a share or its equivalent for the stock of the old companies. It is further agreed that the new company shall put up \$25,000 for working capital, the money to be used for the further development and putting into paying position all four of the properties included in the sale."

There was very general approval expressed at the terms of the transfer and a motion to confirm was carried unanimously.

R. E. Lee and Gopher.
At 1 o'clock the same afternoon there was a meeting at the same place of the shareholders of the R. E. Lee company. There was represented 1,434,000 shares out of a total of 2,000,000. After similar statements to those made at the Homestake meeting in the forenoon, a motion confirming the sale of the R. E. Lee and Maid of Erin was passed unanimously.

At a meeting of the Gopher shareholders in the evening there occurred a similar proceeding, there being no opposition to the sale.

Means Another Big Producer.
Thus was closed one of the biggest days' work ever done in Rossland. It was a complete confirmation in every detail of the deal made D. M. Linnard, who then went over to London last winter, and must be a source of much gratification to that gentleman. Mr. Linnard cabled to London last night that everything had been closed up satisfactorily and that the crown grants and deeds would be forwarded today.

It is presumed that the new company will be organized at once and will shortly begin extensive work on the four magnificent properties included in the sale. The enterprise, when it gets fully going, will be one of the large ones of the camp.

There are already two fine compressor plants ready to go to work, and with the amount of development work already done and the amount of ore already in sight it should not be long till the Homestake, Gopher, Maid of Erin and R. E. Lee are big producers.

CARIBOO CITY NOTES.

Townsite Company Making Many Improvements—Hotel Under Way.
CARIBOO CITY, July 11.—[Special.]—The townsite people are building a fine bridge over Trout creek at the rear of the town, connecting the government road now being constructed up Cariboo creek with First avenue south. This will greatly improve the traffic facilities from the Columbia river and shorten the present road fully a mile, affording at the same time a much better grade. A large amount of work is being done on the streets and the townsite is being much improved in appearance.

J. E. Mills, general agent for Cariboo City, went up to Lardens last week and made definite arrangements with the Kootenay Lumber company of that place for the immediate opening of a lumber yard here. The first consignment of 60,000 feet will be on the ground on Thursday.

The foundation is now being prepared for a large hotel on the corner of First avenue and Columbia boulevard, the frame work of which will be erected in a few days.

The fine weather that has set in pleases the prospectors, who have been delayed greatly in their work by the late rains.

Deer Park Reorganization.
L. W. and F. A. Mulholland arrived from Spokane Tuesday night, where they have been for a month arranging for the transfer of the Deer Park mine to a new Toronto company. At the shareholders' meeting, as already stated in THE MINER, the transfer was approved and F. A. Mulholland leaves for Toronto in the morning to complete the organization of the new company and effect the transfer. The Messrs. Mulholland expect that the new company will be in a position to resume work on the Deer Park in 30 to 60 days.

NUMEROUS KICKS COMING

Nelson's City Council Still Mad at the Provincial Government.

NELSON, July 12.—[Special.]—The city council is rebelling bitterly against the appointments by the lieutenant governor in council of the police magistrate and police commissioner and the outlook is that the matter will have to be settled in court. At the meeting of the council tonight the members expressed themselves as being in favor of adjourning sine die, were it not for the fact that the water and sewer system must be completed. It was said by one of the members that if the new appointees had any sense of decency they would resign when they saw that their appointment was objectionable to the council.

A communication was received from P. A. Crease, stating that he had qualified as police magistrate and was ready to discharge the duties pertaining to the office. He asked that a suitable room be secured as a court room. This communication aroused the ire of every member present and in the discussion that followed there were no bouquets thrown at the new magistrate or the power that appointed him.

By virtue of his position Mr. Crease is a member of the police and licensing board, and Mayor Houston said that he thought that he and the other commissioner had arrayed themselves against the council. He said that the act required the board to meet in open session four times a year and at these times the licensor licenses may be issued by the licensor under instruction from the board. As the next meeting must be held on September 15, no licensor licenses can be legally issued until then. He said if the council would so instruct him, he would ignore the board and issue the licenses necessary. It would probably result in a law suit and if the city would stand behind him he would enter it. No final action was taken but the matter will probably come up again next Wednesday.

The city council also has another kick to register against the provincial government and that is the location of the provincial jail in the heart of the residential district. When Hon. G. B. Martin arrives here he will be met by a committee composed of the Mayor, Alderman Fletcher and Alderman Hillier, who will endeavor to show the disadvantages of the new site.

There has been a change in the arrival and departure of Nelson & Fort Sheppard trains. They now leave Nelson at 9:10 a. m. instead of 8:10 a. m., arriving in Spokane at 6:40 p. m. They leave Spokane at 8 a. m. and arrive in Nelson at 5:45 p. m.

OLD BOARD REELECTED.

Nelson and Fort Sheppard Company's Annual Meeting.
NELSON, July 14.—[Special.]—The annual meeting of the stockholders and directors of the Nelson & Fort Sheppard railway was held at the Phair hotel tonight and the old board was practically reelected. The officers are they now stand are: D. C. Corbin, president; C. T. Dupont, vice-president; Austin Corbin second, secretary-treasurer; D. J. Roberts, D. C. Corbin, J. H. Adams, E. Roberts, C. T. Dupont, Austin Corbin second.

The gentlemen not present at the meeting were D. C. Corbin and C. T. Dupont. Details and matters of policy were discussed, but the directors now here do not wish to be authority for any public statements. D. C. Corbin will be in Nelson tomorrow.

Police Magistrate Atkinson of New Westminster, died at the hospital yesterday of heart failure. He was 40 years of age.

RECORD OF THE YEAR

West Kootenay's Mineral Exports Easily Exceeded \$5,000,000.

CUSTOM HOUSE FIGURES

Collections Increased From \$69,138 For First Quarter to \$104,762 for One Just Ended—Mineral Exports Rose From \$730,535 to \$1,309,184.

NELSON, July 9.—[Special.]—The Nelson Tribune will say tomorrow:

The returns compiled by George Johnston, collector for the port of Nelson, illustrate as well as any set of figures can the development which has taken place in Southern Kootenay during the past twelve months ending June 30, which comprise the fiscal year for the customs department. During the period the revenue of the port of Nelson has increased from \$188,000 to \$350,078, while the mineral exports have made a relative increase, amounting in the aggregate value to \$4,841,459. These figures, it should be remembered, do not cover the entire mineral exports of the district, as much of the ore went out via Revelstoke and was credited to the port of Westminster through the outport of Revelstoke. In the tables which follow it will be noticed that the value of the exports more than trebles the value of the imports, the former being \$1,566,598, against a purely mineral export trade of \$4,841,459.

Returns for Last Month.

The following are the customs returns for the month ending June 30.

PORT OF NELSON.	Value of Imports.	Duty Collected.
Dutiable goods.....	\$22,563	\$4,697.79
Free goods.....	25,632	
Total.....	\$48,195	\$4,697.79

The mines (2,898 tons of ore)..... \$52,000
Copper matte..... 38,043
Animals and their produce..... 863
Manufactures..... 1,775
The forest..... 489,189
Total..... \$49,697.79

Collections during June were as under:

Rosland.....	\$12,013.86
Nelson.....	7,744.38
Kaslo.....	5,243.22
Waneta.....	1,937.94
Ryker.....	144.57
Total.....	\$34,987.79

For the quarter ending June 30, 1897, the imports were \$443,717, the exports \$1,329,682, and the duty collected amounted to \$104,762.75.

Imports for the Year.

The value of the imports for the fiscal year reach the respectable sum of \$1,566,598, upon which duties amounting to \$349,000.05 were collected; which together with an item of \$1,077.95, brings the total revenue of the port up to \$350,078.00. The following is a statement of the value of the imports and the amount of duty collected in quarters:

Quarter ending	Value.	Duty.
Sep. 30, '96.....	\$36,134.00	\$5,133.49
Dec. 31, '96.....	413,600.00	84,978.29
Mar. 31, '97.....	403,149.00	82,523.52
June 30, '97.....	443,717.00	104,762.75
Other revenues.....		1,077.95
Total.....	\$1,566,598.00	\$350,078.00

Mineral Exports for the Year.

The figures covering the mineral exports for the fiscal year are most encouraging. Were all the mineral exports of southern Kootenay included therein the aggregate would greatly exceed the \$5,000,000 mark. A comparison of the first four quarters of the fiscal year just closed with the corresponding quarters of the previous year can not be conveniently made, but a comparison between the last quarters of the two years will illustrate the development which has taken place. For the last quarter of the fiscal year ending June 30, 1896, the value of the mineral exports was \$467,667; for the corresponding quarter of the year just closed their value was \$1,309,184. It is not saying too much for the district to say that when these figures are compiled for the fiscal year ending June 30, 1898, a corresponding increase will be shown. The following is a classified table of the mineral exports for the year:

QUARTER ENDING SEPTEMBER 30, 1896.	Value.
Gold.....	\$26,215
Copper.....	355,824
Lead.....	97,773
Total.....	\$379,812

QUARTER ENDING DECEMBER 31, 1896.	Value.
Gold.....	\$428,735
Silver.....	324,211
Copper.....	194,521
Lead.....	28,333
Total.....	\$975,800

QUARTER ENDING MARCH 31, 1897.	Value.
Gold.....	\$208,366
Silver.....	1,101,274
Copper.....	189,043
Lead.....	103,693
Total.....	\$1,602,376

QUARTER ENDING JUNE 30, 1897.	Value.
Gold.....	\$704,368
Silver.....	359,211
Copper.....	157,776
Lead.....	78,328
Total.....	\$1,309,184

SUMMARY OF EXPORTS.

Gold exported during year.....	\$2,306,880
Silver exported during year.....	1,797,843
Copper exported during year.....	519,515
Lead exported during year.....	248,421
Grand total for year.....	\$4,841,459

NELSON MINING NOTES.

Recorder Issued 250 Certificates of Work in June.

NELSON, July 9.—[Special.]—During the month of June the mining recorder issued 250 certificates of improvements, an equivalent of \$25,000 in work. For the first eight days in July 76 certificates were issued. All this demonstrates that the great number of claims located during the past year are at least worth staying with. In all between 700 and 800 certificates of improvements have been issued this season and the hills are full of men still engaged in the work. It is a fair conclusion to draw that if the showings were not favorable this amount of work would never have been done. Assays from all points indicate marvelously rich ledges and the alleged truism of miners from other countries that only one claim in a thousand makes a mine, seems to be in imminent danger of being overturned. West Kootenay has been a country of surprises and men who know it all are becoming more conservative in their utterances.

Slocan River Railway.

Engineer Perry, of the C. P. R., came into town tonight and in conversation with THE MINER's representative stated that 900 men are at work on the grade of the Slocan branch railway between Slocan crossing and Slocan lake. They are working at both ends toward the centre and the force is about evenly divided. Twelve miles of wagon road have been built from the crossing inland and in another week Mr. Perry hopes to be able to report substantial progress on the grade. The time for the completion of the grade is set for October 15, and it is expected that trains will be running over the branch by or before December 1. It is understood that the work of extending the present terminal in Nelson will be started in a few days.

The Athabasca mine has now 25 men at work getting out ore and will still further increase the force as soon as conditions will permit. The ore is continually improving in value. Next week two carloads of 20 tons each will be shipped to the Nelson smelter.

YMR TOWNSITE TROUBLE

Residents Petition D. C. Corbin to Suspend Payments on Lots.

Title to Townsite is Disputed and Deeds Are Not Forthcoming—Prisoner John Escapes From Jail.

YMR, July 9.—[Special.]—A meeting of all the property holders in the town was held last night to consider the advisability of making further payments now due on lots, whilst the title to the townsite remains under litigation. Many of the holders of lots upon whose property the second payment is now due have refused to pay over any more money until proper deed could be given them. In consequence of this refusal the town agent has threatened to re-sell the properties over their heads. As buildings have been put up and sundry other improvements made upon the lots in question, it was considered advisable to meet together and take some sort of organized position in the matter. The meeting was well attended and various expedients suggested with a view to compromising with Mr. Corbin. At one time the meeting was in favor of a deed being formed of all the second payments as they become due, which fund should be held by a bank until such time as the title was clear and the town plat recorded. It was mentioned that at the time of the lots being taken the agent stated to several of the purchasers that the plat would be recorded within three weeks, and that a deed would therefore be forthcoming long before the second payment became due. Further discussion resulted in a leaning toward obtaining an injunction restraining Mr. Corbin from reselling the properties in default of second payments. Finally, however, it was resolved to draw up a resolution signed by all the property owners in town, which should be forwarded to Mr. Corbin. The following resolution was therefore drafted:

To D. C. Corbin Esq., president Nelson & Fort Sheppard Railway company:
DEAR SIR: We, the undersigned citizens and property holders of Ymir desire to submit the following resolutions to your earnest consideration:

Resolved, that we, the citizens and property holders of Ymir, bear no ill-will toward the Nelson & Fort Sheppard Railway company, but desire a guarantee of a clear title to lots before any more purchase money be paid;

Resolved, that you instruct your agent not to collect any more money for payments which are now due for lots in Ymir, until such time as the title shall be clear;

Resolved, that you shall render a decision as to what course you will pursue in this matter at the earliest possible date, and send your answer to Mr. Martin, editor of the Quartz Creek Miner.

This resolution was signed by the great majority of property holders in the town and has been forwarded to Mr. Corbin.

Mining and Local Notes.

Work is now to be resumed on the Guttenberg property and a contract has been let for 200 feet of tunnelling. At present the work done consists of one night and 40 feet, further work upon which was delayed in consequence of excess of surface water.

Very good reports are coming in of the Flying Dutchman claim, situated near Hall. Very little work has been done on this claim, but it has a very promising outlook, the last assay going \$175 in gold.

A few days ago Justice Buckworth sentenced a man named John to two months imprisonment for larceny, following his removal to Nelson the following day he was placed in a small shack in town in charge of a special constable. During the night, however, he managed to make good his escape and has not since been heard of.

IS ROSSLAND BETRAYED?

The Canadian Pacific Railway Has Apparently Abandoned the Field to the Columbia and Western Railway.

THE CROW'S NEST CONTRACT EVADED

Vice-President Shaughnessy Says the C. P. R. Will Not Come Into Rossland For Two Years—Under the Present Conditions This Forces the Smelting Business Out of the Province—What Has Minister Blair to Say to This?—Will the C. P. R. Be Permitted to Pocket the Enormous Subsidy For the Crow's Nest Line While Surrendering the Trail Creek District to the American Railways?

We published a statement yesterday morning from Colonel Peyton, manager of the Le Roi mine, to the effect that Vice-President Shaughnessy of the C. P. R. had told Senator Turner of the Le Roi mine and T. G. Blackstock of the War Eagle, that the C. P. R. could not be expected to get into Rossland and offer the mine owners here any facilities for the cheap transportation and smelting of ores before the expiration of two years. Since then we have had this statement confirmed by authority which cannot be questioned, though we were slow to believe anything so utterly inconsistent with the entire logic and equity of the situation.

Either Mr. Shaughnessy has entirely failed to realize the situation as regards Rossland or a deal has been made with the Columbia & Western railway which prevents him taking action. We are entirely convinced that General Manager Whyte and General Superintendent Marpole were, on the occasion of their recent visit to Rossland, unaware of any agreement by which their road was left out of the field. It is therefore plain that if such an agreement exists it is a secret one. That one does exist seems almost certain and in that case we have no hesitation in saying that the people of Canada have been betrayed.

What the Crow's Nest Road Was Subsidized For.

The necessity for a line through the Crow's Nest pass at this time arose primarily from the growth of the mineral industry in West Kootenay and the necessity of supplying cheap fuel to give that industry an opportunity to reach the maximum of productivity. It was universally understood that the section which promised the greatest tonnage was the camp of Rossland, and throughout all the debates in the house of commons the point was reiterated again and again. The suggestion that Rossland must wait two years for the C. P. R. to give it rail facilities was never hinted at until Mr. Shaughnessy so informed Senator Turner and Mr. Blackstock.

What does Mr. Shaughnessy expect the Rossland mine owners to do? Does he expect them to suspend operations and wait two years for his road to get here? What has the government just subsidized the Crow's Nest line for? Was it not to give relief to the mining industry of East and West Kootenay? Two-thirds of all the tonnage of ore in this entire mining region originates at Rossland. This is no mere assertion. Fortunately we have the figures at hand to prove it and we are persuaded nobody is better acquainted with the fact than Mr. Shaughnessy himself.

The Rossland shipments are now running over 2,000 tons a week, or at the rate of over 100,000 tons a year. This is more than double the entire tonnage of all the other camps of both East and West Kootenay combined and we have every reason to believe our tonnage can be increased more than 100 per cent in the next six months.

Is This Carrying Out Mr. Blair's Policy?

Now we appeal to Mr. Blair, minister of railways and canals, and ask if it was not his purpose when he met the people of Rossland last winter to give Rossland the benefit of an arrangement which he would be able to make for a railroad from the Crow's Nest coal fields? Had he ever a thought that a conspiracy would be entered into by which Rossland would be sidetracked and shut out of the advantages which are supposed to come from this road? We are perfectly well aware that it will not be possible to get coal and coke to the Columbia river from the Crow's Nest coal fields for two years, but there are many ways by which the C. P. R. could assist Rossland long before the expiration of that time. The C. P. R. is now building lines to tap other points in West Kootenay. Why then is Rossland ignored?

Rosland Can Not Wait Two Years.

As we understand Mr. Shaughnessy, he proposes to do nothing for us. We repeat that if the C. P. R. is to stay out of this camp for two years it might as well not come at all. Arrangements for the transportation and treatment of our ores on a large scale must be made long before the expiration of that time, and if those arrangements shall include smelting plants at Northport, we hope to hear no more talk of an export duty on ore. What sort of spectacle would the Ottawa government present if on the one hand it permitted this camp to be deprived of the benefits of the C. P. R. connection, and on the other, placed an export duty on ore? The only possible excuse for an export duty on ore would be in case we were pre-empted by the United States. The people of Canada would never have given it one cent of bounty if it had been understood that the camp of Rossland, producing more than one-half in value and more than twice as much tonnage as all the rest of East and West Kootenay combined, were to be left to the tender mercies of the Heinze railway system for Canadian connections.

Present Conditions at Rossland.

The exact situation as regards Rossland at the present moment is as follows: The best available freight and treatment rate on ore is about \$11 per ton. To the Trail smelter this is made up of a transportation charge of \$2 per ton for handling ore thirteen miles and a treatment rate of \$9 per ton. To the nearest American smelters, which are 500 to 800 miles away, the freight rate is about \$6 per ton and the treatment rate a little less.

The Le Roi Company has determined to build a smelter of its own, has ordered the machinery and must commence construction in the next few weeks in order to have it in running order by the time its contract with the Trail smelter expires. A site must therefore be selected at once. Only two railways are in position to take the ore away—the Columbia & Western and Red Mountain—these being the only two roads running into Rossland at present. The first is not considered desirable because it is merely an appendage of Mr. Heinze's smelter. The second runs to Northport, Wash., and offers a rate of 75 cents per ton.

Does Canada Want the Smelting Industry?

So far as Rossland is concerned it does not make one particle of difference whether its ore is smelted at Northport or at some point in British Columbia. What it wants is to get its ore reduced as cheaply as possible. Our citizens believe that with the steps the Dominion government has taken to secure cheap fuel at the earliest possible date, and the enlightened co-operation of the Canadian Pacific Railway, every pound of this ore can be treated as cheaply at some point in this province as at Northport. If, however, the Canadian Pacific Railway Co. declines to make any move in the matter at present, we can assure the people of Canada the smelting industry will be forced to the American side of the line, a result which was certainly not contemplated when the C. P. R. was founded so handsomely to build the Crow's Nest line.