

Ottawa, February 28th, 1939.

Dear Sir,-

I have before me your letter of February 21st on the subject of a dispute between our Department of Indian Affairs and Neskeg Placers Limited (N.P.L.). The facts of the dispute as placed before me are as follows:

Under the Regulations for the Disposal of Minerals on Indian Reserves, authorized by Order in Council No. 2823 of December 30, 1919, a prospector who held a British Columbia miner's license could, on obtaining from the Indian Agent a prospector's permit, enter an Indian Reserve in pursuit of his calling.

Copy sent to Major D. M. MacKay, Vancouver, B. C.

mbk.

Your Province has always asserted its right to issue placer and bench-mining leases covering gold and silver operations on Indian Reserves.

In 1934 Anthony Seis and A. S. F. Rankin obtained a prospector's permit from the local Indian Agent and in April, 1935, these two gentlemen filed with this Department copies of their British Columbia placer leases Nos. 418-419, inclusive.

They at once became entitled under our Regulations to surface leases and liable to the Department of Indian Affairs for surface rents. Under Paragraph "C" of the Special Gold Mining Regulations, passed under the authority of the Order in Council above quoted, the rental, in the first instance, is to be fixed by the Indian Agent.

John F. Walker, Esq.,
Deputy Minister of Mines,
VICTORIA,
British Columbia.

W. K. 41-9

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