

COMPANY NOTES.

AUGUST REPORT OF LE ROI.

Shipped from mine to Northport during the past month, 6,191 tons of ore, containing 2,837 ounces of gold, 3,350 ounces of silver, and 147,000 pounds of copper. The expenditure on development work during the month was \$9,000. Have discovered a good body of ore at the bottom of the mine, 1,650-foot level, south vein; grade of ore varies, but is considerably above the average value of other parts of the mine. According to the above, the gross value of the output was \$77,000, which value means that a profit of about \$15,000 had been made for the month of August.

FINANCIAL STATEMENT OF THE CONSOLIDATED MINING AND SMELTING COMPANY OF CANADA, LIMITED, FOR YEAR ENDING JUNE, 30TH, 1908.

LIABILITIES.

(Continued from last issue.)

FINANCIAL STATEMENT.

After writing off \$132,843.20 depreciation upon plant and equipment (as compared to \$91,705.50 depreciation marked off during the previous year), \$27,127.55 on account of depreciation of stores and doubtful accounts, and charging to profit and loss account \$564,226.06 expended upon development, the operating profit shown is \$43,415.93. Having provided for the above, and the payment of dividend No. 7, amounting to \$66,940.00, the balance at the credit of Profit and Loss Account is \$32,061.93.

As mentioned in the Annual Report of the previous year, due to circumstances beyond the control of the Company, the stock of ores and metals on hand June 30th, 1907, was very large. Before it was possible to market these metals, their values commenced declining rapidly. The fall in prices during the year is shown by the following quotations:—

	London. Lead.	New York. Silver.	New York. Copper.
June 30th, 1907.....	£20 0 0	67¼ Cents	22½ Cents
June 30th, 1908.....	12 5 0	53½ Cents	12½ Cents
Difference	£7 15 0	13½ Cents	9½ Cents

Had it been possible to market the metals on hand June 30th, 1907, at quotations of that date, and to market the metals contained in the ores received during the year at the same quotations as those allowed the mines, then the Consolidated Company's profits would have been increased by over \$430,000.

During the year additions to the various plants have amounted to \$315,562.22, and the cost of new properties and their development to \$621,894.73, or a total of \$937,456.95. This amount has been provided by the payment of \$416,056.95 cash from working capital. The balance of \$521,400 is represented by capital stock issued in payment for new properties.

The Snowshoe overdraft guaranteed by the Consolidated Company has been reduced from \$46,196.07 to \$29,707.92.

The advance to the Canadian Metal Company of \$125,000 (secured by a first mortgage upon the Bluebell Mine and Concentrator, and Frank Zinc Smelter), will be repaid October 31st, 1908. A portion of the above advance was used in the construction of a concentrator at the Bluebell Mine, which is now in operation. The product is being regularly shipped to Trail for treatment.

DEVELOPMENT.

There are 19 miles of underground development or narrow work in the Centre Star Group, 12½ miles in the St. Eugene, and 3,300 feet in the Richmond Eureka. The Consolidated Company

has done 1,366 feet of narrow work and 1,348 feet of diamond drilling on the Snowshoe Mine. The Phoenix Amalgamated has a total of 800 feet of narrow work, a number of open cuts, and 1,749 feet of diamond drilling.

Following is the development or narrow work (given in feet) which has been driven during the year:—

	Cross				Total.	Diamond Drilling.
	Drifting.	Cutting.	Raising.	Sinking.		
Centre Star and						
Idaho	7,218.0	3,152.0	481.5	518.5	11,370	10,032.9
War Eagle and						
Iron Mask....	2,568.5	661.0	418.5	100.5	3,748.5	4,160.1
St. Eugene	7,934	1,843	2,596	266	12,639	4,569
Richmond Eureka	1,125	266.0	313	0	1,704	0
Snowshoe	358	205.5	351.5	0	915	1,126
Phoenix						
Amalgamated .	0	246	75.0	30	351	1,749

The ore reserves in the Centre Star Group, Rossland, have been increased. Shipments from these properties for the year have been 175,799 tons, containing a gross assay-value of \$1,915,953.79 as compared to 81,788 tons containing a gross assay-value of \$893,249 during the previous year.

The lower workings of the War Eagle and Iron Mask Mines have been producing high-grade ore during the year. For example, during the month of June, 2,133 tons were shipped, containing a total gross value of \$50,700, or nearly \$24.00 per ton. The occurrence and development of this higher grade product in depth are encouraging features of the year's operations.

The 12th level Centre Star has yielded a large tonnage. The 13th and 14th levels have only, as yet, added slightly to the ore reserves, but prospecting is still incomplete upon these levels.

The Centre Star Shaft is now 20 feet below the 16th level, which makes a total vertical depth below the collar of the shaft of 2,050 feet, and measured along the slope 2,183 feet. Within another month sinking will be stopped and the prospecting and developing of the 15 and 16 foot levels commenced.

Large bodies of heavy sulphide ore have been found in the Idaho, but the gold contents have been disappointing.

The probable ore reserves of the St. Eugene Group, Moyie, are nearly 50 per cent. greater than a year ago. Ore 50 per cent. better in grade than last year's average has been found between the 1,900 foot and 2,000 foot levels. Between the 1,700 foot and 1,800 foot levels a new avenue, called No. 2½, has been located, and this avenue has also been found and partly developed upon the 1,900 foot level. Another new avenue (which will be designated as Fifth Avenue) located approximately 120 feet farther in the hill than Fourth Avenue, is being developed on the 1,900 foot and 2,000 foot levels.

In the report of last year it was mentioned that the 2,000 foot level did not promise to yield as much tonnage as the 1,900 foot level, but present indications are that the 2,000 foot level will produce more than the 1,900 foot level, or any other level in the mine. The grade of the ore is, however, lower than that produced from the upper workings. Some bodies of low-grade material have been found on the 2,100 foot level, and a raise from this level shows ore of workable grade. Prospecting upon this level is still incomplete. Drifting and cross-cutting upon the 2,200 foot level are progressing, and one or two low-grade ore bodies have been found. It will require six months or a year to determine the amount of ore upon this level.

The main St. Eugene shaft is 24 feet below the 2,400 foot level or 749 feet vertically below the collar of the shaft.

The Richmond Eureka, at Sandon, is developing very satisfactorily. An aerial tramway was completed last January, and regular monthly shipments of 250 tons of ore are being made,