MINING NEWS.

The Exchange News

MONTREAL, NOVEMBER 19, 1898.

Mr. C. F. Clough, who for 15 years past has been a resident of Spokane, Washington, and for several years past prominently connected with mining in the state and in the Kootenay districts of British Columbia, is now in this city, it being his first visit to Eastern Canada.

Being asked for an expression of opinion on mining in that section, he gave our reporter the following interesting items:

"I consider that mining in British Columbia is yet in its infancy, that developments within the next few years will produce results that will astonish the most sanguine operators in that country, and give it a world wide reputation. Prospectors from Spokane and adjacent mining camps were the first to demonstrate that valuable ore deposits were in the mountains of West Kootenay, when in the early 90's they discovered the rich Slocan and Ainsworth districts. In these localities galena ores of very high grade were found, and for 2 or 3 years, owing to the then much higher price of silver than has since obtained, it was possible to mine and ship their ore at a profit, even though it then, on account of lack of transportation facilities, cost $80 or more per ton to market and treat their ores. Owing to the great shrinkage thereafter in the price of silver and the excessive import tax placed upon lead by the U. S. Government it retarded development on many very promising silver-lead producing properties. Still by reason of more recent improvement in transportation facilities and reduced cost of treatment, there have been several properties, such as the Payne, Rico, Slocan Star, Ruth, Last Chance, Whitewater and others which combined have produced millions of dollars in dividends to their shareholders, and, if, through the efforts of the committees from Canada and the United States now sitting, a reciprocity treaty should be affected and the present tax of $30 per ton on lead ores be removed, or greatly reduced, there would be renewed activity and undoubtedly great results in that section.

Owing to the obstacles above enumerated the attention of mining men was attracted to the now Rossland District, and the history of the Le Roi, War Eagle, Centre Star, Iron Mask and many more of its valuable properties are well known. Those are the ones most prominently before the public because of the more advanced state of development and the dividends that they have produced. There are, however, many other very promising properties now in a semi-developed state, several of which are now being systematically developed by their new owners, who, being backed by ample capital, have thereby a great advantage over the prospector or original owner with his very limited means.

Continuing West from Rossland the great ore deposits of gold and copper in the Grand Forks and Boundary Creek camps which for years past have been known to exist, are now being more actively developed and attracting greater attenion because of the likelihood of improved transportation facilities on the completion of the C. P. R. extensions now being made. Among the most prominent mines of that section are the Old Ironsides and the Knob Hill, which I believe are largely owned and controlled by Montreal people.

Continuing Westerly the Camp McKinney is the next reached. This is the home of the famous "Cariboo" mine, which has been a dividend payer for years. This camp is likely to attract wider attention in future, because much new life has been added to mining in that section.

The several mining sections above mentioned are near the International Boundary Line and to the South of the line in the State of Washington is a vast area, rich in mineral, the development of which has, like the British Columbia Camps, been retarded from lack of proper railroad facilities and the furthes fact that until within the past two or three years much of the territory was held by the Government as an Indian reservation.

Their most prominent camp at this time is the Republic, named after its first dividend paying mine, the shares of which a little more than a year ago were selling at 10 cents are now quoted at $4.50 to $5.00 per share, and the company has in that time paid off its indebtedness of about $120,000 for machinery, etc., besides paying its shareholders $90,000 in dividends.

There are also other properties in that camp which are now being equipped with necessary machinery, having been developed sufficiently to show large bodies of paying ore.

The South-eastern portion of British Columbia and the Northern portion of Washington and Idaho, embracing say 150 to 200 square miles, with its rich deposits of gold, silver, copper, lead and gold will continue to attract the attention of capital and beyond doubt will develop into the greatest mining district in the world.

The transactions in stock have been very few during the past week both here and in Toronto, and there will probably be very little business done until development in various active properties is further along and the promised resumption of work upon idle properties is commenced.

There is a report of a strike of considerable importance in the Novelty, the particulars of which have not, however, been received.

It is also stated that the tunnel of the Giant is nearly all in shipping ore.

The public knows as little about the Le Roi deal as ever. We quote from the Spokesman-Review of the 13th inst:—

"The Le Roi deal is off again. Negotiations in progress here for the past three days have come to nothing, and the principal parties to the deal express no hope of its early consummation. Neither side of the controversy will talk frankly about the matter, further than to say everything is off and there is no prospect of any early resumption of bargaining for the purchase of the holdings of the Turner crowd. It is asserted that the minority crowd in the Le Roi Company set the price up to $8.50 per share, a figure which the British American Corporation thought unreasonable, and that no amount of dickering would bring the stubborn shareholders down. This is only rumor, however, and could not be confirmed. Another report was to the effect that the B. A. C. offered part cash and wanted an extension of time on the balance, much the same as was granted on the purchase of the majority of the stock, and that the Le Roi people would not grant any terms but cash. This, again, is only a report and is denied by all parties to the transaction. But, whatever the reason, there is a hitch in the deal and negotiations

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WAR EAGLE.

At the second annual meeting of the War Eagle Consolidated Mining & Developing Company, held in Toronto on the 15th instant, the old Board of Directors was re-elected, which is constituted as follows:—G. Gooderham, President; D. G. Blackstock, Vice-President; Hon. G. A. Cox, W. H. Beatty, W. H. Gooderham and A. E. Gooderham.

The President in presenting his report to the stockholders referred to the policy of the company adopted last year to stop the shipment of ore and devote all the attention possible to the development of the property until such time as satisfactory transportation and smelting rates could be secured. This action on the part of the Directors has been amply justified and the reduction of freight and treatment from $11 to $7.50 with a rebate of 50 cents per ton provided the mine would be able to produce and ship 175 tons per day for 6 consecutive months, which it has so far been able to do notwithstanding the limited capacity of the machinery. The delay in installing the new plant was caused partly by the manufacturers not getting it ready in time owing to the fact that it is the first time a Canadian factory has turned out a plant of this size and partly on account of the bad roads from Rossland to the mine. Active and extensive development work is being prosecuted and very satisfactory and gratifying results obtained.

Since the last meeting the capital stock has been increased from $1,650,000 to $1,750,000, the additional 100,000 shares having been sold for $270,000 cash, this money has enabled the directors to wipe out all outstanding indebtedness, including the cost of the new plant, leaving the company clear with the surplus earnings of over $135,000.00 on hand.

Mr. Gooderham closed his address by an expression on behalf of the Board of their appreciation of the judgment and energy which their manager, Mr. John Hastings, M.E., has displayed in placing the property in its present splendid condition. He also complimented Mr. John Fitzwilliams and Mr. Charles V. Jenkins, for able assistance rendered Mr. Hastings, and Mr. E. J. Kingstone for the efficient manner in which he has discharged his duties at the head office.

The financial statement shows the following liabilities:—Capital stock, paid up, $1,750,000; Dividend No. 5, payable November 15, 1898, $26,250.00; Profit and Loss, $85,747.23, making a total of $1,861,997.23. The Profit and Loss account shows indebtedness to a balance carried over from last year of $40,779.61. The cost of developing various properties, general expenses, interest and exchange and Directors' compensation, $252,053.99; Crown Point Mining Company assumed $20,013.14; dividends No. 1 to 5, $125,250; unappropriated profits, $85,747.23; making a total of $523,843.97. By net proceeds of ore sales, $353,269.52; by transfer fees, $574.45; by premium from sale of 100,000 shares of the Capital stock, $170,000, making a total of $523,843.97.

Mr. Hastings: report shows development work as follows:—Tunnelling, 8,304 feet; raising, 851 feet; sinking, 665 feet; total, 9,820 feet. The total smelter's gross values of ore shipped during the year was $570.744.23.

The average market value of the ore per ton is:—Gold, $18.90; silver, $1.15½; copper, $3.46½; total, $23.52. Of the large bodies of ore now ready for extraction the aggregate will run lower in value than the past product. Mr. Hastings estimates 100,000 tons of the gross smelter's value at $1,117,000.

The meeting of the War Eagle stockholders on the 15th was largely attended. A great many of the stockholders went there with the expectation of hearing at least a promise of increased dividends, but were disappointed as no mention of this was made. It is not likely there will be any change in the present dividend until the new plant is installed and in fair working order, which under present indications does not seem possible until the early part of next year. This has had the effect of causing the stock to decline to the neighborhood of 2.90, but it has since recovered and is now $2.92½.

CORN, OATS, ETC.

The Bartlett-Frazier Co. writes:

So much has been said of late concerning corn, and so much uncertainty seems to exist as to the crop of 1898, the extent of the reserves of old corn still in farmers hands, and the amount of damage done to the new crop by the wet weather of this fall, that we have thought it best to place before our friends our opinion of the situation, as well as to predict what the probable result be in prices, during the coming winter and spring.

Our business operations being in close contact with the producers and handlers of corn, we are therefore placed in a situation which justifies us in placing our opinion before you.

Indiana, Illinois, Iowa, Ohio, Neb., Kas. and Missouri are known as the surplus corn states. The latter state does not properly belong in that category, as she feeds a large proportion of her corn within her own borders, and therefore ships little out of a crop of, say, 1900 million bushels. The states south of the Ohio River are about six hundred million bushels. For various reasons, little or none o this Southern corn reaches primary points for shipment.

Galveston takes a little of it for export, but not enough to cut any figure. This leaves the first six named states to supply whatever demand there may be outside of their own borders. Hence the name, "Surplus Corn States." As a matter of fact, Kas. and Neb., Ills. and Iowa, are the reshippers of corn, and any serious damage to the crops, or any unusual reduction of their reserves, is bound to have its effect upon the price of corn the world over. All these four states, however, feed a large amount of cattle and hogs, and must raise a certain amount for their own needs, before the farmers have any to spare for shipment. Both from Government sources and private information, it is admitted by nearly everyone that the states of Kas. and Neb. will not raise as much corn as last year by from fifty to one hundred millions for each state. Both these states are large feeders of cattle, and corn now, in certain portions of each state, is selling at a price to feeders that will not admit of its being shipped to market points. There is considerable old corn held in Iowa, Neb. and Kas., yet in the crib, owned by cribbers, who have carried it for two and three years, and who do not feel disposed to part with it, until they can get, what they call, a fair profit on their investment. The present price is no temptation, as is well known. We have had several weeks of very wet weather during the present fall. This has made the new corn very damp and unfit to handle, almost too damp, even, to put in the cribs to hold. We do not believe that this new corn will be in condition to handle for export short of January or February, and the demand, therefore, must be filled out of the old corn crop reserves. The visible supply, at the present moment, is about 23 million bushels. Of this amount, we feel that certain percentage of it has already been placed, and therefore should have no weight on the market. The stock of corn in European ports is very light. That at Liverpool, at the last report received in this market, only showed a stock of 400,000. The market price there, and other points, show that cash corn