

## AINSWORTH.

A shoot of rich silver-lead ore has been encountered in No. 2 tunnel of the Bismark mine, on the South Fork of Kaslo Creek, Ainsworth Mining Division. Assays have given 250 ozs. silver and 70 per cent. lead, and it is estimated that there is \$17,000 worth of ore already exposed. The lower tunnel is to be extended with the object of tapping the same shoot of ore at a greater depth.

Two new veins have been discovered on the Vera group, also on the South Fork of Kaslo Creek. The width of one is given at 20 feet and of the other 18 feet. They are thought to be extensions of leads that have for some time been worked on the Cork and Province, two shipping properties across the creek.

## NELSON.

Mr. C. A. Ulrich, a recent arrival, who is stated to have had a long mining experience in Australia and New Zealand, has arranged for the purchase of the Great Hope and Alma mineral claims, situate on Crawford Creek, near Nelson. The ore on this property is galena, carrying 40 ozs. silver per ton and 70 per cent. lead. An aerial ropeway from the mine to the wagon road is to be put in to facilitate shipment of ore to the smelter.

The Mollie Gibson mine is now in steady operation. Mr. C. E. Trethewey having recently been appointed superintendent. An additional 500 feet of tramway has been installed and other preparations made for the early commencement of shipments.

Exploration work has been commenced at the Crawford Bay iron mines, with the driving of a tunnel which is designed to encounter the ore at a depth of 1,000 feet.

## YMIK.

Advices from Ymik, in the Nelson district of West Kootenay, state that ore milled in local mills and shipped from Ymik mines to the smelters now exceeds in quantity 10,000 tons per month. This shows a considerable improvement in the production. With the exception of the Ymik Company's gold mine, which now produces less than half of the total tonnage, the mines in the district are in their infancy.

The new strike of ore lately made in No. 3 tunnel of the Wilcox mine has been proved continuous for more than 150 feet. Raises are now being made and the ore is found to vary from two feet to three feet six inches in width. The depth from the surface is about 200 feet.

The Erie Placer Mining Company is preparing to start active operations on its placer ground on the North Fork of Salmon River. The gravel carries good value and the gold is coarse and easily recovered.

## ROSSLAND.

It has been announced that the Government of British Columbia has commenced legal proceedings against the Le Roi Mining Company to recover the sum of \$19,637.23 claimed to be due and unpaid on account of the two per cent. mineral tax payable to the Government on ore produced. It is claimed that the company's quarterly returns to the Government, on which the two per cent. tax is usually collected, do not agree with the returns given in the company's annual reports, in which appear certain amounts as the value of the ore and certain other amounts as the cost of freight and treatment. The contention on behalf of the Government is that the tax should be paid on amount corresponding to the difference between such admitted total value and the acknowledged actual cost of freighting and treating the ore. On the other hand the company claims that the Northport smelter, at which the ore is treated, is owned by a separate organisation to the Le Roi Company and that consequently the deduction for the cost of smelting the ore, which the Act allows, should be the ordinary rate charged by the smelter for treating custom ores and not simply the bare cost of treating them. The amount alleged to be due is for the fiscal years ended June 30, 1902 and June 30 1903, for which periods the Le Roi Company paid to the Government on Mineral Tax account the sum of \$17,021.85 while the Government claims that it should have paid \$57,259.02. The difference between these two amounts is what is being sued for. There having recent-

ly been a change in the personnel of the management of the company, an adjournment to October 15 has been granted, in order to give the new management ample time to become familiar with the position. The question of whether a company owning its own smelter may deduct as cost of smelting the rates it charges for custom ores or whether it may only deduct actual cost of smelting is an important one. Government officials have long claimed that some such companies have not been paying as much as the Government is entitled to receive from them. It is noteworthy that the general manager of the Centre Star and War Eagle Companies, of Rossland, which, by the way, do not own their own smelter, although a most persistent and outspoken opponent of the two per cent. Mineral Tax, has all along been most punctilious in paying the Government the full amount it was entitled to under the Act.

Ore crushing was commenced at the White Bear mill on August 31. Crushers, thirty-stamp Wilsley tables, etc., have been installed, but the Elmore oil plant is not yet complete, delivery of some of the machinery having been delayed. Until this shall arrive and be placed in position water concentration only will be practicable. The mill will have a present capacity of 75 to 100 tons per diem, but considerable enlargement is contemplated conditionally upon results with the initial installation warranting the carrying out of the additions in prospect.

The Le Roi No. 2 Company has bonded four claims on Red Mountain known as the Evening-Eureka group. The development of which has already commenced.

The Rossland Miner states that construction will start immediately on an addition to the Velvet-Portland concentrator to double the crushing capacity of the mill. This is understood to have been the instructions received by cable from London yesterday, and work is to start forthwith.

When the present plant was constructed at the Velvet-Portland sufficient ground was blasted to permit of the addition, so that if the increase was adopted later the present building would not be injured by the blasting necessary for foundations. The company is, therefore, in a position to proceed immediately with the work. As all the machinery, or practically all, is carried in stock by the manufacturers, it is expected that little difficulty will be experienced in getting the increased plant into operation within six weeks or two months.

The concentration operations at the Velvet-Portland are described as most satisfactory, a large saving having been achieved by straight water concentration. The company is now reported to have concentrates to the value of \$10,000 stored at the mill. This may be shipped as soon as snow flies, rendering transport cheaper.

## BOUNDARY DISTRICT.

An ore train was wrecked on the Phoenix branch of the Columbia & C. P. R. Co.'s Western Railway last month. A Shay engine with 25 cars of ore from the Granby mines and consigned to that company's smelter, left the track, owing to the air-brakes not acting when going down a long steep grade. The engine was badly damaged and nearly all the heavy bottom-dump cars were totally destroyed. Between 700 and 800 tons of ore were scattered about the wreck. The loss is stated at between \$40,000 and \$50,000. None of the train crew was seriously hurt, for when they found that neither air or hand brakes would hold the train they jumped off before the speed of the runaway got too great to allow of their doing so with a chance of saving their lives.

At the annual meeting of the Denoro Mines, Ltd., the President stated that 28,000 tons had been shipped during the year and besides liquidating a liability of \$20,000 the company had purchased a seven drill compressor and other plant, done much development work and had a substantial cash balance in hand.

A number of important transactions have recently taken place in this district. These include the bonding of the Lancashire Lass in Summit camp and the Sudbury in Deadwood camp by the Montreal & Boston Company; the bonding of